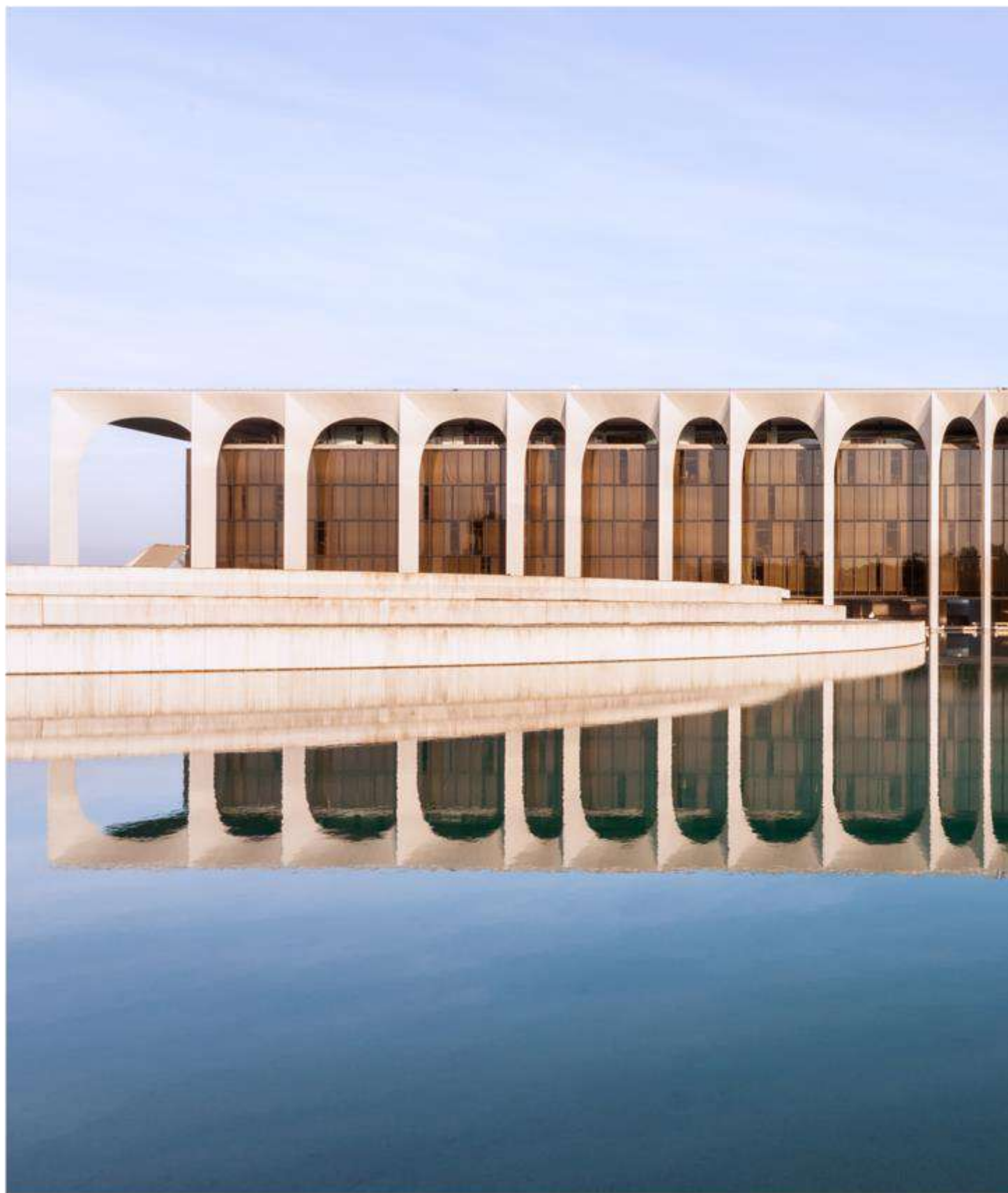




**2024
ANNUAL
REPORT**





ARNOLDO MONDADORI EDITORE S.p.A.

Share Capital Euro 67,979,168.40

Registered Office in Milan

Administrative Offices in Segrate (Milan)

**2024 ANNUAL
FINANCIAL
REPORT**

**Consolidated Financial
Statements of the Mondadori
Group and Financial Statements
of Arnoldo Mondadori Editore
S.p.A.
as at 31 December 2024**

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LETTER TO STAKEHOLDERS

In 2024, the Mondadori Group took a further step forward in the development of its core businesses with targeted initiatives in books and digital.

In particular, the strengthening of our position in book publishing continued through the completion of two key transactions: the acquisition of 51% of Star Shop Distribuzione, which made it possible to replicate the vertical integration plan already implemented in the comics segment, and 100% of Chelsea Green Publishing, a publishing house active in the US and UK trade market.

The entry of these new companies allowed the Group to expand its presence in high-potential segments, underlining once again the centrality of the book product, from which it derives 85% of its revenues and around 90% of its overall margins.

The investments made contributed specifically to the performance of the Trade Books area, which recorded an increase in revenues, offsetting the slight contraction in the market, which was also affected by the reduction in public funds to support the sector.

The high quality of the publishers' catalogue has also enabled the Group to consolidate its leadership in the national panorama of trade publishing and to win, among others, the Strega Prize.

The Group's publishing houses also confirmed their position as a point of reference in the School Textbook market, thanks to the richness of their publishing offerings; despite a context that felt the effects of the demographic downturn and the growth of the second-hand book sector, the Education area confirmed its profitability and cash generation characteristics.

The performance of the Retail area was very positive: a strategic asset, capable of conveying the Group's book offerings to the general public and providing important socio-cultural and reading promotion outlets throughout the territory. The process of space and format optimisation, and the widespread territorial development that has involved the Group's network of physical outlets in recent years, have fostered an organic growth in revenues, the achievement of profitability targets and an increase in market share.

In the Media area, the Group's commitment to digital transformation has led to a further expansion of on-line activities, which now represent an increasingly significant component of the area, proving the validity of the business repositioning strategy. During the year, a new phase of development in the digital segment was also initiated, thanks to the finalisation of the acquisition of 51% of the brand Fatto in casa da Benedetta.

At the same time, PLAI, the Mondadori Group's start-up accelerator created to transform ideas and projects based on generative artificial intelligence into entrepreneurial realities, was launched in 2024. This initiative is part of a broader vision, aimed at investing in digital innovation and Artificial Intelligence tools, in order to strengthen core businesses in an increasingly competitive environment and to act as a technological antenna, which the Group will be able to use to interpret the changes that artificial intelligence may bring about in its reference sectors.

Another line of development concerns the adoption of ESG criteria in the industrial and financial strategies of businesses, with the aim of generating lasting value for all our stakeholders,

promoting responsible social, environmental and governance developments.

In consolidated terms, thanks to the full integration of all the entities acquired in recent years and the achievement of excellent operating levels, in 2024, the Group therefore continued its path of growth and development, while at the same time reaffirming its ability to guarantee solid profitability and constant cash generation.

These results made it possible to confirm all the economic-financial targets envisaged and to continue the shareholder remuneration policy, through the distribution of dividends totalling more than € 31 million, up 9% from the previous year.

With a clear strategy and strong determination, we are therefore facing up to the challenges of 2025 and the years to come, with the aim of continuing to consolidate the Group's leadership and contribute to the dissemination of culture in the country, while maintaining a constant focus on the needs and interests of all our stakeholders.

Marina Berlusconi
Chairman of the Mondadori Group

Antonio Porro
CEO of the Mondadori Group

COMPOSITION OF CORPORATE BODIES

CORPORATE OFFICES AND SUPERVISORY BODIES

Board of Directors*

CHAIRMAN

Marina Berlusconi

CEO

Antonio Porro

DIRECTORS

Pier Silvio Berlusconi

Elena Biffi**

Pietro Bracco**

Francesco Currò

Alessandro Franzosi

Paola Elisabetta Galbiati**

Daniilo Pellegrino

Riccardo Perotta**

Cristina Rossello

Marina Rubini**

Board of Statutory Auditors*

CHAIRMAN

Sara Fornasiero

STANDING AUDITORS

Francesca Meneghel

Emilio Gatto***

ALTERNATE AUDITORS

Mario Civetta

Annalisa Firmani

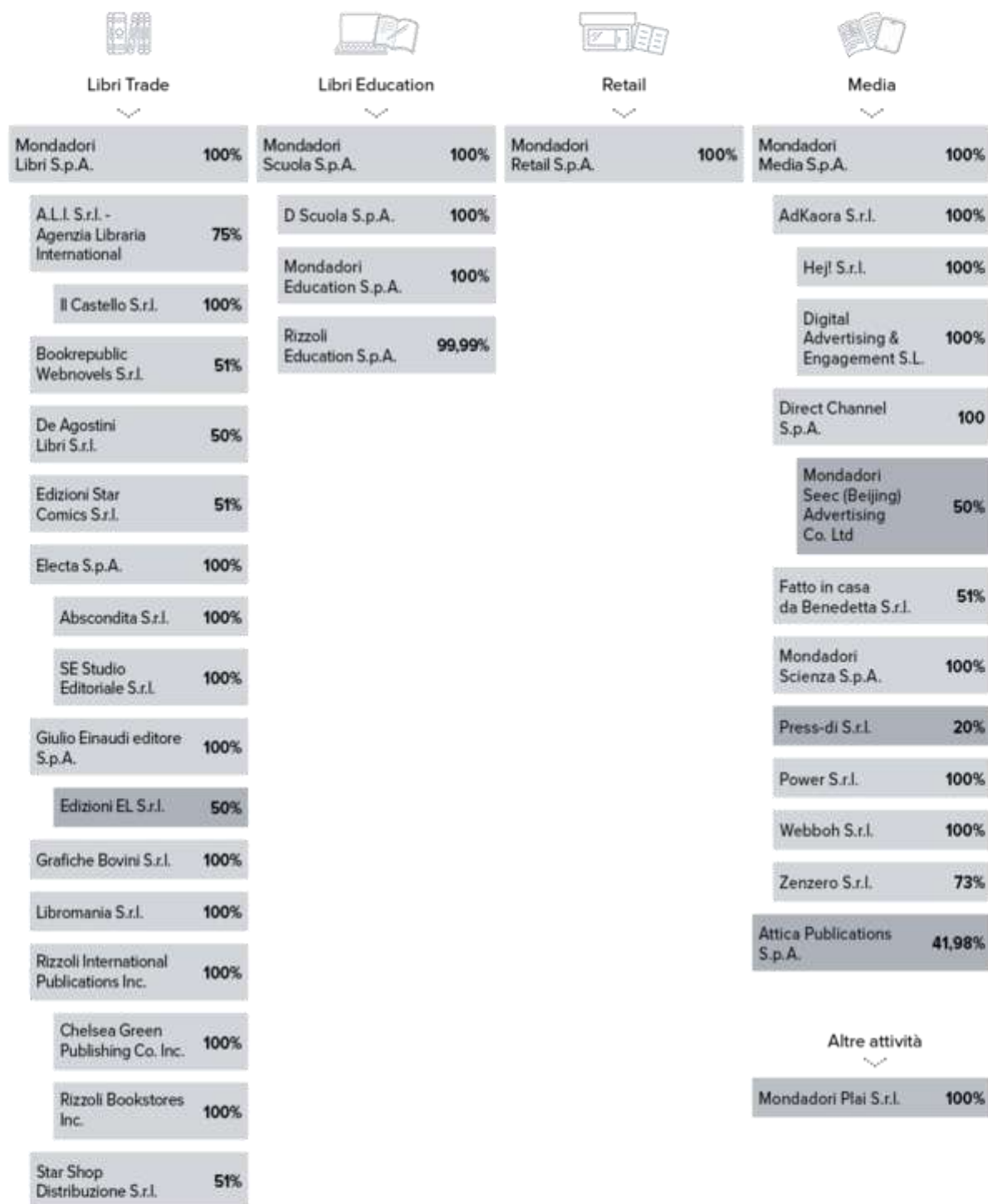
* The Board of Directors and the Board of Statutory Auditors currently in office were appointed by the Shareholders' Meeting of 24 April 2024

*** Independent Director

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

STRUTTURA DEL GRUPPO MONDADORI

ARNOLDO MONDADORI EDITORE S.P.A.



Legenda:

Società controllate

Società collegate

Situazione aggiornata al 31 dicembre 2024

STRUTTURA ORGANIZZATIVA DEL GRUPPO MONDADORI



Situazione aggiornata alla data del 31 dicembre 2024

* Membri del Consiglio di Amministrazione

OVERVIEW OF GROUP ACTIVITIES

Mondadori is the **top Italian publisher**, leading the market of **Trade books** and **school** textbooks market, where it operates through the Country's most prestigious publishing houses and publishing trademarks, and **one of the major players in the retail segment**, thanks to a widespread network of bookstores across the Country.

The Group is also the **leading multimedia publisher, with a strong presence in the digital and social media segments**, as well as a in the print magazine segment.

In 2024, the Group also launched a new initiative, **PLAI**, the first accelerator for start-ups working in the field of generative artificial intelligence.

Trade Books

Mondadori Libri S.p.A. is the Group company in charge of the Book area of the Trade segment, in which the Group is the market leader with a share of 27.5% in 2024 and which includes:

- editorial activities relating to the publication – both in paper and digital formats (e-books and audio-books) – of the fiction, non-fiction, children's and miscellaneous works by the publishing houses, with which the Group holds a leadership position at national level, through the trademarks and publishing houses Sperling & Kupfer, Frassinelli, Rizzoli, BUR, Fabbri Editori, Rizzoli Lizard, Silvio Berlusconi Editore, SE and Mondadori Electa. From 2022, these were joined by De Agostini Libri and Star Comics, Italy's leading comic books publisher, specialised in the publication on the domestic market of the major international productions including, in particular, Japanese manga;
- A.L.I – Agenzia Libreria International, operating in the distribution of books for third-party publishers, with a customer portfolio of more than 80 publishing houses, in which the Group has held a 100% stake since January 2025, functional to the vertical integration project along the book value chain;
- art publishing where the Group operates under the Electa and Abscondita brands. The segment's activities include publishing of works on art, architecture, exhibition catalogues, museum guides and sponsor books in art publishing, as well as the management of museum concessions and the organization of exhibitions and cultural events;
- the publishing house Rizzoli International Publications, which operates on the US market with the Rizzoli, Rizzoli New York, Rizzoli Electa and Universe brands and with the Rizzoli Bookstore located in New York, and from 2024 with the publishing house Chelsea Green Publishing Company.

Retail

Through its wholly-owned subsidiary **Mondadori Retail S.p.A.**, the Group manages **the most extensive network of bookstores in Italy**, with an 13.1% share in the books market at the end of 2024. With a widespread presence throughout the Country and a business proposition focused on books (which account for over 80% of revenue), the company operates in the physical channel with **over 500 directly-managed stores or franchised stores**, under the Mondadori Bookstore, Mondadori Duomo, Rizzoli Galleria and Mondadori Point brands, on the web with the **e-commerce** site Mondadoristore.it; these formats are complemented by the bookclub formula.

Education Books

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

The Mondadori Group covers the school textbooks segment through three publishing houses, **Mondadori Education, Rizzoli Education** and **D Scuola**, which produce textbooks, courses, teaching tools and multimedia content for every school level, from primary school to the first, middle and secondary schools and through to university. In addition to the traditional products in paper and digital formats, the Companies' range in the Education Books area also includes lines on transversal topics, such as inclusion, guidance, STEM, civic education, environment and digital citizenship, with a view to offering students and teachers teaching resources and tools that can help strengthen basic skills, reduce school abandonment and innovate teaching generally, in line with the objectives of the Italian National Recovery and Resilience Plan (PNRR) set for the educational system.

In that area, the Group boasts a **leadership position, with a stable adoption share, which came to approximately of 32.0% in 2024.**

Media

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

Traditional **print** activities include:

- the publication of magazines and related advertising, as well as add-ons in conjunction with magazines;
- subscription management activities for magazines and daily newspapers, both for the Group's publications and those of third-party publishers, handled by **Direct Channel**. Added to this are services related to database management for third sector clients.

Digital activities include:

- the complete management of **leading websites and social profiles** in the main thematic verticals (Cooking, Health & Wellness, Women Gen Z, Young, Parenting). From the end of 2024, the perimeter also includes the brand *Fatto in casa da Benedetta* and the optimisation of the related advertising space through external advertising agencies;
- the **Social Agency** business, in particular the talent agencies Zenzero and Power, which manage leading creators from the food and beauty & fashion worlds with the aim of developing their activities in the influencer marketing segment;
- the **MarTech** cluster consisting of **Adkaora, Hej!** and, in Spain, **Adgage**, specialised in offering mobile advertising, proximity marketing, performance and conversational marketing solutions.

In 2024, the Mondadori Group retained its position as **Italy's top multimedia publisher:**

- in print with **12 magazines** and **8.6 million readers**;
- on the web with **13 brands** and approximately **34.1** million average unique users per month;
- in social media with a **fan base** at 31 December 2024 of **around 129 million** and around 114 profiles.

Corporate & Shared services

The Corporate & Shared Service Area includes - besides the top management organizations - Parent Company functions providing services that cut across the different companies and business areas of the Group.

The area therefore includes administration, planning and control, treasury and finance, IT, logistics, HR management and organization, legal and corporate affairs, management of Group purchasing, general services, communications and media relations.

Revenue comes mainly from consideration for services provided to subsidiaries and associates.

GROUP HISTORY MILESTONES

1907

LUCE

Arnaldo Mondadori establishes *Lucel*, the first magazine with which he started his publishing house in Cologno (Milan).



1920

GIALLI MONDADORI

1929
Launch of *Gialli Mondadori*, the first Italian series of crime novels.



1930

MEDUSA

1932
Mondadori created the *Medusa* series, open to the works of the great authors of contemporary foreign fiction.

1938
The women's weekly magazine *Grazia*.



1940

BIBLIOTECA MODERNA MONDADORI

1948
Mondadori publishes the *Biblioteca Moderna Mondadori*, the first series of quality books at budget prices designed to reach a large number of readers, mainly young people.

1950

MONDADORI PER VOI

1964
Establishment of the Mondadori per Voi chain of bookstores, with the goal of re-launching domestic book circulation.



1960

OSCAR

1962
Panorama, the first Italian newsmagazine, hits the newsstands.

1966
The Italian book market is swept by the launch of the Mondadori Oscar series: the first budget price paperback sold also at newsstands.



1970

NEW MONDADORI HQ IN SEGRATE

1976
The new Mondadori headquarters is inaugurated at Segrate (MI), designed by one of the most renowned architects of the 20th century, Oscar Niemeyer.



1980

LISTING ON THE MILAN STOCK EXCHANGE

1982
The Group is listed on the Milan Stock Exchange.

1988
Founding of Elettora, a publishing house that controls the well-known *Elettica* and *Ginepro* brands.

1990

LAUNCH OF MITI

1991
Mondadori becomes part of the Fininvest Group.

1996
With the launch of *Miti*, the first Italian series of budget paperbacks, Mondadori launches a new mass-market strategy to expand the book market in Italy.

1998
Development of the chain of bookstores through the acquisition of the *Gulliver* series and the opening of a chain of franchised Mondadori bookstores.



2000

100 YEARS IN BUSINESS

2002
Leonardo Mondadori passes away
Marina Berlusconi is appointed
Group Chairman.

2002
Mondadori acquires 70% of **Piemme** and
an investment in **Attica Publishing**, cive
in the Greek magazine sector.

2006
Mondadori lands in the radio market
with **R101**.

2006
The Group acquires **Gruppo France**,
France's third magazine publisher, and
Mondadori France was born. Licensing
activities develop linked to the
individual brands. In particular **Griffin**,
which in just a few years becomes a
global network.

2007
Mondadori celebrates its 100th
anniversary.



2010

ACQUISITION OF RCS LIBRI

2012
The Group reviews the top management
and reorganizes the operating units; a new
development plan is defined, focused on
core activities (trade and educational books,
eBook, magazine) and on digital.

2014
Establishment of **Mondadori Libri S.p.A.**,
dedicated to the management of book
activities. Advertising sales on magazines,
digital publications and radio stations are
transferred to Mediabook, a 50-50 joint
venture with Publitalia '80.

2016
The Group increases its stake in the
Grasset Ushb/Mondadori joint venture,
publisher of **Focaal**, to 100%;
non-core assets are sold.

2016
The Mondadori Group acquires **RCS Libri**,
consolidating its leadership in Trade books.
It accelerates growth in the digital area with
the acquisition of **Gianesi Media**.

2017
Piemme and **Sperling & Kupfer** are
incorporated into **Mondadori Libri S.p.A.**,
which in turn absorbs the trade unit of
Rizzoli Libri. The **Rizzoli Electa** brand is
launched for the international expansion
of illustrated books and the organization
of international exhibitions. Creation of the
Children's Business Unit.

2019
With the sale of the subsidiary **Mondadori
France** and a number of non-core Italian
titles, the process of repositioning of the
Group's activities takes another step
forward.

2020

FOCUS ON THE CORE BUSINESSES

2020
Establishment of **Mondadori Media
S.p.A.**, dedicated to the development
of print and digital brands in a
multichannel perspective. During the
lockdown period brought about by
the COVID-19 pandemic, the Group
launches a new organizational model
to ensure business continuity and the
protection of its people.

2021
The Group appoints **Antonio Poma**
new **Chief Executive Officer**.
A significant step forward is made in
the strategic process of increasing
focus on the core business of books
through the acquisition of **D Scoute**,
which enables the Group to become
the leading player in school textbook
publishing.

2022
Mondadori buys 51% of **Star Comics**,
the leading Italian comic publisher,
and completes the acquisition of 50%
of **De Agostini Libri**. The Group also
starts a vertical integration process
in the book market, acquiring 100%
of **Libromania** and 50% of **A.L.I. -
Agenzia Libreria Internazionale**, which
operates in the distribution of books.
At the same time, the reduction
of the exposure in the periodicals
sector continues with the sale of the
magazines **Donna Moderna** and **Cost
Poche** and an 80% stake in **Presso di
Distribuzione Stampa e Multimedia**.
More than 10 years on, the Group is
back to a shareholder remuneration
policy, relying on a financial and equity
soundness achieved during the year.
The first three-year **Sustainability Plan**
is approved, with short and medium-
term actions in the social, governance
and environmental spheres.

2023
During the year, the Group increases to
70% its stake in **A.L.I. - Agenzia Libreria
Internazionale**. The contract is signed to
acquire 51% of **Star Shop Distribuzione
S.r.l.**, operating in distribution for third-
party publishers in the comics channel
and in the management of direct and
franchised sales outlets in the segment.
The Group sells 100% of the paper
and digital publishing business of the
Grasset and lost magazines to **Reword
Media S.A.**, along with the related
international licence network. The new
Mondadori Duomo bookshop opens
in Milan.



2024

BUSINESS DEVELOPMENT CONTINUES, BETWEEN AI AND NEW ACQUISITIONS

Acquisition of 100% of **Chelsea
Green Publishing Company**, a
publishing house specialised in
sustainability issues, a further
step forward on the international
development journey in English-
speaking markets. The Mondadori
Group obtains the **UNiPoR
125:2022 certification for gender
equality** confirming the company's
commitment and ability to create a
workplace increasingly attentive to
fairness and inclusion.

PLAI, the Mondadori Group's
start-up accelerator aimed at
transforming ideas based on the
use of artificial intelligence in
successful businesses, is launched.
Acquisition of 51% of **Fatto in casa
da Benedetta S.r.l.**, the owner
of all intellectual property rights
and economic exploitation of the
image of **Benedetta Rossi**, Italy's
best-known creator in the food
& cooking sector, as well as all
social media assets and the related
content library.

Silvio Berlusconi Editore, the
new publishing house that was
founded within the Mondadori
Group with the aim of focusing
on free and democratic thinking,
makes its debut in bookstores.
Mondadori Libri S.p.A. signs
mutual put and call options over
a 10% stake in **Adelphi Editore**
with **Josephine Calasso**, holder
of a total shareholding of 22.88%,
exercisable from May 2027.



MONDADORI SHARE

Arnoldo Mondadori Editore S.p.A. ordinary shares have been listed on the Italian Stock Exchange since 1982 (ISIN Code: IT0001469383).

Mondadori shares are included in the indexes of the Italian Stock Exchange:

- general: FTSE Italia All Share, FTSE Italia Star(since December 2016) and FTSE Italia Mid Cap;
- industry specific: FTSE Italia Servizi al consumo and FTSE Italia Media.

In 2024, Mondadori's share traded at an average price of **€ 2.32** (equivalent to an average market capitalization of approximately **€ 607.0 million**), while the volume traded on the market came to approximately 283,000 average shares per day. In 2024, Mondadori shares traded on the market managed by Borsa Italiana S.p.A. therefore reached the average daily equivalent of over **€ 0.7 million** (a maximum of **€ 5.0 million** recorded on 20 June 2024).

On 30 December 2024, the last trading day of the year, Mondadori's share recorded a closing price of **€ 2.12**, with a **market capitalization of approximately € 554.3 million**.

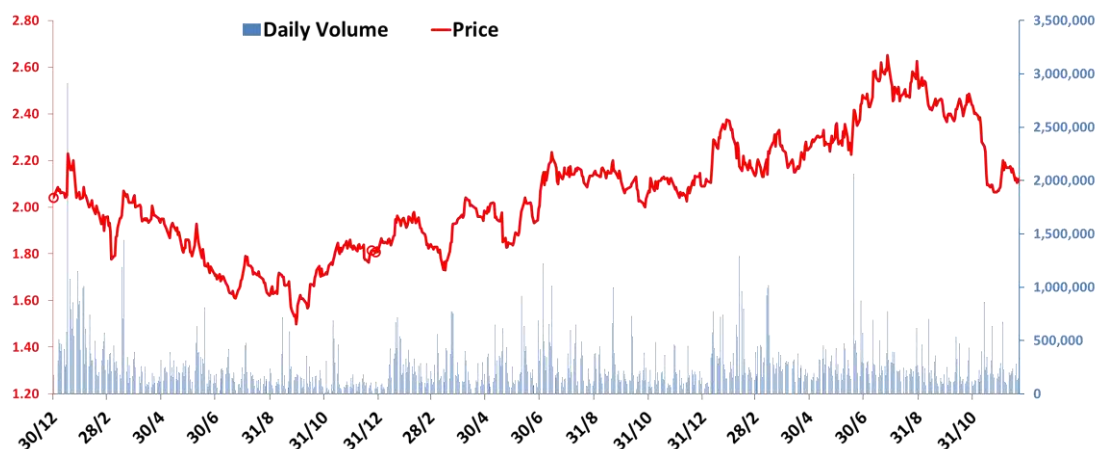
The market highlights for 2024 are as follows:

Market data		
General data	ISIN	IT0001469383
	No. Shares*	261,458,340
	Free float	46.4 %
Price (€, %)	Closing price on 30/12/2023 in euros	2.15
	Closing price on 30/12/2024 in euros	2.12
	Annual performance %	(1.2) %
	Average price in euros	2.32
	High in € (14/07/2024)	2.65
	Low in € (13/03/2024)	2.07
Volumes (thousands)	Average volume 2024	283.0
	Maximum volume (04/07/2024)	2064.6
	Minimum Volume (17/04/2024)	49.6
Stock market capitalization (€ millions)	Average market capitalization	607.0
	Market capitalization at 30/12/2023	560.8
	Market capitalization at 30/12/2024	554.3

Source: FactSet

* Number of shares issued at 31 December 2024

MONDADORI SHARE PRICE PERFORMANCE IN 2024



Source: FactSet

FINANCIAL MARKETS

2024 was a good year for the international financial markets, although the period leading up to the US elections was characterised by high volatility and low liquidity, which particularly affected SMEs.

In the last quarter of the year, equity markets showed mixed dynamics, with US prices rising in positive response to the election results, substantial stability in other advanced and emerging economies, and a decline in China. During the same period, share prices in the Eurozone remained more or less unchanged.

Starting October, Italy showed an improvement in the prevailing conditions in the financial markets, bucking the trend in the Eurozone, mainly due to the good performance of the financial sector, which benefited from expectations of consolidation in the sector. During the same period, implied volatility decreased, after a temporary increase in the run-up to the US elections, and spreads with the risk-free rate of bond yields fell sharply¹.

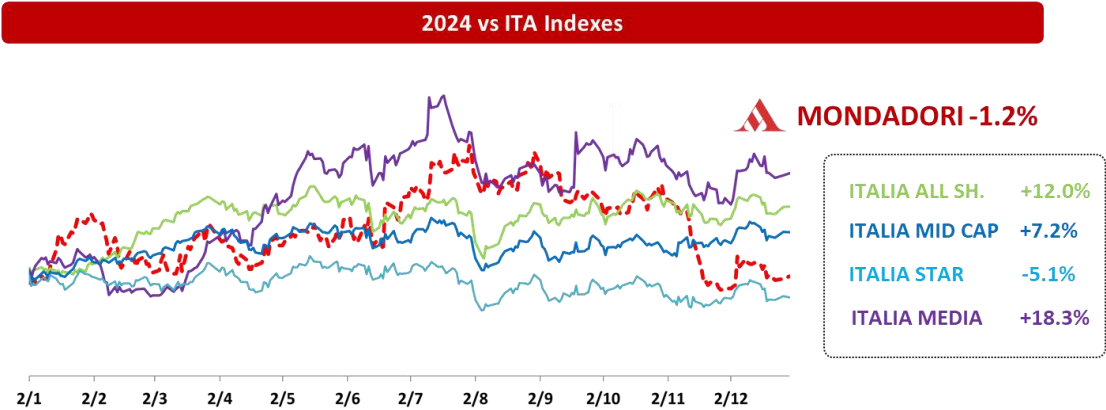
The main Italian stock market index (FTSE Italia All Share) **increased by 12%**, while the FTSE Italia Mid Cap index **rose by 7.2%**.

Against this backdrop, **Mondadori's shares were substantially stable (-1.2%)** compared to the end of 2023, a performance that was significantly better than the **FTSE Italia STAR** index, which **fell by around 5%** during the year.

More specifically, the performance of Mondadori shares showed a significant increase in the first part of the year, during which the share price rose by around 13%, and a fall in the last quarter of the year.

¹ Source: Economic Bulletin 1/2025, Banca d'Italia

MONDADORI SHARE PRICE PERFORMANCE AGAINST MAIN SE INDEXES IN 2024



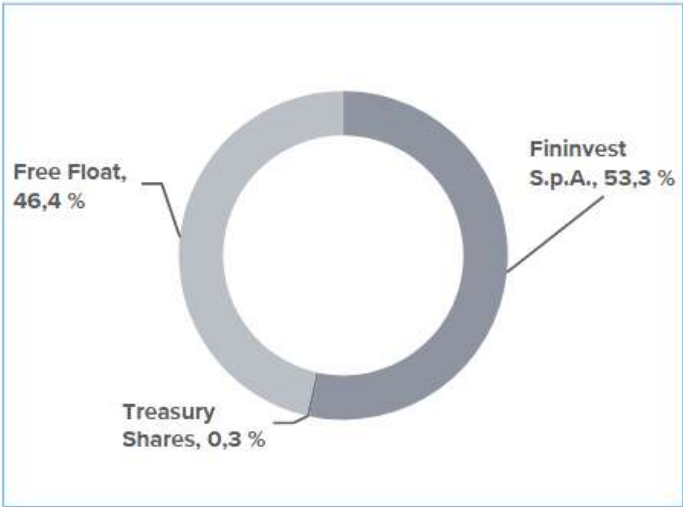
Source: FactSet

OWNERSHIP STRUCTURE

At 31 December 2024, the Company's share capital amounts to € 67,979,168.40, equal to 261,458,340 ordinary shares with a par value of € 0.26 each.

CORPORATE STRUCTURE

At the same date, to the knowledge of the Company, based on the disclosures received pursuant to Article 120 of the TUF and other available information, the Company ownership structure includes the following relevant investments (above 5% of the share capital).



INVESTOR RELATIONS ACTIVITIES

The Mondadori Group pursues a policy of communication vis-à-vis the financial market players, hinged on the disclosure of complete, true and correct news on corporate results, initiatives and strategies, in accordance with the rules set by CONSOB and Borsa Italiana and by confidentiality requirements that certain information may need, paying particular attention to ensure transparent and timely information to facilitate relations with the financial community, also through the adoption of specific procedures.

The Company's presence on the STAR segment of Borsa Italiana (transition completed in December 2016) continued to qualify Mondadori as one of the top-ranking companies listed on the Italian market, thanks also to a corporate governance aligned with the best international standards.

Group's top managers (in particular CEO and CFO) meet regularly with investors and financial analysts to discuss the Group's prospects, growth strategy and goals, as well as the risks and opportunities arising from the evolving competitive environment, and to shed light on its periodic results.

During 2024, with renewed impetus, particularly with international institutional investors, communication activities and the development of relations with shareholders, institutional investors and financial analysts continued, through numerous meetings organised in Europe's most important financial marketplaces (during which approximately 280 institutional investors were met, from the 214 of the previous year, of which 35% international), in order to guarantee the Mondadori Group increasing visibility and better consideration of its business, as well as to affirm the credibility of its management team and strategies amongst the financial community.

In 2024, the company also maintained coverage by financial brokers: at year end, 6 brokers guaranteed active coverage of the security.

The Group's economic-equity solidity and the demonstration of its capacity to grow, including through acquisitions, have allowed the Mondadori share to consolidate its positive reputation in the eyes of the financial community, as confirmed by the recommendations of financial analysts which, at 31 December 2024, are all positive (BUY/OUTPERFORM).

The following are all of the scheduled events for the current year regarding the disclosure of financial results.

2025 Financial Calendar

16/04/2025	Shareholders' Meeting to approve the financial statements at 31 December 2024
14/05/2025	Approval of additional periodic financial reporting at 31 March 2025
31/07/2025	Approval of the half-year report at 30 June 2025
13/11/2025	Approval of additional periodic financial reporting at 30 September 2025



#WeAreMondadori

This year as well, through the social media profiles of the Mondadori Group, we shared stories about our teams and initiatives dedicated to our people. In this photo, starting from the top left: the team from the Real Estate, Procurement, and General Services area; colleagues from the Legal Affairs office; in the center, Chairman Marina Berlusconi and CEO Antonio Porro along with a group of #WeAreMondadori at the Summer Evening event; bottom left, the Communications area of the Kids - Books Business Unit; the new E-commerce Division team of Mondadori Retail; the editorial team of D Scuola.

Directors' Report on Operations at 31 December 2024

Mondadori Group Highlights at 31 December 2024

(Euro/millions)	2024	2023	% Chg.
Income Statement			
Revenue	934.7	904.7	3.3%
Adjusted EBITDA*	157.6	152.1	3.6%
EBITDA	155.0	148.9	4.1%
EBIT	92.0	84.2	9.3%
Adjusted EBIT**	103.7	102.0	1.7%
Group's net profit	60.2	62.4	(3.5%)
Adjusted Net Profit***	68.8	70.8	(2.8%)
Business Areas			
Revenue	934.7	904.7	3.3%
Trade Books	396.8	374.3	6.0%
Education Books	233.3	237.5	(1.8%)
Retail	215.5	199.5	8.0%
Media	147.3	141.0	4.5%
Corporate & Shared Services	46.0	43.0	7.0%
Intercompany	(104.1)	(90.5)	15.0%
Adjusted EBITDA	157.6	152.1	3.6%
Trade Books	62.0	59.2	4.7%
Education Books	65.0	67.7	(3.9%)
Retail	16.7	14.0	19.0%
Media	20.2	16.4	22.9%
Corporate & Shared Services	(5.9)	(5.5)	n.s.
Intercompany	(0.4)	0.3	n.s.
Balance Sheet			
Group Equity	316.1	288.1	9.7%
Net Invested Capital	490.0	447.4	9.5%
Net Financial Position no IFRS 16	91.8	86.1	6.6%
Net Financial Position IFRS 16	173.0	158.6	9.1%
Operating and Financial Indicators			
Adj. EBITDA on Revenue (%)	16.9%	16.8%	
Net result on Revenue (%)	6.4%	6.9%	
Human resources			
End-of-year headcount	2,133	1,945	9.7%

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

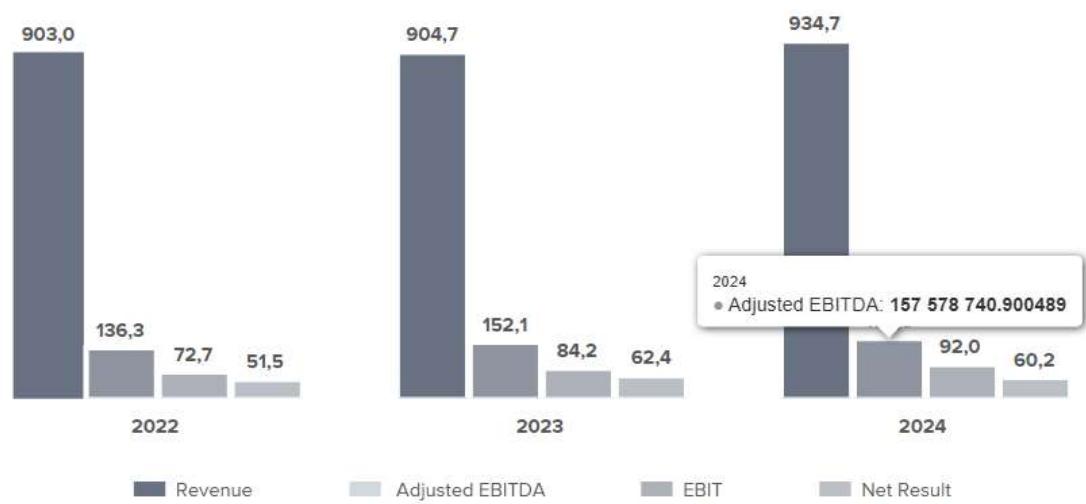
* Gross operating profit before income and expenses of a non-ordinary nature

** EBIT excluding non-ordinary income and expense, depreciation and amortisation deriving from the purchase price allocation of the companies acquired in the last 5 years and the impairment of intangible assets.

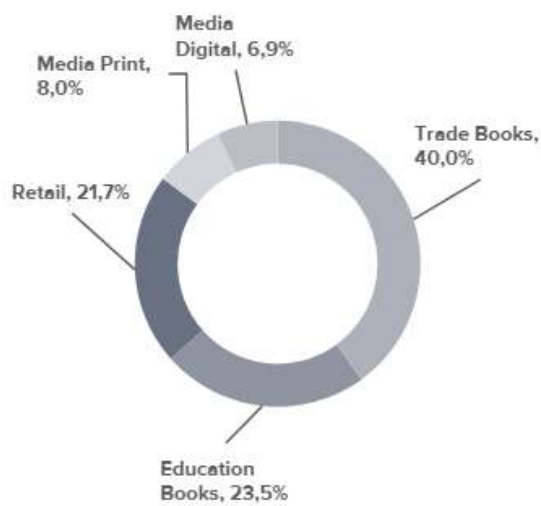
*** Adjusted Net Profit is calculated excluding income and expenses of a non-ordinary nature, depreciation and amortisation deriving from the purchase price allocation of the companies acquired in the last 5 years and the impairment of intangible assets net of the related tax effect. Any non-recurring tax expense/income is also excluded.

PERFORMANCE OF MAIN INCOME INDICATORS

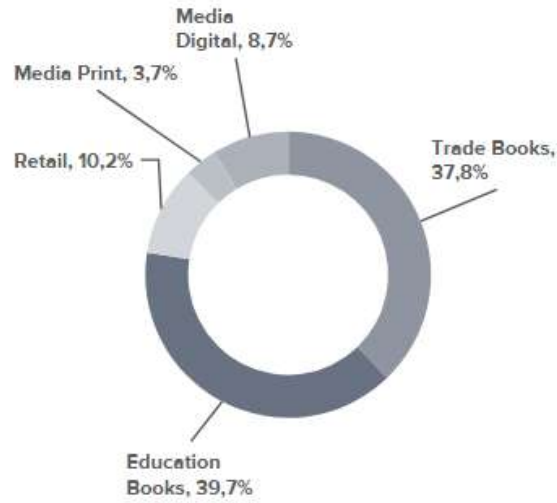
(Euro/millions)²



REVENUE BY BUSINESS 2024



ADJ. EBITDA BY BUSINESS 2024



²In order to provide a clear presentation, the Media Area is broken down into the two components Print and Digital. Revenues by business, gross of Corporate and Intercompany revenues; Adjusted EBITDA gross of Corporate EBITDA.

FY 2024 saw our Group continue to **develop its core businesses**, focusing in particular on **strengthening its presence in book publishing**, as well as launch a **new initiative in the field of Artificial Intelligence**.

During the financial year, in fact, Mondadori has:

- finalised the acquisition of 51% of **Star Shop**, a company that distributes and manages sales outlets in the comics segment, in line with the combined strategy of vertical integration in the book supply chain and strengthening publishing leadership;
- reached another milestone along the growth path, also outside the domestic trade market, through the completion of the acquisition of 100% of **Chelsea Green Publishing**, with a view to strengthening its publishing portfolio on matters of sustainability and consolidating its presence in the United States of America and the United Kingdom;
- launched "**PLAI**", an accelerator dedicated to start-ups in the area of Generative Artificial Intelligence, with which the Group created a technological hub that will make it possible to identify the most innovative initiative in the fields in which it works. The aim of the initiative is to allow the Group to consolidate its leadership and achieve a further potential competitive advantage: in the first acceleration cycle, of the more than 500 applications received, 10 were chosen, located within the 4 areas of interest (publishing, education, retail, media and advertising); over the next few months, the second acceleration cycle will start;
- finally, the acquisition of 51% of **Fatto in casa da Benedetta** has been finalised, the company that owns the brand conceived by Italy's most important food creator and all the intellectual property rights and rights of economic exploitation of the image of Benedetta Rossi and all the social assets and related contents library. The transaction made it possible to consolidate Mondadori Media's leadership in food & cooking and launch a new growth and development phase in the segment.

The Group's economic-financial profile in 2024 confirms the growing weight of the **Book product, which now accounts for about 85% of consolidated revenues**, testifying to the strategic repositioning process, as well as the ability to maintain a **high level of profitability**, the result of **operational excellence** and achieved in the process of integrating all the entities acquired in recent years.

At the consolidated level, in FY 2024 the Group showed **growth in revenues and Adjusted EBITDA** and at the same time confirmed its ability to guarantee **solid cash generation**, thus recording **consolidated results in line with the guidance that was communicated to the market**:

- Group **revenues grew by** around **3.3%**, which was particularly affected by the Trade Books and Retail areas, and Digital activities of the Media area;
- **Adjusted EBITDA**, of approximately **€ 158 million** showed an **increase** of approximately **€ 6 million**, namely **around 4% growth**. Overall, **profitability** stood at **16.9%**, **stable** compared to 2023;
- in addition to the buoyant performance of operations, during the period the Group confirmed **solid, growing cash generation** with cash flow from ordinary operations of approximately **€ 71 million** (guidance: around € 70 million), **up 4%** on the 2023 figure;

2024 also saw the confirmation of a policy aimed at increasing **shareholder remuneration** through the distribution of dividends for a total amount in excess of **€ 31 million**, (equivalent to a **pay-out of 50%** the 2023 net profit), **up by approximately 9%** compared with the previous year; the Board of Directors proposed at the Shareholders' Meeting the payment to its shareholders, against the net profit recorded for 2024, of a total of **€ 36.5 million (€ 14 cents per share)**, **an increase of 17%**.

This amount corresponds to a **pay-out of 60%** the 2024 net profit and a **dividend yield of almost 7%** compared with the share price at 31 December 2024.

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

- starting **21 May 2025 (payment date)** with dividend no. 25 of € 7 cents on **19 May 2025 (ex-dividend date)** and **record date**, in accordance with Art. 83-terdecies of the TUF **of 20 May 2025**;
- starting **26 November 2025 (payment date)** with dividend no. 26 of € 7 cents on **24 November 2025 (ex-dividend date)** and **record date**, in accordance with Art. 83-terdecies of the TUF **of 25 November 2025**.

MARKET AND BUSINESS AREA HIGHLIGHTS OF THE MONDADORI GROUP

The **positive financial results achieved by Mondadori** in FY 2024 were achieved in spite of a slightly contracting trend in the book market (-1.5% in terms of value).

As regards the Group's businesses, **Trade Books** recorded **growth in revenue of 6%**, mainly thanks to the contribution from the consolidation of the companies acquired in 2024 as well as the high quality of the publishing plan and catalogue, which enabled the Group to confirm its **leadership** in the domestic market, with a **market share of 27.5%**, as well as to win the **Strega Prize** with "*L'età fragile*" by Donatella Di Pietrantonio, published by Einaudi.

The **Retail** area continued along the transformation and development path launched in recent years and successfully posted **around 3% organic revenue growth**, which, thanks to the excellent results booked by the physical stores, which recorded the opening, during the year, of 30 new stores (a mixture of directly-managed stores and franchises), took the **share of the Book market to 13.1%** (up 0.4% compared with December 2023). If we consider the changes in scope, the **growth** compared with the previous year is **8%** thanks to the contribution of revenues from **StarShop's** comic book stores (directly owned and franchised).

With regard to the **Education Books** area, confirming the quality of the publishing proposal, the Group's publishing houses achieved a **market share** (adoption) of around **32%**, substantially stable compared to the figure reported in the previous year, due to growth in the more profitable secondary school segment (upper and lower secondary schools) and a decrease in primary schools, characterised by higher volatility and more limited profitability.

In FY 2024, the **Media** area recorded **an increase in revenues of approximately 4%** compared to the previous year, as a result of the **strong growth of the Digital component, which, thanks to a 20% increase in its revenues, offset the structural decline recorded by the traditional business**. The area thus confirmed itself as increasingly "**digital**" and a **leader** in the segments with a high commercial value and audience: in fact, in 2024, the Group's digital activities accounted for **46% of the area's revenues**, marking an important step in the transformation of its business model.

2024 CONSOLIDATED FINANCIAL HIGHLIGHTS

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

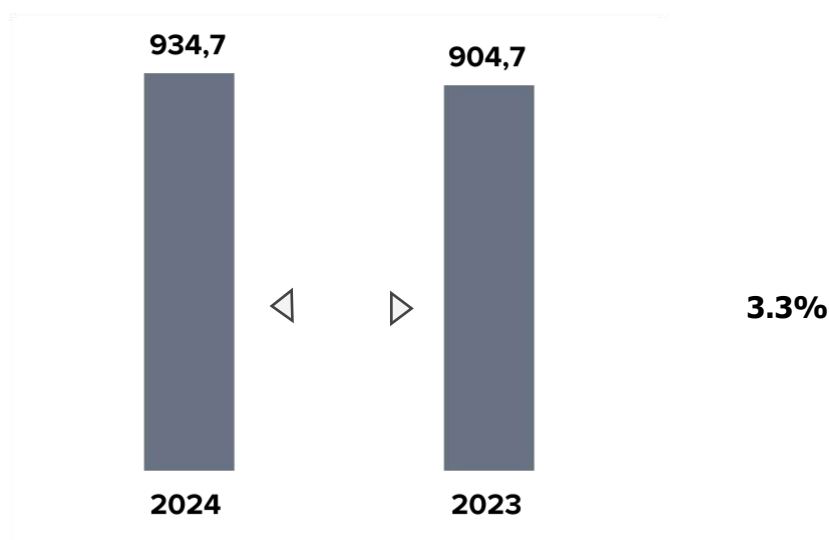
Cost of personnel includes costs for collaborations and temporary employment.

ALTERNATIVE PERFORMANCE MEASURES

This document, in addition to the conventional statements and financial measures required by IFRS, presents a number of reclassified statements and alternative performance measures in order to provide a better understanding of the operating and financial performance of the Group, the definition of which is explained in the section "Glossary of terms and alternative performance measures used".

INCOME STATEMENT

REVENUE



Consolidated revenue for FY 2024 amounted to € **934.7** million (€ 904.7 million during the same period of 2023), **growing by 3.3%** over the previous year. Like-for-like, due to the inclusion of Star Shop (from 1 February), Chelsea Green Publishing (from 1 May) and Fatto in casa da Benedetta (from 1 October 2024), the revenue remained largely stable.

In the **Trade Books** area, revenues **increased by 6.0%**, i.e. a decrease of 0.5% on a like-for-like basis, i.e. excluding the consolidation of Chelsea Green Publishing and the distribution activities of Star Shop. This performance appears particularly positive since the Group had to record the termination of the concession for the Roman archaeological site of the Coliseum, and the consequent loss of related revenues, and was achieved thanks to the positive publishing performance also on digital channels.

In the **Education Books** area, in 2024, the school business posted total revenues of € 233.3 million, a slight decrease (**1.8%**) compared to 2023 (€ 237.5 million), mainly due to a decline in market share in primary schools and, especially in secondary schools (where the market share remained constant), a greater use of second-hand books and, therefore, a reduction in the number of copies sold compared to those adopted.

During the period under review, the **Retail** area experienced **growth of +8.0%** compared with the previous year, also thanks to the consolidation of the retail business of Star Shop, net of which growth came to **2.9%**. This positive performance was **driven by the Book product**, sales of which **recorded a 2.9% increase**, in particular in directly-managed book stores, despite the negative impact (estimated as approximately € 1.8 million) of the temporary closure of the Marcanise and Nola Bookstores for complete renovation (net of which, organic growth would have been 3.8%).

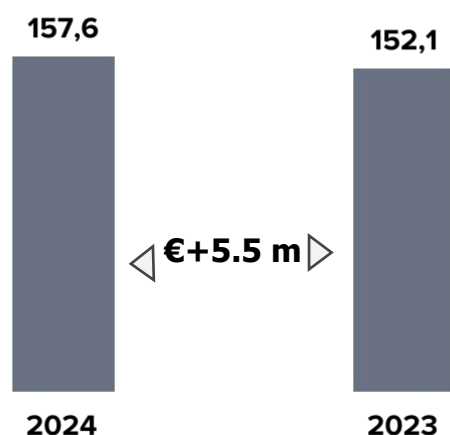
The **Media** area presented revenues of € 147.3 million, **up by approximately 4%** compared with the previous year, thanks to the **significant increase of the digital component, which has more than offset the structural downturn recorded by the traditional businesses**: the **digital**

businesses, which account for **approximately 46%** of the area's total **revenues**, have shown in fact, during the FY 2024, **comprehensive growth of 20%**, deriving in particular from the positive performance of the MarTech segment and excellent results of the social agency business and *Webboh*.

REVENUE by Business Area (Euro/millions)	2024	2023	% Chg.
Trade Books	396.8	374.3	6.0%
Education Books	233.3	237.5	(1.8%)
Retail	215.5	199.5	8.0%
Media	147.3	141.0	4.5%
Corporate & Shared Services	46.0	43.0	7.0%
Total aggregated revenue	1,038.8	995.2	4.4%
<i>Intercompany</i>	<i>(104.1)</i>	<i>(90.5)</i>	<i>15.0%</i>
Total consolidated revenue	934.7	904.7	3.3%

Starting 1 February 2024 (the date on which the company was acquired), revenue deriving from Star Shop's distribution business is included in the Trade Books area, whilst revenue from the retail business (directly operated stores and franchisees) is accounted for in the Retail area.

EBITDA



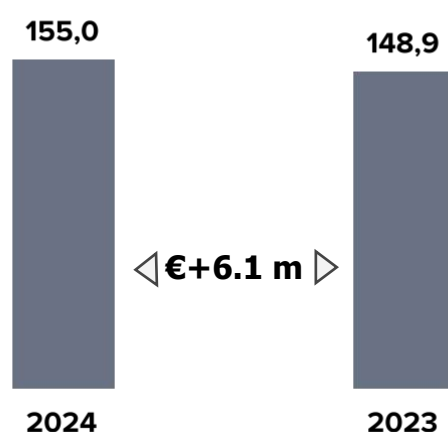
Adjusted EBITDA of FY 2024 was **€ 157.6 million**, showed an **increase of 3.6%** on the € 152.1 million recorded for 2023, mainly thanks to the Trade Books, Retail and Media areas.

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

- the Trade Books area showed an adjusted EBITDA of € 62.0 million, up by approximately 5% (€ +2.8 million), due to
 - i. the improvement in the profitability of publishing houses, as a result in particular of the growth of digital revenues and lesser incidence of industrial costs (paper, first and foremost), which more than offset the decline in the margin recorded by museum activities;
 - ii. the contribution of changes in the scope of consolidation during the financial year;
- the Education Books area showed a result of € 65.0 million in 2024, down from the result recorded in 2023 (€ 67.7 million), due to the decrease in revenues and the increase in logistics and transport costs;
- the Retail area presented a result of € 16.7 million, up significantly by around 19% compared to the same period of 2023 (€ +2.7 million), attributable to the growth in revenue, in particular of the Book product, and the continued development and renewal of the direct store network; period margins rose from 7% to approximately 8%;
- the Media area recorded an increase of € 3.8 million in the period under review, showing a growth of about 23% compared to the previous year, mainly attributable to both the development of the digital activities and the increase in their margin from 18% to 20%; consequently, the EBITDA margin of the area increased by 2 percentage points from 11.7% to 13.7%;
- the Corporate & Shared Services area recorded a negative margin of € 5.9 million, worse than the € -5.5 million in 2023, as a result of the higher costs linked to certain innovation projects, including that relating to the launch of PLAI, the Mondadori Group's accelerator in the field of Generative Artificial Intelligence and the migration to the cloud of all the Group's information systems;

- the intercompany margin decreased from € +0.3 million to € -0.4 million due to the higher value of the products of the Group's publishing houses in stock at the points of sale in the Retail area, also as a result of new openings.

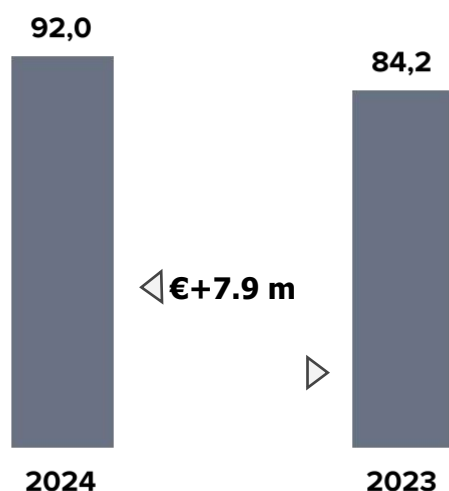
Adj. EBITDA by Business Area (Euro/millions)	2024	2023	Change
Trade Books	62.0	59.2	2.8
Education Books	65.0	67.7	(2.6)
Retail	16.7	14.0	2.7
Media	20.2	16.4	3.8
Corporate & Shared Services	(5.9)	(5.5)	(0.4)
Intercompany	(0.4)	0.3	(0.7)
Total ADJUSTED EBITDA	157.6	152.1	5.5



Group **EBITDA** for FY 2024 was **€ 155.0 million**, highlighting an improvement of almost € 6.1 million on the € 148.9 million recorded at 31 December 2023. The net capital gain from the sale of the Grazia and Icon brands recognised in 2023 was, in fact, more than offset by lower restructuring costs in 2024.

EBITDA by Business Area (Euro/millions)	2024	2023	<i>Change</i>
Trade Books	60.3	58.1	2.2
Education Books	64.9	66.4	(1.6)
Retail	16.5	13.8	2.6
Media	21.2	17.6	3.6
Corporate & Shared Services	(7.4)	(7.4)	0.0
Intercompany	(0.4)	0.3	(0.7)
Total EBITDA	155.0	148.9	6.1

EBIT



The Mondadori Group's **EBIT** for 2024, **positive for € 92.0 million**, showed **significant growth, equal to € 7.9 million**, compared to 2023, a year that was negatively impacted by the recognition of write-downs for a total of € 7.3 million, including, in particular, the write-down of € 6.3 million relative to TV Sorrisi e Canzoni.

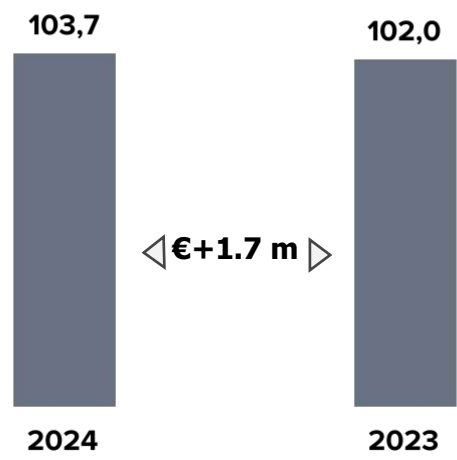
This improvement in the result was achieved despite the fact that **higher depreciation and amortisation charges of € 5 million** were booked during the year, mainly resulting from:

- € 3.2 million in higher investments in the Trade Books and Education areas, as well as in the Retail area for the development of the network of directly managed sales outlets;
- and for an amount of € 1.1 million, from the purely accounting effects of the Purchase Price Allocation (PPA) process relative to the M&A transactions completed during previous years, in particular in the Trade Books area.

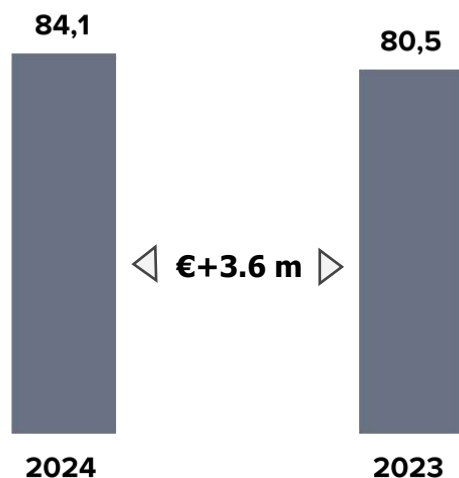
Neutralising extraordinary items, impairment write-downs and amortisation resulting from the price allocation of the companies acquired in the last five years (PPA), **Adjusted EBIT** for the financial year 2024 would stand at € 103.7 million, **up by about 2%** from € 102.0 million in the previous financial year.

EBIT by Business Area (Euro/millions)	2024	2023	Change
Trade Books	48.4	47.8	0.6
Education Books	41.5	44.3	(2.8)
Retail	4.4	3.2	1.1
Media	14.1	5.7	8.3
Corporate & Shared Services	(15.9)	(17.2)	1.3
Intercompany	(0.4)	0.3	(0.7)
Total EBIT	92.0	84.2	7.9

ADJUSTED EBIT



CONSOLIDATED RESULT BEFORE TAX

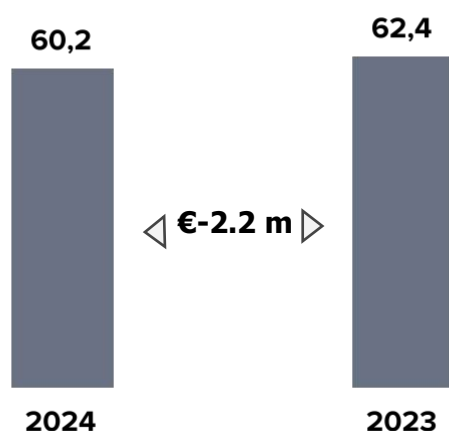


Consolidated results before tax of FY 2024 were positive at € **84.1** million, **up by about € 4 million** from € **80.5** million as at 31 December 2023.

The higher result was achieved despite:

- the lower contribution **of around € 4 million from the results of associate companies**. This result component in 2023 had in fact benefited from the positive adjustment to fair value, pursuant to IFRS 3 with reference to business combinations carried out in several stages, of the equity investments in the companies A.L.I. and Adgage for a total of approximately € 2 million, as well as the capital gain from the sale of the equity investment in S.E.E. (publisher of Il Giornale) amounting to € 0.4 million;
- higher **financial expenses** for a total of **€ 0.5 million** resulting from higher costs related to IFRS 16 debt (€ +0.4 million) and higher financial expenses related to bank exposure attributable to the higher cost of debt not offset by lower average debt.

NET PROFIT

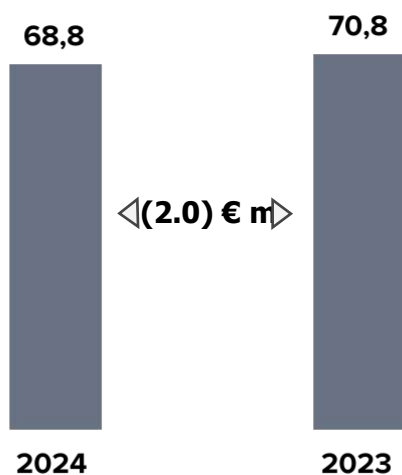


The **Group's net profit for the year ending 31 December 2024**, after minority interests, was **positive by € 60.2 million**, a decrease of approximately € 2 million compared to € **62.4** million in 2023. This decline was primarily due to around € 4 million in higher tax expenses and an increased share of the result attributable to minority interests (€ 2.1 million).

The **tax component** for FY 2024 are, in fact, negative for € 21.7 million compared with € --17.9 million at 31 December 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, after neutralising all non-recurring items previously mentioned, **would amount to € 68.8 million**, down by around 3% on the € 70.8 million of the previous year.

ADJUSTED NET PROFIT



FINANCIAL RESULTS

NET INVESTED CAPITAL

The **Group's Net Invested Capital at 31 December 2024** came to **€ 490.0 million**, up, by 9.5%, on the € 447.4 million at 31 December 2023, mainly due to the acquisitions completed in the last twelve months.

The Group's **Net Working Capital** amounted to € 12.5 million, down approximately 8% from the € 13.6 million in the prior twelve months.

Net Fixed Assets are € **535.9** million, up 6.7% compared with the € 502.2 million at 31 December 2023, mainly due to the consolidation of the companies acquired recently, as well as investments made in the Education Books area for new publications, in the Retail area for the opening of new book stores and the renovation of the Segrate headquarters.

Excluding the effects of IFRS 16, Net Fixed Assets come to € 459.4 million, up 6% on the € 433.4 million of 2023 due to the aforementioned phenomena.

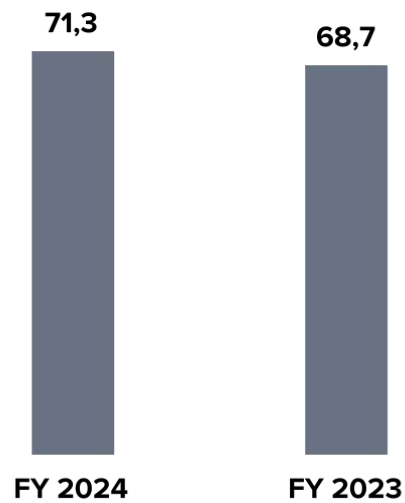
Consolidated equity at 31 December 2024 **increased by approximately € 28 million** versus the prior year, despite the distribution of approximately € 31 million in dividends, due to the **Group's positive net profit** recognised as approximately € 60 million for the Group recorded during the financial year.



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

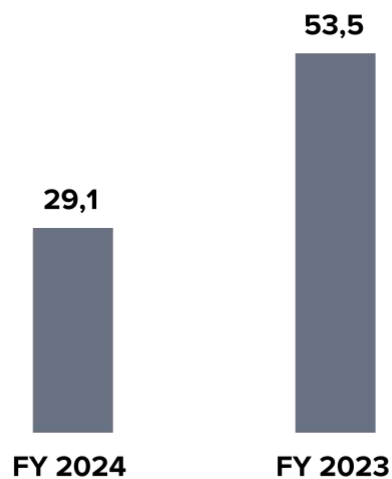
Net Financial Position gross of IFRS 16 at 31 December 2024 stood at **€ -173.0 million** (net debt), up by approximately € 14 million from € -158.6 million at 31 December 2023, due to an IFRS 16 debt component of € -81.2 million, up by approximately € 10 million due to the renovation and development of the network of directly-managed book stores in the Retail area in addition to the acquisitions finalised in 2024 in the Trade Books area.

CASH FLOW FROM ORDINARY OPERATIONS



Cash flow from **ordinary operations** (i.e. after cash-out for financial expense and tax) in FY 2024 amounted to more than **€ 71 million, growing by approximately 4%** compared with 2023; this makes it possible to finance the Group's development policy and remunerate shareholders without compromising solidity and the further financial strengthening of the Group.

FREE CASH FLOW



At 31 December 2024, **extraordinary cash flow was negative by approximately € 42 million**, mainly due to cash-out related to net balance of **acquisitions and disposals for around € 26 million**, restructuring costs of around € 6 million and the costs relating to the renovation of the Segrate headquarters of around € 5 million.

As a result, **Free Cash Flow at 31 December 2024 – positive for € 29.1 million** – reflected the ongoing efficiency of the Group's structures and confirmed its capacity to self-finance its inorganic growth policy.

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

CONSOLIDATED FINANCIAL HIGHLIGHTS IN FOURTH QUARTER 2024

(Euro/millions)	Q4 2024		Q4 2023		% Chg.
Revenue	228.9		224.8		1.8%
Industrial product cost	84.8	37.1%	80.3	35.7%	5.7%
Variable product costs	27.9	12.2%	28.8	12.8%	(3.4%)
Other variable costs	36.0	15.7%	39.3	17.5%	(8.3%)
Structural costs	18.1	7.9%	18.5	8.2%	(2.3%)
Extended labour cost	40.2	17.6%	38.2	17.0%	5.3%
Other expense (income)	(2.4)	(1.1%)	(3.1)	(1.4%)	n.s.
Adjusted EBITDA	24.3	10.6%	22.8	10.1%	6.6%
Restructuring	1.9	0.8%	5.2	2.3%	(64.2%)
Extraordinary expense (income)	1.6	0.7%	0.2	0.1%	n.s.
EBITDA	20.8	9.1%	17.4	7.7%	19.4%
Depreciation and amortisation	12.4	5.4%	12.5	5.6%	(1.3%)
Impairment and Write-Downs	0.5	0.2%	7.3	3.2%	(93.1%)
Depreciation and amortisation IFRS 16	4.2	1.8%	3.8	1.7%	8.2%
EBIT	3.7	1.6%	(6.3)	(2.8%)	(159.4%)
Financial expense (income)	1.6	0.7%	1.1	0.5%	53.1%
Financial expense IFRS16	0.5	0.2%	0.6	0.3%	(19.2%)
Expense (income) from investments	(0.1)	0.0%	(1.3)	(0.6%)	n.s.
EBT	1.7	0.7%	(6.6)	(2.9%)	n.s.
Tax expense (income)	0.1	0.0%	(2.6)	(1.2%)	n.s.
Net result for the period (group and non-controlling interests)	1.6	0.7%	(4.0)	(1.8%)	n.s.
Minorities	0.7	0.3%	(0.1)	(0.1%)	n.s.
Group's net profit	0.9	0.4%	(3.9)	(1.7%)	n.s.

Cost of personnel includes costs for collaborations and temporary employment.

INCOME STATEMENT

REVENUE



The **consolidated revenue** of the fourth quarter of 2024 came to **€ 228.9 million, up by approximately 2%** compared with the same quarter of the previous year: like-for-like, the **organic performance of revenue recorded a slight downturn of 2.8%**.

In the **Trade Books** area, revenues **rose by 2.6%** thanks to FY 2024 consolidation of Star Shop and Chelsea Green Publishing.

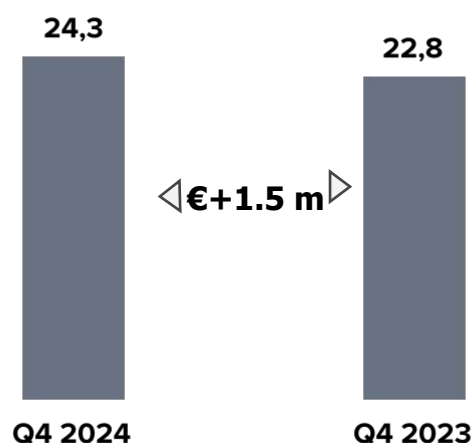
With regard to the **Education Books** area, the fourth quarter, whose contribution to the area's revenues for the year is entirely marginal, saw a **12%** drop in revenues, which was in any case attributable to the events already described that affected the area's performance in 2024.

The **Retail** area **grew by 8.5%** compared to the same quarter of the previous year, partly due to the contribution of the change in the scope of consolidation related to the Star Shop comic shops: **organic growth, supported by the book product, was 3.6%**.

The **Media** area posted revenues **up by 3.5%** thanks to the significant growth, of approximately 17%, in revenues obtained from **digital advertising**, which more than offset the structural decline in circulation revenue of print magazines.

REVENUE by Business Area (Euro/millions)	Q4 2024	Q4 2023	% Chg.
Trade Books	114.9	112.0	2.6%
Education Books	19.3	22.0	(12.0%)
Retail	71.7	66.1	8.5%
Media	40.9	39.5	3.5%
Corporate & Shared Services	12.3	11.4	7.8%
Total aggregated revenue	259.1	250.9	3.3%
Intercompany	(30.2)	(26.1)	15.6%
Total consolidated revenue	228.9	224.8	1.8%

EBITDA



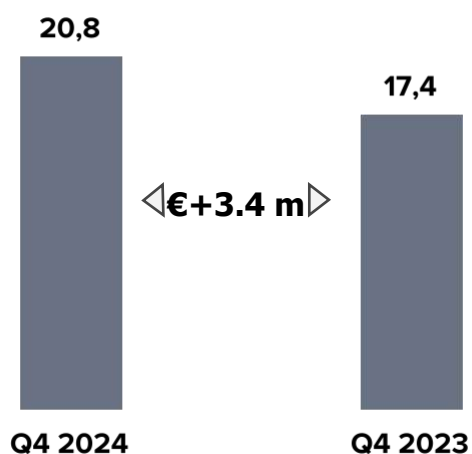
Adjusted EBITDA for the fourth quarter of 2024 was € **24.3** million, **an increase of almost € 1.5 million** on the € 22.8 million recorded for Q4 of 2023.

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

- the **Trade Books** segment, showed an Adjusted EBITDA **increase of € 1.5 million**, thanks in particular to the positive performance of Rizzoli International Publications and Star Comics, in addition to changes in the scope of consolidation;
- the **Education Books** area showed a **margin increase of € 2.6 million**, due to decline in revenues;
- the **Retail** area recorded a margin **increase of € 1.6 million** compared to the same quarter of the previous year, due in particular to the good performance of direct stores;
- the **Media** area recorded an **increase of € 1.2 million**, attributable to the growth in the digital segment also due to the consolidation of the business of *Fatto in casa da Benedetta*;

- the **Corporate & Shared Services** area booked a negative margin of € 1.5 million, an **improvement** compared to Q4 2023;
- the intercompany margin showed a declining trend as a result of the greater value of the products of the Group's publishing houses (stocked) at the Retail outlets, also due to the new openings.

Adj. EBITDA by business area (Euro/millions)	Q4 2024	Q4 2023	Change
Trade Books	19.8	18.2	1.5
Education Books	(8.8)	(6.2)	(2.6)
Retail	7.3	5.7	1.6
Media	7.4	6.2	1.2
Corporate & Shared Services	(1.5)	(2.0)	0.5
Intercompany	0.1	0.8	(0.8)
Total ADJUSTED EBITDA	24.3	22.8	1.5

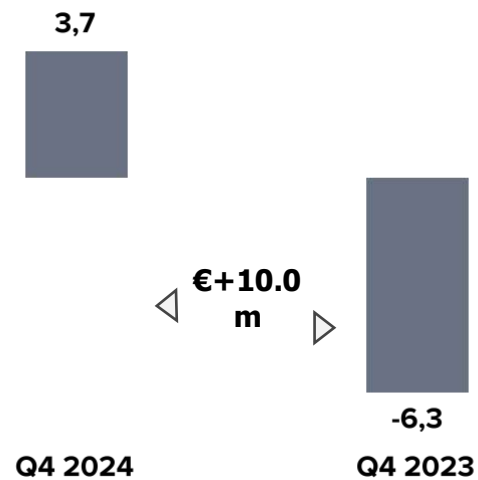


EBITDA for the quarter amounted to € 20.8 million (€ 17.4 million in Q4 2023), showing an **improvement** of € 3.4 million compared with the same period of 2023.

The lower restructuring costs for the period compared to 2023 further increased the Group's performance improvement with respect to Adjusted EBITDA.

EBITDA by Business Area (Euro/millions)	Q4 2024	Q4 2023	<i>Change</i>
Trade Books	18.7	17.7	<i>1.0</i>
Education Books	(9.0)	(7.3)	<i>(1.7)</i>
Retail	7.1	5.5	<i>1.6</i>
Media	6.6	3.5	<i>3.1</i>
Corporate & Shared Services	(2.7)	(2.9)	<i>0.2</i>
Intercompany	0.1	0.8	<i>(0.8)</i>
Total EBITDA	20.8	17.4	<i>3.4</i>

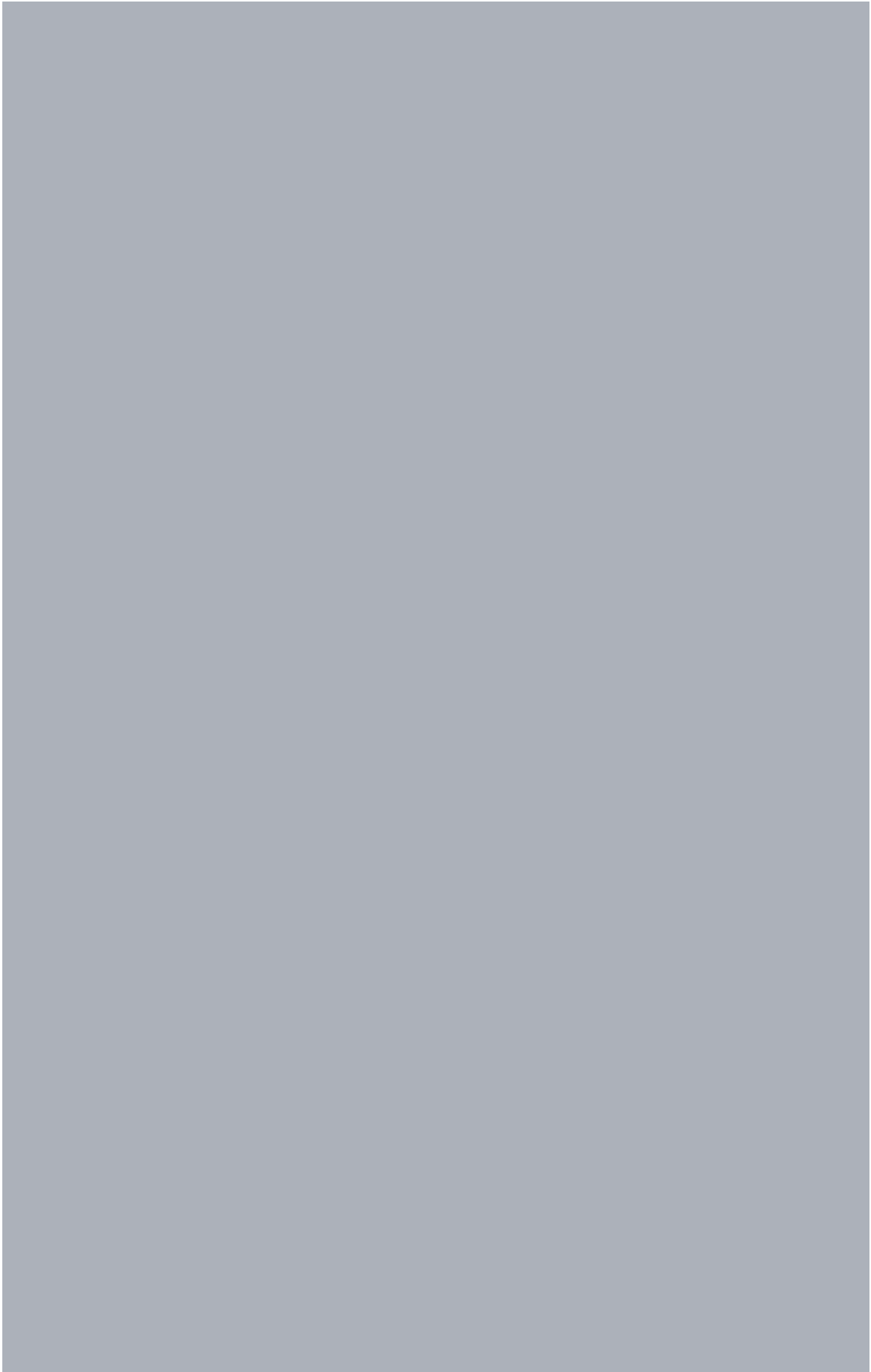
EBIT



The Mondadori Group's **EBIT** for the fourth quarter of 2024, amounting to € 3.7 million, showed a **significant increase, equal to € 10.0 million**, compared with the same period of the previous year, which had been negatively impacted, as described above, by the recognition of write-downs for a total of € 7.2 million, of which € 6.3 million related to TV Sorrisi e Canzoni.

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 **€ 10 million, up by approximately € 0.5 million (+5.8%)** compared with the third quarter of 2023.

EBIT by Business Area (Euro/millions)	Q4 2024	Q4 2023	Change
Trade Books	14.9	12.9	2.0
Education Books	(15.2)	(13.1)	(2.1)
Retail	3.9	2.7	1.2
Media	4.8	(4.3)	9.1
Corporate & Shared Services	(4.7)	(5.4)	0.6
Intercompany	0.1	0.8	(0.8)
Total EBIT	3.7	(6.3)	10.0



PERFORMANCE BY BUSINESS AREA

PERFORMANCE BY BUSINESS AREA

(Euro/millions)	Revenue		Adjusted EBITDA		EBITDA		Depreciation and amortisation, and write-downs		Operating income (loss)	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Trade Books	396.8	374.3	62.0	59.2	60.3	58.1	(11.9)	(10.2)	48.4	47.8
Education Books	233.3	237.5	65.0	67.7	64.9	66.4	(23.4)	(22.1)	41.5	44.3
Retail	215.5	199.5	16.7	14.0	16.5	13.8	(12.1)	(10.6)	4.4	3.2
Media	147.3	141.0	20.2	16.4	21.2	17.6	(7.1)	(11.9)	14.1	5.7
Corporate & Shared Services	46.0	43.0	(5.9)	(5.5)	(7.4)	(7.4)	(8.5)	(9.9)	(15.9)	(17.2)
Intercompany	(104.1)	(90.5)	(0.4)	0.3	(0.4)	0.3	—	—	(0.4)	0.3
Consolidated total	934.7	904.7	157.6	152.1	155.0	148.9	(62.9)	(64.7)	92.0	84.2

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

The table above shows that starting 1 February 2024 (the date on which the company was acquired), revenue deriving from Star Shop's distribution business is included in the Trade Books area, whilst revenue from the retail business (directly operated stores and franchisees) is accounted for in the Retail area.

TRADE BOOKS

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

- editorial activities relating to the publication – both in paper and digital formats (e-books and audio-books) – of the fiction, non-fiction, children's and miscellaneous works by the publishing houses, with which the Group holds **a leadership position at national level**, through the trademarks **Mondadori, Giulio Einaudi Editore, Piemme, Sperling & Kupfer, Frassinelli, Rizzoli, BUR, Fabbri Editori, Rizzoli Lizard** and **Mondadori Electa**. On 1 April 2022, these were joined by **De Agostini Libri** and, on 1 July 2022, **Star Comics**, Italy's leading comic books publisher; in September 2024, the new publishing house **Silvio Berlusconi Editore** also made its début in the bookstore, focussing on the publication of key liberal culture books and pamphlets seeking to give rise to debate about the controversial topics of today's complexity we are currently experiencing;
- the company **A.L.I - Agenzia Libreria International**, operating in the distribution of books for third-party publishers, with a customer portfolio of more than 80 publishing houses, whose acquisition was functional to the vertical integration project along the book value chain (consolidated as of 1 January 2023);
- as of 1 February 2024, the company **Star Shop Distribuzione** (held 51%), operating in the distribution of third party publishers on the comics channel;
- the art and illustrated book publishing business, in which the Group operates with the brands **Electa** (specialised in visual arts, design and architecture) and **Abscondita**. The segment's activities include publishing of works on art, architecture, exhibition catalogues, museum guides and sponsor books in art publishing, as well as the management of museum concessions and the organization of exhibitions and cultural events;
- the publishing house **Rizzoli International Publications**, which operates on the US markets with the brands Rizzoli, Rizzoli New York, Rizzoli Electa and Universe, with the Rizzoli Bookstore situated in New York and **Chelsea Green Publishing**, a publishing house focussed on sustainability (structured into green, health and well-being) topics, operating in the United States of America and the United Kingdom, which Rizzoli International Publications acquired on 1 May 2024.

Relevant market performance

The Italian market

2024 saw a non-homogeneous trend in the book market: the substantial stability of the first nine months of the year (-0.5%) was followed by a slowdown in the last quarter, which caused the market to show a -1.5% drop in value for the entire year³. In terms of quantity, copies of miscellaneous (adult and children's) books sold amounted to 103.987 million, **down 2.3%** year-on-year.

The replacement of the "18App" by the Culture and Merit Cards and the state's failure to provide libraries with € 30 million in funding for the purchase of books are among the main reasons for the decline in the Trade market in 2024: in the absence of these two impacts (AIE estimated the lost book

³ Source: GfK, December 2024

sales in 2024 due to the above-mentioned changes in demand support measures at € 62.7 million), the market would have grown in value by 2.5%⁴.

Breaking down the performance into the various genres that make up the Trade publishing market, we note the essentially stable performance of the Miscellaneous segment, (-0.6%, compared to the previous year), and the continued reduction in the Comics and Professional publishing segments (-6.1% and -9.9%, respectively). Breaking down the performance of the Miscellaneous segment into its various constituents, we note the growth of fiction, both Italian (3.4%) and foreign (1.9%) and, by contrast, the decline of the children's and young people's sector (-0.8%), general non-fiction (-2%), manuals (-4.1%), and specialist non-fiction (-5.1%⁵).

In terms of **sales channels**, on-line channels recorded a drop in sales of -4.5% compared to 2023, large-scale retail sales were down by -8.9% and bookshop sales were down by 5.3%. Bookstore chains, whose sales, on the other hand, grew by around 3.5%, failed to fully compensate for the decline in other channels⁶.

As regards the various product categories that mark the segment, **Hardcovers** – which represent the new publications for the year and account for approximately 85% of the market – showed a **slight downturn (-1.1%)**, while **Paperbacks** ("catalogue titles") showed an **decrease of -3.3%** compared with the previous year.

The dimension of the digital book market (e-books and audio-books) is estimated to be around € 114 million (approximately 7% of the total market), **up 5%** on 2023 thanks to the sales of **e-books**, which **grew by 4%** and in particular **audio-books**, which enjoyed **growth of approximately 7%**.

In this context, in FY 2024 the Mondadori Group's publishing houses recorded a **2.1% fall**, a result that is slightly below the market performance due to a publishing plan that was overall less rich in bestsellers than in 2023, the year in which the Group had published "*Spare. Il minore*" (Spare) and Ken Follett's "*Le armi della luce*" (The Armour of Light).

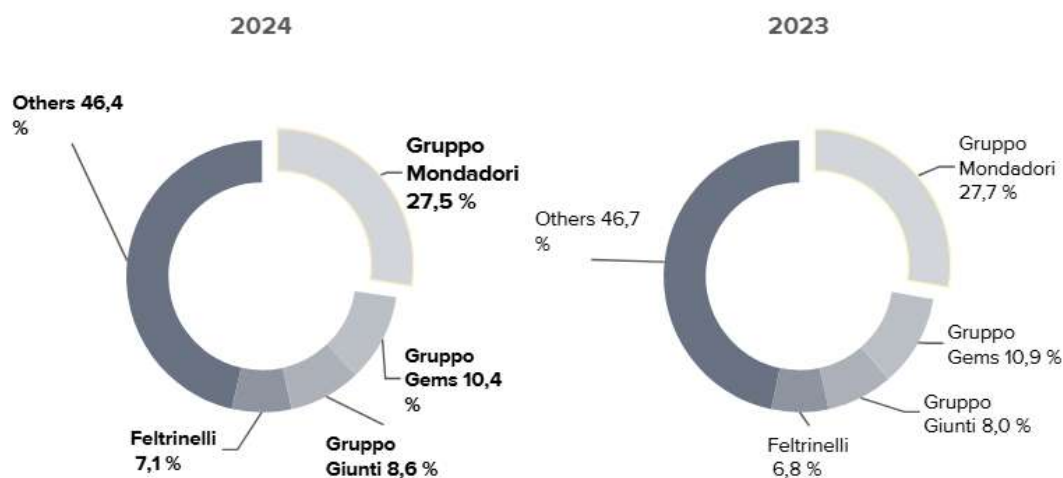
During the period, the Mondadori Group in any case maintained its **national leadership** with a **market share of 27.5%** in December 2024 (27.7% in December 2023), as shown in the graph below.

⁴ Source: AIE, 3 January 2025

⁵ Source: AIE, 3 January 2025

⁶ Source: internal estimates on GfK data

TRADE BOOK MARKET SHARES



Source: GfK, December 2024 (in terms of value)

As evidence of the quality of its publishing plan, we also note that 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 (positioned sixth in the year's top ten).

#	Title	Author	Publisher
1	Un animale selvaggio (A Wild Animal)	Dicker Joel	LA NAVE DI TESEO
2	Il Dio dei nostri padri. Il grande romanzo della Bibbia	Aldo Cazzullo	HARPERCOLLINS ITALIA
3	Tatà (Tata)	Perrin Valérie	E/O
4	La portalettere	Francesca Giannone	NORD
5	Come l'arancio amaro	Palminteri Milena	BOMPIANI
6	L'età fragile	Di Pietrantonio Antonella	EINAUDI
7	L'orizzonte della notte	Carofiglio Gianrico	EINAUDI
8	Il canto dei cuori ribelli (Honor)	Avallone Silvia	LIBRERIA PIENOGIORNO
9	Quando muori resta a me	Zerocalcare	BAO PUBLISHING
1	La casa dei silenzi	Donato Carrisi	LONGANESI

Museum sector

In FY 2024, the Group's museum sector saw, as of 1 May, the definitive termination of the concession for the management of the Roman archaeological area (Coliseum Park).

The US market

As far as the US market is concerned, it should be noted that, although the Adult non fiction sector showed signs of recovery in 2024, the reference categories in which the publishing activities of Rizzoli International Publications and Chelsea Green Publishing are concentrated (art, photography, interior design, home&gardening) declined by around 2%⁷.

The economic performance of the Trade Books Area

Trade Books (Euro/millions)	2024	2023	% Chg.
Revenue	396.8	374.3	6.0%
Adj. EBITDA	62.0	59.2	4.7%
EBITDA	60.3	58.1	3.8%
EBIT	48.4	47.8	1.2%
<i>PPA effects</i>	3.7	3.3	12.1%
EBIT excl. PPA	52.1	51.1	1.9%

Revenue

Revenue in 2024 amounted to **€ 396.8 million**, **up** by approximately **6%** (-0.5% on a like-for-like basis) versus the prior year, divided as follows:

- **+2.0% of the publishing houses**, as a result of the positive publishing performance (in particular Einaudi, Sperling & Kupfer and Rizzoli), on digital channels too, which overall grew by 8.8%;
- **+8.6% of Rizzoli International Publications**, thanks to the contribution made by the consolidation of Chelsea Green Publishing starting 1 May 2024, net of which revenues recorded a downturn of about 1%;
- **+70.3% in third party publisher distribution and services businesses**, which benefited from the consolidation, starting 1 February 2024, of the distribution business of **Star Shop**;
- **-20.9% of Electa**, which suffered, compared with 2023, the end (at end April) of the concession for ticketing and services provided in the Roman archaeological area of the Coliseum, as well as the presence during the previous year of various important exhibitions and shows that had been launched in 2022.

⁷ Source: Circana (figures in terms of copies)

Trade Books Revenue (Euro/millions)	2024	2023	% Chg.
Publishing houses	278.8	273.2	2.0%
Electa/Abscondita (art, exhibitions and museums)	21.6	27.3	(20.9%)
Rizzoli International Publications (incl. Chelsea Green Publishing)	51.8	47.7	8.6%
Distribution and other services	47.0	28.4	70.3%
Intercompany	(2.4)	(2.2)	n.s.
Total revenue	396.8	374.4	6.0%

Publishing houses: the **Hardcover** segment saw all the Group's publishing houses release titles that were truly appreciated by readers. In particular, the following should be noted:

- **Mondadori:** in Italian Fiction "*Tutti i particolari in cronaca*" by A. Manzini, in Non-Fiction "*Cuore nascosto*" by F. Ozpeteck and in Miscellaneous, the title "*Balleremo la musica che suonano*" by F. Volo and "*Quando inizia la felicità*" by G. Gotto. We also note the good performance of the titles in the Gotto catalogue. Also worth of note of significant social-cultural relevance are "*Frontiera*" by F. Costa and "*Patriot*" by A. Navalny, "*Oltre l'invisibile*" by F. Faggin, publication of the unprecedented "*Ci vediamo in agosto*" (Until August) by G. Márquez and "*Chiudo la porta e urlo*" by P. Nori.
- **Einaudi:** in Stile Libero we note "*L'orizzonte della notte*" and "*Elogio dell'ignoranza e dell'errore*" by G. Carofiglio, "*Sulla pietra*" by F. Vargas, "*Volere*" and "*Pioggia*" by M. De Giovanni; in Italian fiction "*Tra il silenzio e il tuono*" by R. Vecchioni and "*L'età fragile*" by D. Di Pietrantonio, winner of the Strega Prize 2024; in Foreign Fiction "*La città e le sue mura incerte*" (The City and Its Uncertain Walls) by H. Murakami and the good performance of P. Auster and all his backlist.
- **Rizzoli:** in Italian Fiction "*Dare la vita*" by M. Murgia, "*Cuore nero*" by S. Avallone and "*Tutta la vita che resta*" by R. Recchia and in Non-fiction "*Cara Giulia*" by G. Cecchetti. Also of socio-cultural and political relevance in the non-fiction section are "*Libertà*" (Freedom) by A. Merkel and "*La generazione ansiosa*" (The Anxious Generation) by J. Haidt.
- **Sperling & Kupfer:** in Foreign Fiction "*Iron flame*" by R. Yarros and "*You like it darker*" by S. King, in Italian Fiction "*Game of titans*" and "*Game of gods*" by H. Riley and "*Lui, lei e il paradiso*" by S. Casati Modignani. We note the trilogy "*Love me love me*" by S. Stefania in Paperback.
- **Piemme:** in Italian Fiction "*La nuova maestra*" by V. Marra, in Foreign Fiction "*L'attesa*" (The Waiting) by M. Connelly and in Non-fiction "*In nome della libertà*" by P. Del Debbio. In the Children's segment, moreover, the publisher retained its leading position with the titles of Geronimo Stilton.
- **Mondadori Electa:** in Miscellaneous "*Per sempre*" di Geolier, "*Zero glutine, zero rinunce*" by Diana & Alessio and "*Manipolatori*" by E. De Marco. We note the excellent performance of "*In cucina con la friggitrice ad aria*" by Benedetta Rossi and "*Buon'Idea*" from the catalogue.
- **Silvio Berlusconi Editore:** publishing house founded in 2024 under the banner of freedom of thought and expression, free of any ideological conditioning. In this area, "*On Leadership*" by T. Blair is worth mentioning.
- **De Agostini Libri:** in Miscellaneous, "*E voleremo sopra sulla paura*" by V. Mastroianni.
- **StarComics:** in the comics segment, the success of the series *Demon Slayer*, *Dragon Ball* and *One Piece* was consolidated also during 2024.

Revenue from the sales of **e-books and audiobooks**, which accounted for approximately 7% of total publishing revenue, was **up by 8.8%** versus the prior year. In particular:

- the number of **e-book** downloads rose by 7.0% vs 2023. The main e-book titles were "*L'orizzonte della notte*" by G. Carofiglio (Einaudi), "*Cuore nero*" by S. Avallone (Rizzoli), "*L'età fragile*" by D. Di Pietrantonio (Einaudi), "*Il castagno dei cento cavalli*" by C. Cassar Scalia (Einaudi), "*Tutta la vita che resta*" by R. Recchia (Rizzoli) and "*Tutti i particolari in cronaca*" by A. Manzini (Mondadori). The e-book catalogue at 31 December 2024 counted over 37,000 titles;
- the **audiobook** catalogue listening hours (like-for-like) **grew by 20%**. The most popular audiobooks were "*Iron flame*" and "*Fourth wing*" both by R. Yarros and "*Succede sempre qualcosa di meraviglioso*" by G. Gotto.

Electa: FY 2024 is characterised by the late April conclusion of the multi-year concession of the ticketing activities and services carried out in the Roman archaeological area of the Coliseum, which had a negative impact on revenues in the amount of approximately € 7.5 million. Consequently, in FY 2024, the company (including the business of Abscondita and S.E. Studio Editoriale) recorded revenues of € 21.6 million, down 20.9% compared with the € 27.3 million of the previous year.

The sales trend in the bookshops was very positive with a growth of over 40% compared to 2023, also thanks to the presence of the Venice Art Biennial in 2024 and the important growth in revenues from the Coliseum bookshop in Rome. Revenues generated in the publishing segment also increased, amounting to € 2.7 million, up 15% to 2023. The exhibition business generated revenue of € 2.2 million, with a decrease (€ -2.8 million) resulting from the absence of the major exhibition events held in 2023 at the National Archaeological Museum in Naples and Taormina. The exhibitions inaugurated during the year included "Baj chez Baj" at Palazzo Reale (Milan), "Impression, Morisot" at Palazzo Ducale (Genoa), "Narciso. La fotografia allo specchio" at the Terme di Caracalla (Rome) and the prestigious exhibition "The Torlonia Marbles" at the Louvre Museum in Paris.

Rizzoli International Publications recorded consolidated revenues during FY 2024 of around € 51.8 million, up 8.6% compared with the same period of 2023, as a result of the entry into the consolidation scope, starting 1 May, of Chelsea Green Publishing (revenues of € 4.5 million in the 8 consolidated months). Like-for-like revenues declined by 0.9%; the launch of the new book "Barbie The world tour", published in February 2024 on the occasion of the highly successful film (approximately 100,000 copies worldwide), and the positive performance of the New York bookstore (+10% in the year marking the 60th anniversary), thanks to renewed public interest in physical retail and the return of tourist flows to the city, almost compensated for the lower shipment of backlist titles and a different scheduling of sponsored books.

Distribution and other services: revenue from the distribution of books and other services on behalf of third-party publishers in FY 2024 amounted to € 47.0 million, an increase of approximately 70% over the € 28.4 million of the previous year, due to the contribution made by the consolidation of Star Shop's distribution business (from 1 February 2024).

EBITDA

Adjusted EBITDA of the Trade Books area for FY 2024 came to **€ 62.0 million, showing margin growth of around 4.7% (€ 2.8 million)**, due to the improved profitability of the publishing houses, as a result in particular of the 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. Changes in the consolidation scope during the year also contributed to this increase.

Reported EBITDA – of **€ 60.3 million** – **improved by approximately 3.8% or € 2.2 million**, confirming the above-mentioned operating trends.

EBIT for FY 2024 amounted to **€ 48.4 million** versus € 47.8 million in 2023. This result was affected by higher depreciation and amortisation, amounting to approximately € 1.6 million, resulting both from the consolidation of the depreciation and amortisation of the companies acquired in 2024 (€ +0.9 million for StarShop) and from the PPA process relating in particular to the companies StarShop and Chelsea Green Publishing (€ +0.4 million to 2023).

Net of the amortisation deriving from the PPA process, the EBIT of the Trade Books area would have **increased by 1.9%** over the previous year.

EDUCATION BOOKS

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

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

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

At the start of the back-to-school 2024 digital convergence project, the new, integrated digital platform for the three publishers, Hub Scuola, was completed.

Relevant market performance

In 2024, the Italian **School Textbook** market (primary and secondary schools) is estimated to have recorded a **decrease**, compared to the previous year, of about **2%**, settling at a total value of about € 606 million⁸, due to the downsizing of the sold/adopted ratio, which negatively affected revenue dynamics.

The **total number of Italian students** in the primary and secondary school cycles in school year 2024/2025 **dropped by a total of approximately 1.5%**, more markedly in the primary segment (-2.2%), due to the demographic decline and decreasing birth rate in Italy⁹.

The textbook market for School Textbooks (Primary + Secondary) showed increasing adoption rates in the year 2024 in the primary school (35%) and slightly decreasing rates in the secondary school (37%), while in primary school, the segment with the highest rate, changes stood at 80%.

As shown in the table below, in 2024, the Mondadori Group's publishing houses in the segment of **School Textbooks** achieved a **market share** (adoption) of **31.8%¹⁰**, **substantially stable** compared to the figure reported in the previous year, confirming its leadership in both primary and secondary school, with growth in the secondary school segment (upper and lower secondary schools) and a decrease in the primary segment, characterised by higher volatility and lower profitability.

On a regulatory level, ceiling limits set to spending, which establish – by Ministry of Education and Merits decree – the maximum annual amounts for each level of education for the adoption of

⁸ Source: internal processing of Databank 2024 data (net publishing revenue)

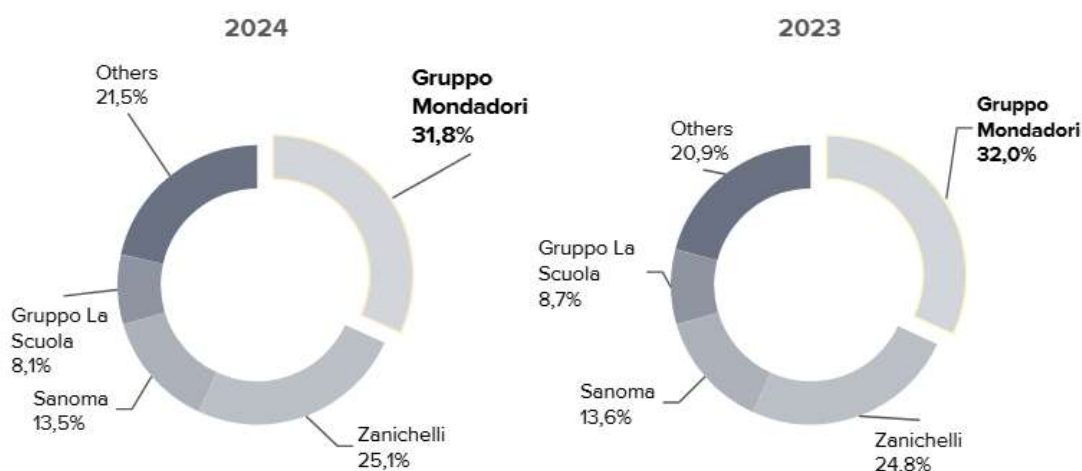
⁹ Source: Ministry of Education and Merits, on number of enrolments

¹⁰ Source: AIE, 2024 (adopted first-year sections)

textbooks, have not been revised and therefore remain unchanged on 2012 (Law no. 221/2012), despite a cumulative inflation rate recorded during the period 2012-2024 in excess of 25%¹¹.

Changes in cover prices recorded on the market for school year 2024/2025 were +2.3% in primary school and ranged between 3.2% and 3.4% for secondary school.

EDUCATION BOOK MARKET SHARES



The economic performance of the Education Books Area

Education Books (Euro/millions)	2024	2023	% Chg.
Revenue	233.3	237.5	(1.8%)
Adj. EBITDA	65.0	67.7	(3.9%)
EBITDA	64.9	66.4	(2.3%)
EBIT	41.5	44.3	(6.3%)
PPA effects	3.4	3.4	—%
EBIT excl. PPA	44.9	47.7	(5.9%)

¹¹ 26.4% (fonte: ISTAT)

Revenue

In FY 2024, the school textbooks business recorded total **revenues of € 233.3 million** (€ 237.5 million in 2023), **a slight reduction** (1.8%) compared with the previous year.

In particular, when analysing the revenue trend by school system, the following table highlights the following:

- revenues from upper and lower **secondary schools**, which account for more than 80% of the area's revenues, **declined by 1%**, despite the fact that market share remained stable due to a deterioration in the number of copies sold compared to those adopted;
- in **primary schools**, the decline is more pronounced (-6.4% compared to 2023), due to the combined effect of the decline in pupil numbers and the continued decline in market share;
- as expected, there was a decrease of about 7% in the distribution and sale of third-party products by Rizzoli Education (dedicated to foreign language teaching), while other revenues decreased by about 2%, particularly in relation to sales of non-adoption products: among these, dictionaries reported revenues down 5.5% from the previous year, while university textbooks decreased by about 6%, in line with the trend in the reference market due to the negative impact of the regulatory change relating to the Culture Bonus (App18), as already described in the Trade market.

Education Books: Breakdown Revenues by (Euro/millions)	2024	2023	% Chg.
Primary school segment	14.7	15.7	(6.4%)
Secondary school segment	185.9	187.5	(0.9%)
Third-party publishers distributed	21.3	22.8	(6.6%)
Other	11.4	11.6	(1.7%)
Total revenue	233.3	237.5	(1.8%)

In general, the Group's publishing houses recorded **a reduction in the ratio of sold/adopted** compared with the previous year **in middle schools**, and even more markedly so **in secondary schools**. The sold/adopted ratio, which in 2023 had shown an improvement, worsened in 2024, leading to a substantive realignment to the pre-pandemic year 2019 figure.

In all, for all three the group's publishing houses, sales of adoption books/courses in exclusively digital format, although showing slight growth, are confirmed as essentially irrelevant.

Education Books: Breakdown Revenues by Publishing House (Euro/millions)	2024	2023	% Chg.
Mondadori Education	81.6	83.7	(2.5%)
Rizzoli Education	76.1	77.6	(1.8%)
D Scuola	75.5	76.3	(0.9%)
Total revenue	233.3	237.5	(1.8%)

Looking at the individual legal entities, as shown in the table above, it is noted that:

- In 2024, **Mondadori Education** retained its high-ranking position in the school textbooks segment, firmly at **third place** for number of sections in terms of books adopted, with a market share that was substantially stable compared to the prior year (approximately 12%).
The year ended with a **decrease in revenues (2.5%)** (€ 81.6 million compared with € 83.7 million in 2023) due to the worsening of the sold/adopted ratio in secondary school, which is back to 2019 levels.

Specifically looking at the individual segments:

- in primary schools, despite a decline in market share, the company recorded substantially stable revenues due to the positive performance of sales of extracurricular products;
- in middle and secondary schools, the publishing house reported a stable market share.

- In 2024, **Rizzoli Education** confirmed its **fifth place** in the school textbooks segment in terms of number of sections adopted, with a substantially steady 9.7% market share.
The financial year ended with a **slight drop in revenue of 1.8%** (€ 76.1 million compared to € 77.6 million in 2023), largely due to the deterioration in the ratio of copies sold to copies taken up.

Specifically looking at the individual segments:

- in primary schools, the publishing house once again retained its position as one of the leaders, despite a worse performance by the textbooks of the third-party publishers distributed, which has been offset by the positive contribution of the entrance of the Religion segment under the Theorema brand;
- in middle schools, the publishing house recorded a 2.1% increase in the number of sections that adopted the texts, going from a market share of 12.6% in 2023 to 13%;
- in secondary schools, Rizzoli Education recorded a slight grow in market share, both of its own products (+0.6% number of sections) and of the publisher distributed Oxford University Press (+0.5% number of sections).

- **D Scuola**, whose business mainly focusses on secondary schools and university education, was confirmed as the **fourth most important publisher** in the Italian school textbooks sector in 2024, with a stable market share of 10.3% in terms of number of adoptions.

The year ended with a **slight decline in revenues of about 1%** (€ 75.5 million compared with € 76.3 million in 2023), also due to the definitive exit, completed in 2023, from the primary school segment.

The publishing offer for school year 2024/2025 was structured into 37 new titles, of which 14 in middle schools, 23 in secondary schools and 15 extracurricular titles, as well as a considerable range of digital teaching resources, tools and services, while in the university segment, there were 40 new publications and new edition publications.

Specifically looking at the individual segments:

- in middle and secondary schools, the publishing house reported a stable market share;
- in the university segment, the company saw a downturn to revenues as a result of both the regulatory change regarding the 18App bonus and the generalised market trend due to the now massive use in certain subjects of self-produced resources and materials – in addition to widespread digital piracy and illegal photocopies; sales on the e-commerce channel continue to decline.
- the foreign segment saw a slight increase in revenues compared to the previous year;
- *Garzanti Linguistica* brand dictionaries – distributed by A.L.I. – saw a slight decrease in revenues compared to FY 2023, in line with the trend of the related market.

In 2024, **teacher training** activities continued. 129 free webinars were organised (for professional refresher courses, on disciplinary matters and for promotion) as well as on-line seminars, attended by around 95,000 teachers and involving authors of the publishing house and experts in the teaching industry; in 2024, conventions were also organised on disciplinary matters and in-person training events, involving a total of 1,500 teachers.

With paid training (tailor-made courses and packages of on-line courses for schools and on-line courses for teachers), 130 schools were contracted for a total of 780 courses activated, 11,000 hours of training provided and around 13,000 teachers involved: there was therefore a significant increase in revenue compared to the previous year, mainly due to the NRRP funds¹².

It should also be noted that in 2024 the digital convergence process was completed, on a single on-line platform, Hub Scuola, for the Group's three school publishers, covering interactive digital environments and tools combined with courses, such as digital books, teacher areas organised by subject and cross-curricular tools.

¹² MD 65/23 – new skills and new languages and MD 66/23 – training of teaching staff for digital transition

EBITDA

Adjusted EBITDA in the Education Books segment in FY 2024 amounted to € 65.0 million, down from € 67.7 million recorded in 2023, mainly due to the increase in logistics and transport costs resulting from the change in the contractual conditions applied by providers, in addition to revenue dynamics. The **profitability** achieved by the area, of around **28%** in 2024, was nevertheless substantially **stable** thanks to the lower incidence of industrial and promotional costs as well as the careful management of all discretionary and structural costs.

Reported EBITDA – at **€ 64.9 million** – was also down from the 2023 figure (€ **66.4** million), but was positively impacted by lower restructuring costs for the year compared to 2023. **EBIT**, which amounted to **€ 41.5 million** compared to **€ 44.3 million** in 2023, recorded a decrease in FY 2024 as a result of higher depreciation and amortisation of about € 1.2 million related to investments in the creation of new publications and the launch of the new digital platform HUB Scuola.

Excluding the accounting effects of the PPA relating to D Scuola, **the operating result (€ 44.9 million)** would fall by 6%.

RETAIL

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

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

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

At the end of the year, **direct stores** numbered **54 units**; in this business segment, the network renewal and development continued through:

- the transformation of existing stores through transfer/downsizing/remodelling projects; in this respect, we note the mid-July reopening of the Marcianise store after the temporary closure to reduce the sales surface area;
- the selective development of the network, based on a format that is now consolidated in terms of dimensions and value proposition with a clear focus on the book product: direct stores have, in fact, continued to grow throughout 2024, as shown by the openings of the Milan bookstore in Via Marghera in February and that of Aprilia in late April and those of Brugherio and Busnago in the second half of September, of Rome Galleria Alberto Sordi and Scalo Milan in October and Milan Crocetta, Pompei and Caselle in December.

As concerns **franchisees**, mainly characterised by stores near medium/small towns, the progressive **focus on the Bookstore format** continued, with medium-sized bookshops offering considerable turnover; the opening of new bookshops and the refitting of existing bookshops continued, in parallel with the closure of smaller "Mondadori Point" brand outlets.

On 1 February 2024, **Star Shop's** network of comic book stores, which at 31 December 2024 numbered 18 DOSs and 41 franchisees, joined the network of sales outlets referring to the area.

Relevant market performance

In 2024, Italy's book market recorded a slight decline (-1.5%¹³) compared with 2023; in that context, the physical channel remained essentially stable (+0.2%) while the on-line channel declined (estimated at -4.5%).

In 2024, the Mondadori Group Retail area grew by 2.0%, outperforming the reference market for the fourth year in a row. As a result, **Mondadori Retail's market share in the Book product grew to 13.1% (up 0.4% compared with 31 December 2023)**, driven by an excellent performance in direct shops and franchising, whose market share in the physical channel was close to 20%.

¹³ Source: GFK (in terms of value)

Performance of the Retail Area

The transformation process launched over the past years has made for an improvement in operating and management performance, as shown by the **Income Statement for 2024, which highlights further growth in revenue and margins in the Retail area**; we also note that starting 1 February 2024, revenue from the Star Shop commercial business (directly operated stores and franchisees, as well as the e-commerce channel) is booked to this business area.

Retail (Euro/millions)	2024	2023	% Chg.
Revenue	215.5	199.5	8.0 %
Adj. EBITDA	16.7	14.0	19.0%
EBITDA	16.5	13.8	19.1 %
EBIT	4.4	3.2	n.s.

For the purposes of the above table, the contribution from the operation of comic shops (direct and franchised) and the e-commerce channel of Star Shop (acquired in 2024) is included in the revenues of the area only

Revenue

In FY 2024, the Retail area recorded **total revenue (books and extra-book) for € 215.5 million, with an increase of € 16.0 million (+8.0%)** compared with the previous year, making for growth of 2.9% at an organic level (i.e. net of the revenue of the Star Shop comic stores and e-commerce website, consolidated as of 1 February 2024).

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 Marcanise and Nola, which weighed on revenue for over € 1.8 million in period in question.

The ongoing development and renovation of existing stores and the focus on the core business of books have enabled the Mondadori Store network to consolidate its role in the market, as demonstrated by the **solid growth in revenue from the Book product** (€ +4.6 million, **+2.9%** compared with FY 2023), which confirmed the **positive trend recorded in the last four years**.

The revenue trend by channel is as follows:

Revenue (Euro/millions)	2024	2023	% Chg.
Directly-managed bookstores	80.7	75.3	7.2%
Franchised bookstores	99.4	97.1	2.3%
Online	13.8	14.3	(3.4%)
Store	193.9	186.7	3.8%
Bookclub and other*	21.6	12.7	69.5%
Total revenue	215.5	199.5	8.0%

**Includes revenue deriving from the management (direct and franchised) of Star Shop comic book stores and the Star Shop e-commerce channel, consolidated starting 1 February 2024*

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

- further growth in revenues of directly-managed bookstores (+7.2% compared with the previous year), despite the negative impact of the previously-mentioned temporary closures of the Marcanise and Nola bookstores, without which, growth would have stood at 9.5% compared with the previous year;
- the continuous growth of franchisee bookstores (+2.3% vs 2023);
- a slight decline in the on-line channel (-3.4% compared with the previous year), despite the change in criteria for the award of the Culture Card (formerly App18) having had a significant impact on sales in this channel;
- the positive impact of revenues deriving from the management (direct and franchised) of Star Shop comics and e-commerce website, consolidated starting 1 February 2024;
- the decline in revenues of Bookclub and Other.

As far as the product categories are concerned:

- the Book, generating 80% of revenues, continues to form the main component of revenue, highlighting total growth of 2.9% compared to FY 2023, driven by the excellent performance of the physical stores;
- the Extra Book turnover has shown a positive trend (+12.4% vs FY 2023), in particular thanks to the growth in the Impulse sector (stationery and gifts).

EBITDA

It should be noted that the EBITDA of the Retail Area do not consolidate the results of the comic shops and the Starshop e-commerce site.

The Retail area presented an **Adjusted EBITDA** of € **16.7** million in the financial year 2024, and shows **a significant growth of 19.0%** compared to 2023 (+ € **2.7** million). This result confirms progression and constant improvement in performance seen for several years now.

Adjusted EBITDA also suffered the negative impact (€ 0.7 million) of the restoration projects of Marcanise and Nola bookstores, without which **Adjusted EBITDA growth would have been around 24% (€ +3.4 million)** compared with the previous year.

Including the contribution of the comic shop margin and StarShop's e-commerce site, the area's Adjusted EBITDA would be € 17.1 million, up 22.1% year-on-year in 2023.

Note that the Area's results were achieved thanks to the deep transformation of the Company as a whole, the ongoing renewal and development of the network of physical stores, as well as careful cost management and a thorough review of the organisation and processes. All this was complemented by constant work on product innovation and the expansion of the range of publishing products, accompanied by new services, communication formats for clients and partners, and ongoing training of HQ and store staff. In brief, this is a process of transformation and development which over the past few years has regarded all sales channels and the entire organisation of the Retail area.

Reported EBITDA, at € 16.5 million, also showed the same **strong increase** over the previous year, including some non-routine costs related to shop renovation activities (€ 0.2 million in 2023 and 2024).

Operating profit (EBIT) of € 4.4 million also showed a significant improvement compared to FY 2023, despite the higher depreciation and amortisation recorded in FY 2024 (€ +1.5 million) and the aforementioned negative impact (€ 0.7 million) related to the temporary closures for restructuring of the shops in Marcanise and Nola.

MEDIA

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

Traditional **print** activities include:

- the publication of magazines (12 at 31 December 2024) and related advertising, as well as add-ons in conjunction with magazines;
- subscription management activities for magazines and daily newspapers, both for the Group's publications and those of third-party publishers, handled by **Direct Channel**. Added to this are services related to database management for third sector clients.

Digital activities include:

- the complete management of leading **websites and social profiles** in the main vertical topics (Cooking, Health & Wellness, Feminine Gen Z, Young, Parenting), which since end 2024 also includes the brand **Fatto in casa da Benedetta** and the optimisation of the related advertising space through external advertising agencies;
- the **Social Agency** business, in particular the talent agencies *Zenzero* and *Power*, which manage leading creators from the food and beauty & fashion worlds with the aim of developing their activities in the influencer marketing segment;
- the **MarTech** cluster consisting of *Adkaora*, *Hej!* and, in Spain, *Adgage*, specialised in offering mobile advertising, proximity marketing, performance and conversational marketing solutions.

In 2024, the Mondadori Group retained its position as **Italy's top multimedia publisher**:

- in the print segment with 12 magazines and 8.6 million readers¹⁴, Mondadori's market share (in terms of circulation) stood at **20.1%**, stable compared with December 2023 (20.2%)¹⁵;
- on the web with **13 brands** and approximately **34.1** million average unique users per month¹⁶, with a reach of about 76%;
- in social media with a **fanbase** as at 31 December 2024 of **around 129** million with **114 profiles**, including the *GialloZafferano* brand with around 72 million followers and the recently acquired **Fatto in casa da Benedetta** brand with around 20 million followers.

In the digital area, Mondadori Media retained its leadership in segments with high sales value and audience figures (web and social reach):

- in **food** with **GialloZafferano** which, after recording 25 million users in December and an aggregate fan base of 72 million (including international profiles), is confirmed as the most loved food media brand by the Italians and the 4th kitchen brand with most followers worldwide;

¹⁴ Source: Audipress II, 2024

¹⁵ Internal source: Press-di, December 2024 in terms of value

¹⁶ Source: Comscore (web+social), December 2024

- in the **women's** segment with the innovative web magazine and social **The Wom**, which in December 2024 numbered 10.4 million one-time users and an aggregated fanbase of 10 million;
- **wellness** with **MyPersonalTrainer** with 12.5 million unique users and an aggregate fanbase of 6.5 million;
- **science&tech** with **Focus** with over 5.2 million unique users in December and a fanbase of 5.2 million;
- **GenZ** with **Webboh** with 3.7 million unique users and an aggregate fanbase of 5.0 million;
- **parenting** with **NostroFiglio** with 2.7 million unique users and an aggregate fanbase of 1.4 million.

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

Relevant market performance

The relevant markets in FY 2024 performed as follows:

- the advertising market (excluding searches, social networks, classified and OTT) increased by an overall 3.9% versus the prior year; individual segments performed as follows: digital +1.0% (excluding Over The Top), TV +7.3%, newspapers -8.5%, radio +2.2% and magazines -5.5%¹⁷;
- the magazines circulation market declined by 7.6%¹⁸;
- the add-ons market fell by 12.3%¹⁹.

Performance of the Media Area

Media (Euro/millions)	2024	2023	% Chg.
Revenue	147.3	141.0	4.5%
Adj. EBITDA	20.2	16.4	22.9%
EBITDA	21.2	17.6	20.2%
EBIT	14.1	5.7	145.0%

¹⁷ Source: Nielsen, December 2024

¹⁸ Internal source: Press-di, December 2024 in terms of value

¹⁹ Internal source: Press-di, December 2024 in terms of value

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

In particular:

- the **digital business**, which accounts for **approximately 46%** of the area's total **revenue**, in FY 2024 has shown **growth in advertising revenue of 20.3%**, resulting in particular from the positive performance of the MarTech segment and the excellent results of the social agency and Webboh activities launched in early 2023;

As regards the single components of revenue, the following is noted:

- the **traditional print business declined by 7.5%**, mainly due to the structural drop in add-on sales and readership during the financial year.

Media (Euro/millions)	2024	2023	% Chg.
Circulation	45.3	49.1	(7.7%)
Add-on sales	9.4	12.7	(26.3%)
<i>Print Advertising</i>	10.9	9.9	10.8%
<i>Digital Advertising</i>	68.2	56.2	20.3%
Total Advertising	79.1	66.1	18.9%
Distribution/Other revenue	13.5	13.0	7.1%
Total revenue	147.2	141.0	4.5%
<i>of which DIGITAL</i>	<i>70.0</i>	<i>57.3</i>	<i>22.0%</i>
<i>of which PRINT</i>	<i>77.3</i>	<i>83.6</i>	<i>(7.5%)</i>

- **advertising** revenues – equal to approximately € 79 million – showed **an increase of around 19%**, thanks to both the **growth that, as mentioned, characterised the digital business** (+20.3%), and to the print area (+10.8%), impacted by the positive performance of the Interni event and the new advertising concession-holder appointed for the brands *TV Sorrisi & Canzoni*, *Chi* and *Focus*;
- **circulation** revenue (newsstands + subscriptions) **fell by 7.7%**. We note that the performance of the magazine *TV Sorrisi & Canzoni*, which accounts for approximately 50% of the total, was better than the overall trend of circulation revenue, booking a smaller decline.
- Revenues deriving from **add-on products** (DVDs, CDs, miscellaneous objects and books) sold together with the Mondadori newspapers, declined by about 26% due to the decrease in sales related to Home Video and Music products, while maintaining good profitability in line with the previous year.
- Other revenues, which include those relating to subscription management activities and systems for non-profit organisations as well as, from the last quarter of FY 2024, those relating to the sale of the rights to the brand *Fatto in casa da Benedetta* (cooking books and items), recorded an **increase of about 7%** compared to the previous year, due to the consolidation of new activities.

EBITDA

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

In particular:

- in the **print** area, despite the decline in circulation revenues and lesser income from government grants, the **improvement of the margin by around € 0.5 million** is the result of the constant optimisation of the cost structure and the reduction of costs incurred for the purchase of paper;
- in the **digital** area, Adjusted EBITDA **increased by around € 3.3 million** compared to the previous year, thanks to the higher revenues recorded; the margins of the digital activities as a whole **increased from 18% to about 20%** in FY 2024, thanks in particular to the significant growth in the MarTech area, as well as the contribution of the recently acquired activities related to the brand *Fatto in casa da Benedetta*.

Reported EBITDA amounted to **€ 21.2 million, a strong growth** from € 17.6 million in 2023.

As a result, **EBIT** was a positive **€ 14.1 million, an even higher increase**, despite higher depreciation and amortisation, than the € 5.7 million as at 31 December 2023, which had been negatively impacted by the recognition of the write-down of *TV Sorrisi e Canzoni*, amounting to € 6.3 million.

CORPORATE & SHARED SERVICES

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

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

Revenues, which in 2024 increased by approximately 7.0% on 2023, consisted mainly of the remuneration of services provided to subsidiaries and associates.

Adjusted EBITDA for the area is negative for € -5.9 million and slightly worse than the € -5.5 million of FY 2023, due to the higher costs linked to certain special projects, including the start-up of **PLAI**, the Mondadori Group's accelerator dedicated to start-ups in the field of generative artificial intelligence and a project relative to the migration to the Cloud of the Group information systems.

If we also include extraordinary elements, comprehensive **EBITDA** instead remains essentially stable compared with the previous year, mainly due to the lower restructuring expenses.

The area's **EBIT**, of € -15.9 million, instead recorded an improvement of € 1.3 million compared with the previous year (€ -17.2 million in 2023) due to the lesser amortisation linked to the end of the amortisation period of the SAP implementation project.

Corporate & Shared Services (Euro/millions)	2024	2023	Change
Revenue	46.0	43.0	3.0
Adj. EBITDA	(5.9)	(5.5)	(0.4)
EBITDA	(7.4)	(7.4)	0.0
EBIT	(15.9)	(17.2)	1.3

STATEMENTS OF FINANCIAL POSITION

The Mondadori Group's Net Financial Position (excluding IFRS 16) **at 31 December 2024 reflects a net debt of € 91.8 million, slightly up on the € 86.1 million of 31 December 2023**; the significant cash generated by the Group's businesses in FY 2024 has, in fact, made it possible to cope with the cash-out incurred to pay shareholder dividends and for the inorganic growth policy implemented by the Group (acquisitions of Star Shop, Chelsea Green Publishing and Fatto in Casa da Benedetta), without substantially increasing the Group's financial exposure.

The IFRS 16 Net Financial Position stood at € -173.0 million, up from € -158.6 million as of 31 December 2023, and includes an IFRS 16 debt component of € -81.2 million, up from about € 72 million in 2023 due to the discontinuities in the scope of consolidation that characterised the Trade area and as a result of the openings (9) and renewal of some lease contracts of directly operated shops in the Retail area.

Net financial position (Euro/millions)	31/12/2024	31/12/2023
Cash and cash equivalents	111.3	49.7
Assets (liabilities) from derivative financial instruments	2.2	5.7
Other financial assets (liabilities)	(31.7)	(25.9)
Loans (short and medium/long term)	(173.6)	(115.7)
Held-for-sale financial assets (liabilities)	0.0	0.0
Net financial position excluding IFRS16	(91.8)	(86.1)
Financial payables IFRS 16	(81.2)	(72.5)
Total net financial position	(173.0)	(158.6)

The overall credit lines available to the Group at 31 December 2024 amounted to € 573.1 million, € 350.0 million of which committed.

The Group's short-term loans, amounting to € 223.1 million, unutilized at 31 December 2024, include overdraft credit lines on current accounts, advances subject to collection and "hot money" flows.

The Committed credit facilities granted by leading banks consist of:

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

(Euro/millions)	Overdrafts	Of which: unutilised	Of which with interest rate hedge
Pool 2021			
Term Loan A	31.7 ²⁰	—	31.7
RCF	125.0 ²¹	125.0	—
Acquisition Line C	43.3 ²²		40.0
Total	200.0	125.0	71.7
Bilateral RCF loan	50.0²³	50.0	
Amortising Bilateral Term Loan	50.0²⁴		50.0
Bullet Bilateral Term Loan	50.0²⁵		50.0
Total	350.0	175.0	171.7

An analysis of the Group's Cash Flow as at 31 December 2024, compared to FY 2023, is provided below:

²⁰ Maturities: 2 equal instalments of € 15.8 million, maturing on 31 December 2025 and 31 December 2026; the exposure is fully hedged at a fixed rate (-0.086%)

²¹ Bullet loan, coming to maturity on 31 December 2026

²² Final maturity on 31 December 2026, annual repayment in 2 constant instalments of € 21.6 million, on 31 December 2025 and 31 December 2026. The exposure is hedged at a fixed rate (-0.098%) for € 40.0 million and at a variable rate for € 3.3 million.

²³ Bullet loan, coming to maturity on 30 July 2029

²⁴ Maturities: 9 equal half-yearly instalments of € 5.55 million, starting on 30 September 2025 and running until 27 September 2029; the exposure is fully hedged at a fixed rate (2.303%)

²⁵ Bullet maturity on 29 December 2028; exposure is fully hedged at fixed rate (2.139%)

(Euro/millions)	31/12/2024	31/12/2023
Initial NFP IFRS 16	(158.6)	(177.4)
Financial liabilities application of IFRS 16	(72.5)	(71.3)
Initial NFP NO IFRS 16	(86.1)	(106.1)
Adjusted EBITDA (NO IFRS 16)	139.4	135.4
Delta Ccn and funds	(3.5)	(6.6)
CAPEX NO IFRS16	(44.0)	(38.0)
Cash flow from operations	92.0	90.7
Financial income (expense) no IFRS16	(4.6)	(5.1)
Tax	(16.1)	(16.9)
Cash flow from ordinary operations	71.3	68.7
Restructuring	(6.1)	(4.8)
Share capital increase/dividends non controlling interests and associates	(0.8)	0.8
Purchase/disposal	(25.7)	(5.4)
Other income and expenditure	(9.5)	(6.0)
Cash flow from extraordinary operations	(42.2)	(15.3)
Free cash flow	29.1	53.5
Shareholder dividends	(31.3)	(28.7)
Tot. cash flow	(2.2)	24.8
Change in Valuation of Derivatives	(3.5)	(4.7)
Net financial position excluding IFRS16	(91.8)	(86.1)
IFRS 16 effects in the period	(8.6)	(1.2)
Final net financial position	(173.0)	(158.6)

Cash generation in 2024 is structured as follows:

- **Ordinary cash flow** was **positive at € 71.3 million**, up about 4% compared to € 68.7 million in 2023; operating cash flow was **€ 92.0 million**, up compared to the December 2023 figure due to a higher operating result and improved working capital dynamics, despite **higher capital expenditure (€ 44 million** vs € 38 million in 2023), also related to the renovation and streamlining of a printing plant. The cash-out related to payments of tax and financial expense absorbed € 20.7 million, compared with € 19.8 million in 2023.
- **Cash flow from non-ordinary operations** for 2024 came to a **negative € 42.2 million** and included mainly cash-out for:
 - acquisitions, **which, net of disposals, amounted to approximately € 25.7 million** and mainly consisted of the consideration for the purchase of 51% of **Star Shop**, amounting to approximately € 6 million (including the debt for the put/call options relating to the remaining 49% of the capital) for the purchase of 100% of **Chelsea Green Publishing** for € 5 million and for the acquisition of 51% of **Fatto in Casa da Benedetta** for a total of approximately € 12 million (including the liability for the call option relating to the remaining 19% of the capital and the earn-out);
 - restructuring costs of € 6.1 million;
 - extraordinary investments allocated to the requalification and **renovation of the offices of the Segrate headquarters for approximately € 5 million.**

As a result, the total **Free Cash Flow** generated by the Group as of 31 December 2024 was **€ 29.1 million**, before accounting for the € 31.3 million in dividends distributed in FY 2024.

The table below details, by business area, the € 44 million of investments made by the Group during the year. We should just emphasise the following:

- lesser CAPEX incurred by the Retail area (for € 2.5 million) the dynamics of which in the first half of 2023 had been particularly impacted by the restructuring project involving the flagship store in piazza Duomo, Milan;
- the higher investments made in the Trade Books area (for € 6.4 million), allocated for € 4.7 million, as already mentioned, to the renewal of a Group printing plant (which was completed by the end of the financial year);
- the higher investments in the Education Books area (for about € 3 million), destined both to renew the publishing catalogue of the three publishing houses and to complete the digital convergence project of the HUB Scuola platform.

CapEx by Sector of Activity	31/12/2024	31/12/2023
	FY	FY
Trade Books	9.4	3.0
Education Books	22.2	19.1
Retail	7.0	9.5
Media	1.3	1.0
Corporate & Shared Services	4.1	5.4
Total	44.0	38.0

Below is a summary of the Group's financial position at 31 December 2024 versus the same period of the prior year.

(Euro/millions)	31/12/2024	31/12/2023	% Chg.
Trade receivables	175.1	164.4	6.5%
Inventory	156.6	149.9	4.5%
Trade payables	273.1	257.1	6.3%
Other assets/ (liabilities)	(46.2)	(43.7)	n.s.
Net working capital from continuing operations	12.5	13.6	(8.0%)
Discontinued or discontinuing assets (liabilities)	0.0	1.7	n.s.
Net working capital	12.5	15.3	(18.2%)
Intangible assets	399.9	385.1	3.9%
Property, plant and equipment	44.1	34.7	27.0%
Investments	15.4	13.6	13.0%
Net fixed assets with no rights of use IFRS16	459.4	433.4	6.0%
Assets from rights of use IFRS16	76.4	68.8	11.2%
Net fixed assets with rights of use IFRS16	535.9	502.2	6.7%
Provision for risks	29.0	40.8	(28.9%)
Post-employment benefits	29.3	29.2	0.3%
Provisions	58.3	70.0	(16.7%)
Net invested capital	490.0	447.4	9.5%
Share Capital	68.0	68.0	—%
Reserves	187.9	157.7	19.1%
Profit (loss) for the year	60.2	62.4	n.s.
Group shareholders' equity	316.1	288.1	9.7%
Minority shareholders' equity	1.0	0.8	34.4%
Equity	317.1	288.8	9.8%
Net financial position excluding IFRS16	91.8	86.1	6.6%
Net Financial Position IFRS 16	81.2	72.5	12.0%
Net financial position	173.0	158.6	9.1%
Sources	490.0	447.4	9.5%

The Group's **Net Invested Capital** at 31 December 2024 came to **€ 490.0 million, up by 9.5%** on the € 447.4 million at 31 December 2023, due to the increase recorded in the Trade Books area, as better detailed below.

The Group's **Net Invested Capital** amounted to **€ 12.5 million**, down versus € 13.6 million of the prior year.

More specifically, the trend of key balance sheet figures versus 31 December 2023:

- **trade receivables** grew by around 7% (€ 11 million), mainly concentrated in the Trade Books area, as a result of the discontinuity in the scope of consolidation between the two years; in the Media area, exposure to customers increased as a result of the discontinuity in the scope of consolidation and higher digital revenues, which have less favourable collection conditions than print; in the Education area, on the other hand, the fall in revenues led to a decrease in receivables;
- **inventories**, amounting to € 156.6 million, increased by almost € 7 million, € 6 million of which is attributable to the change in the scope of consolidation; the remaining increase of € 1 million is attributable, on the one hand, to the higher inventories recognised in the Education area following the fall in revenues and, on the other, to the higher stocks of books in Mondadori Retail's directly managed sales outlets, which increased by 9 units compared with 31 December 2023;
- **trade payables**, amounting to € 273.1 million, increased by € 16 million (+6%), broken down as follows:
 - € 8 million in the Trade area as a result of the contribution from the acquisitions finalised in 2024;
 - € 4 million in the Education area due to the different timing of purchases;
 - € 2 million in the Retail area following the opening of new sales outlets.
- **other net liabilities**, amounting to € 46.2 million, increased by € 2.5 million, attributable to:
 - the increase in tax and personnel-related liabilities due to changes in the scope of consolidation;
 - the decrease in deferred tax assets, due to the utilisation of tax losses carried forward and the dynamics of taxed provisions.

Partially offsetting this was a decrease in payables to authors due to lower revenues in the Education area;

- **intangible assets, amounting to € 399.9 million**, increased by around € 14 million, mainly corresponding to the value attributed, on conclusion of the Purchase Price Allocation process, to the assets of the companies acquired and, residually, to goodwill; the investments made by the Group, mainly in software development and projects for new publications in the Education area, were offset by period amortisation;
- **tangible assets** increased by approximately € 9 million, due to changes in scope made during the last twelve months, investments made for the opening of new stores in the Retail area and the renovation of the Segrate headquarters;
- **right-of-use assets** recorded growth of 11.2% (approximately € 8 million) deriving in particular from the development, renovation and extension of the network of stores of the Retail area and discontinuity of scope of the Trade Books area;

- the value of **equity investments** showed an increase of € 1.8 million, of which € 1.1 million was accounted for by Book Republic Webnovels, an associated company from the second quarter of the financial year;
- provisions (provision for risks and post-employment benefits) declined by around 16.7% compared with 31 December 2023, also due to the release of certain provision for risks allocated to guarantee against liabilities that ultimately came in below expectations.

Consolidated shareholders' equity at 31 December 2024 – of € **317.1 million** – **increases by approximately € 28 million** compared with the previous year, despite the accounting of approximately € 31 million of dividends and the reduction of the reserve that includes the measurement of derivatives for about € 3 million, as a result of the **Group's positive net profit** booked during 2024 for **about € 60 million**, confirming the significant degree of capitalisation achieved by the Group.

PERSONNEL

HEADCOUNT

Group employees – on both permanent and fixed-term contracts – amounted to **2,133, up by 9.7%** versus 1,945 resources at 31 December 2023 (+183 units).

Neutralising the effect of the scope changes noted – i.e. the acquisitions in the Trade Books area of Star Shop (whose workforce has been temporarily assigned in full to the Trade Books area) and of Chelsea Green Publishing, and in the Media Digital area of the company Fatto in Casa da Benedetta – **the Group's workforce would increase slightly (+2.3%)**, in a far more limited manner compared with the previous 12 months.

Group employees at 31 December 2024:

Headcount	31/12/2024	31/12/2023	% Chg.
Arnoldo Mondadori Editore S.p.A.	265	257	3.1%
Italian subsidiaries	1,773	1,621	9.4%
Foreign subsidiaries	95	67	41.8%
Total	2,133	1,945	9.7%

Headcount by Business Area	31/12/2024	31/12/2023	% Chg.
Trade Books	734	593	23.8%
Education Books	293	291	0.7%
Retail	346	321	7.8%
Media	444	429	3.5%
Corporate & Shared Services	316	311	1.6%
Total	2,133	1,945	9.7%

In the **Trade Books** area, net of the employees who joined the Group following the acquisitions of Star Shop and Chelsea Green Publishing, the headcount grew by 1.7%.

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

The **Retail** area workforce is up by 7.8%, despite the action taken to increase efficiency in both the central structures and the organisational structure of the network of directly-managed stores as a result of the opening of certain directly owned sales outlets, as explained above.

The trend recorded by the **Media** area was an increase of 3.5%, despite the efficiencies recorded in the area related to traditional print activities (-3%), due to the strengthening of the workforce recorded in the digital business segment (+7%) and the acquisition of Fatto in Casa da Benedetta.

The headcount of the **Corporate & Shared Services** area recorded a slight growth trend, down 0.6% net of the addition of certain staff functions deriving from the integration of Star Shop.

€ millions	2024	2023	% Chg.
Cost of enlarged personnel (before restructuring)	149.3	143.6	4.0%

The **cost of personnel** during FY 2024 was € 149.3 million, **up 4.0%** compared with FY 2023: the like-for-like comparison, having neutralised scope changes, shows **substantial stability** (+0.6%).

It should be noted that the € 5.7 million increase in personnel costs recorded by the Group in FY 2024 compared to 2023 is attributable, in addition to these changes in the scope of consolidation, for about € 2 million to the salary increases provided for by the new National Collective Bargaining Agreement.

PERFORMANCE OF ARNOLDO MONDADORI EDITORE S.P.A.

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

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

Revenues, which consist of the costs of central structures charged back to the subsidiaries, amounting to € 46.0 million, increased by about 7% compared to the previous year, due to higher charges (related to IT services, administrative services and occupied space).

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

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

Depreciation and amortisation for FY 2024, amounting to € 3.2 million, decreased compared to 2023 due to the end of the amortisation period for the SAP implementation project.

FY 2024 includes net financial expense totalling € 7.4 million, up as a result of the average cost of debt for FY 2024, and the greater financial expense recognised to the subsidiaries.

The financial expenses resulting from the application of IFRS16 are in line with FY 2023.

The positive contribution from the equity measurement of investments amounted to € 81.1 million, compared to € 83.0 million from the prior year.

This decrease was mainly the result of:

- increased write-back of the subsidiary Mondadori Media S.p.A.;
- write-back of Mondadori Retail S.p.A.;
- a lower contribution from the subsidiary Mondadori Libri S.p.A., which in FY 2023 had benefited from a higher contribution from changes in the scope;
- an unchanged positive contribution from Mondadori Scuola S.p.A..

The **Company's net profit** was therefore **€ 60.2 million** (compared with € 62.4 million in 2023).

MAIN RISKS AND UNCERTAINTIES TO WHICH THE MONDADORI GROUP IS EXPOSED

The **Mondadori Group's internal control and risk management system**²⁶ is understood as the set of procedures, organisational structures and related activities aimed at identifying, measuring and managing the main risks and uncertainties to which it is exposed in achieving the corporate objectives in order to then take strategic action to attenuate and/or limit them.

The status of the risks is reviewed and updated annually. To this end, the **Risk Management Department** has been set up, whose global approach is aimed at all the main areas of risks and opportunities, focussing on the most significant in terms of possible effects on achieving the strategic objectives or the Group's net asset value.

In the course of the 2024-2025 Risk Assessment, in compliance with the provisions of the **European CSRD** (Corporate Sustainability Reporting Directive), which promotes the integration of sustainability within business models, **sustainability topics were incorporated**, such as to positively or negatively influence the company's development and performance.

The risk assessment activity aimed at achieving a tolerable level of risk therefore considered, in its overall framework, the impacts on the organisation and ESG values that are relevant to the organisation. The significance of the risks is determined on the basis of parameters of **probability of occurrence** and **impact**, the assessment of which was carried out by using the following qualitative-quantitative drivers: **economic**, considering the potential economic losses that the risks may generate, **reputational**, in view of potential effects on brand reputation, brand equity and in general stakeholder expectations and **operational**, assessing the impacts on operative processes with consequences on their efficiency and/or the achievement of business objectives and Group sustainability.

The classification constitutes a common language between the Business Units, in order to aggregate all risk factors at a corporate level. A first macro classification of risks involves a distinction between:

- **external risks**, i.e. risks that are exogenous to the organisation and related to the external environment or to the characteristics and evolutions of the sector in which the organisation operates;
- **internal risks**, directly linked to the Group's value chain, in turn classified as operational, strategic, financial and legal & compliance.

MAIN STEPS OF THE PROCESS

The activity starts with a "**Set-up**" phase; the main steps include the identification of the representatives of the Corporate and BUs to be involved in the process, the analysis of the main business risk profiles as well as the updating of evaluation criteria and scales and the scheduling of interviews.

Subsequently, through the conduct of **interviews**, by means of a **self-assessment** process, the company management (i.e. the risk owner) identifies the risks relating to its Business Unit (the "BU") and assesses the effects on the potential achievement of corporate strategic objectives.

²⁶ the process was implemented in 2008; the guidelines and overarching themes are based on the principles set out in Enterprise Risk Management (ERM), an international standard drawn up by the Committee of Sponsoring Organizations of the Treadway Commission (COSO Report).

Assessment is performed by identifying the inherent risk in terms of **probability and impact**, i.e. the entity of the risk in the lack of **mitigation interventions**, subsequently assessing the residual risk, which measures the entity of the risk following actions taken to reduce the probability of the risk even occurring and/or to limit the possible damaging impacts.

Preparation of the **Risk Reports for the individual BUs**, highlighting the top risks that have emerged and the overall assessment of the risk. Reports are sent to the respective CEOs of the individual BUs involved in the final risk assessment, with a focus on those that may damage the Group's business forecasts, processes and strategies, and a focus on relevant mitigation actions.

To conclude, there is the drafting of the **Group Risk Report**, representing the Mondadori Group's exposure to Risk, shared with the CEO, the CRSC and the Board of Directors.

The actual existence and effectiveness of the above-mentioned mitigation actions is then verified by the Internal Audit Department, which uses the risk mapping to prepare an audit plan.

RISK ASSESSMENT ACTIVITIES 2024

2024 risk assessment activities have been summarised in the tables below, indicating the main risks and mitigation measures undertaken.

The risk is the drop in consumption, due to the current geopolitical, economic and demographic situation (e.g. ongoing conflicts, inflation, gradual decrease in the birth rate in Italy), which makes it more difficult for consumers to make consumption and investment decisions, with effects also on leisure choices.

The investigation launched by the AGCM into the competitive dynamics of the school textbook sector in 2024, together with the declining purchasing power of consumers, could result in an increase in the buying and selling of **second-hand books**, reducing margins in the school segment.

Main risks	Mitigation measures
Increase in industrial costs and utilities	Scouting activities with suppliers. Three-year agreements with the most relevant suppliers in order to guarantee them stability in production, in exchange for economic benefits.
Net-zero business transition	Energy efficiency actions in the management of low-impact lighting and heating technology. Sustainability-related investments as well as extension of the supply of electricity from renewable sources to headquarters (Palazzo Niemeyer) and direct sales outlets. Sourcing paper from responsibly and sustainably managed forestry sites and/or plantations (e.g. FSC certification).
Raw material scarcity and procurement	Continuous analysis of European market trends and scouting activities also on non-EU countries. Careful planning of the purchase of paper and definition of print runs.
Transfer of logistics service to new provider	Detailed planning and continuous monitoring of transition activities to the new provider. In the IT area, start-up of a perimeter of implementation and time scheduling on the basis of assumptions shared with the business (e.g. re-use of existing functions and interfaces) in order to contain time and application complexity.

Main risks	Mitigation measures
Decline in consumption	Continued strengthening of editorial plans and attention to new market trends (comics, Booktoker). Consolidation of the comic segment. Strengthening the supply of high-margin extra-book products (e.g. stationery) With reference to on-line business, activation of the new "omni-channel" system intended to expand the purchasing offer, benefiting both the points of sale and the e-commerce platform. Continued streamlining of the shop network, both through a process of shop expansion and the implementation of transfer, downsizing and reformatting projects of existing shops.
Second-hand book distribution	Offer of products and content in digital format, restricting the dissemination of used textbooks (subject of the investigation launched by the AGCM).

SUPPLY CHAIN

In terms of increases in energy and **paper costs**, the risks are undoubtedly due to the current geopolitical and economic environment (see above) with possible future impact, even sudden

There is also a **risk of supply and shortage of raw materials**, particularly specific types of paper, due to their increasing scarcity as a result of intensive deforestation in production areas, land-use changes and/or environmental degradation

Net-Zero business transition risk is closely linked to the introduction of stricter environmental regulations, the rising cost of sustainable raw materials and the need to adopt low-carbon technologies, factors that may require significant investment in new infrastructure and technology upgrades to comply with regulatory and market demands.

Finally, from 2026, the Group will be affected by changes due to the changeover to a new **logistics** provider. The risk is related to possible higher costs and investments than budgeted and the significant IT investments for the set-up phase; however, a reduction of the risk exposure is expected in the medium term.

Main risks	Mitigation measures
Increase in industrial costs and utilities	Scouting activities with suppliers. Three-year agreements with the most relevant suppliers in order to guarantee them stability in production, in exchange for economic benefits.
Net-zero business transition	Energy efficiency actions in the management of low-impact lighting and heating technology. Sustainability-related investments as well as extension of the supply of electricity from renewable sources to headquarters (Palazzo Niemeyer) and direct sales outlets. Sourcing paper from responsibly and sustainably managed forestry sites and/or plantations (e.g. FSC certification).
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HUMAN CAPITAL AND TALENT MANAGEMENT

In the course of 2024, the **Culture bonus** 18app was revisited by changing its allocation according to criteria that reduce the area of possible beneficiaries (students belonging to households with income below a certain threshold or deserving students).

In the Education area, the **reform of the technical-professional institutes**, which envisages a reduction in the technical curriculum (4 years in high school and 2 in the ITS Academy), if extended to all institutes throughout the country will lead to a redefinition of the curricula and duration of teaching content, imposing a rapid revision of the publishing proposals and potentially a contraction of the market, with a consequent reduction in sales with greater long-term effects.

In addition, the new **content accessibility** requirements introduced by the European Accessibility Act (date of implementation: 28 June 2025), may require significant investments for the adaptation of materials and digital platforms.

Main risks	Mitigation measures
Culture Bonus reformulation	Pricing policies. Strong and innovative publishing plans.
Changes in school rules and regulations	Constant dialogue with MIUR (Italian Ministry of Education and Merit).
Non-accessible content	Dedicated working team on content accessibility (e.g. digital platform) and regulatory compliance. Allocation of funds to support content accessibility activities and projects (e.g. digital platform). Collaboration with the LIA Foundation to ensure compliance with regulatory requirements for content accessibility.

HUMAN CAPITAL AND TALENT MANAGEMENT

The Group continues to implement numerous projects in the area of Diversity & Inclusion, aimed at making the company more and more inclusive and attentive to the enhancement of uniqueness. Retention policies also continued, through the optimisation, motivation and in general well-being of employees.

The risk, however, lies in the presence of a more dynamic employment market, characterised by constant technological change and the increased attraction of competitors, which may create difficulties in both **attracting** and **retaining human resources** with specific skills/know-how for business development, especially in the MarTech area and in the Digital area in general.

Main risks	Mitigation measures
Attraction and retention of talent and human resources	Implementation of development and retention policies in the various Business Units. Training and skills development programmes also to support upskilling requests in various roles, particularly in the area of digitisation/new forms of work. Welfare programmes and initiatives for Group employees and families. Careful salary policy also through LTI targets linked to ESG topics.

TECHNOLOGICAL EVOLUTION

Recent technological innovations and, more specifically, the strong and rapid development of Artificial Intelligence (AI) are a constant focus of the Mondadori Group's attention, due to the critical issues related to digital transformation and the effects it may entail within the entire corporate structure in terms of business continuity and privacy protection.

One of the main risks is, for instance, copyright infringement, also due to the potential availability of content through other means than those existing today.

Attention remains high on cybersecurity, which may expose the Group to reputational, economic and operational impacts, deriving from cyber attacks and consequent interruptions of critical processes, the dissemination of editorial contents considered as sensitive, customer data loss and privacy breaches.

Main risks	Mitigation measures
Ineffective copyright protection in AI	Extensive training and testing phases launched on samples of the company population on AI based working tools (Copilot and Gemini). Strong supervision in contractual relations with authors. Project to monitor opportunities through the establishment of an Incubator (PLAI).
Development of disruptive technologies and AI	Creation of dedicated teams and resources and a permanent cross-unit working table. Strengthening of the programmes aiming to protect intellectual property/copyright.
Cybersecurity	Implementation of application and database security. Computer security assessment and definition of corrective actions. Continuation of the investment process in IT with moves to Cloud technology. Courses aimed at the corporate population for learning about cyber security. Strengthening of the set of procedures and coverage of the areas of Privacy, Information Management and Cyber Security.

SIGNIFICANT EVENTS IN FY 2024

Below are the main extraordinary transactions and the most important events that took place in FY 2024.

On **1 February 2024**, through its subsidiary Mondadori Libri S.p.A., the Mondadori Group finalised **the acquisition of 51% of the share capital of Star Shop Distribuzione S.r.l.**, which operates in the comic book and gadget segment and is particularly active in the distribution of third-party publishers in the comic book shop channel and in the management of sales outlets - direct and affiliated - in the same segment.

As communicated to the market on 29 June 2023, following authorisation by the Italian Antitrust Authority pursuant to Law 287/1990 - as previously announced on 3 November 2023 -, the transaction is effective as of the same date, from which date Mondadori has also fully consolidated the company.

As previously stated, the acquisition makes it possible to replicate in the comics segment the vertically-integrated business model with which the Mondadori Group already operates in the book segment.

The **price**, based on an Enterprise Value of € 9 million, covering 100% of the Company, is **€ 4.6 million**, entirely paid in cash at closing, and was subject to adjustment based on the effective net financial position at the closing date.

As previously stated, the agreement includes the signing of put & call option contracts governing the transfer of the residual 49% share of Star Shop Distribuzione. The options will be available for exercise in two equal tranches respectively starting from the approval of the 2025 financial statements and of the 2028 financial statements, at a price to be defined on the basis of the company's results during the three-year periods 2023-2025 and 2026-2028.

On **15 April 2024**, the **agreement** was signed **for the acquisition** by the subsidiary Rizzoli International Publications Inc., of 100% of the share capital of Chelsea Green Publishing Company, a transaction that was then completed on 1 May. Founded 40 years ago by Ian and Margo Baldwin, Chelsea Green Publishing is based in **Vermont (USA)** and in the UK through its subsidiary Chelsea Green Publishing UK Ltd. Its **editorial focus is sustainability** - particularly green, health and wellness issues - and promoting cultural diversity.

The Mondadori Group already has a presence in the United States through its subsidiary Rizzoli International Publications Inc., a leading publisher of illustrated English-language books on Lifestyle and Interior Design, which has also owned the historic Rizzoli bookstore in New York for the past 60 years.

With the acquisition of Chelsea Green Publishing, the Mondadori Group took a **further step on its international development journey in English-speaking markets**, which recently began with the establishment of London-based Rizzoli UK.

Consideration for the transaction, which was paid fully in cash on the closing date, is set at **\$ 5 million** (on a debt-and-cash free basis) and was subject to adjustment according to the NFP on the closing date. In the last approved financial statements (2022), the company reported **consolidated revenue of USD 8.1 million and an operating income of USD 1.1 million**.

On **24 April 2024**, the Shareholders' Meeting of the Company, among other resolutions, appointed the new corporate bodies, who will remain in office for three years until the approval of the financial statements for the year ending 31 December 2026.

The new **Board of Directors** consists of 12 members:

- Marina Berlusconi (Chairman), Antonio Porro, Pier Silvio Berlusconi, Alessandro Franzosi, Danilo Pellegrino, Elena Biffi, Francesco Currò, Cristina Rossello, Paola Elisabetta Galbiati, Marina Rubini, Riccardo Perotta (from the majority list presented by the shareholder Fininvest S.p.A.);
- Pietro Bracco (from the minority list submitted by a grouping of shareholders formed of asset management companies and institutional investors).

The Shareholders' Meeting also appointed the new **Board of Statutory Auditors**, composed as follows:

- Sara Fornasiero as Chairperson (drawn from the minority list submitted by a grouping of shareholders formed of asset management companies and institutional investors);
- Ezio Maria Simonelli and Francesca Meneghel as Standing Auditors (drawn from the majority list submitted by the shareholder Fininvest S.p.A.);
- Annalisa Firmani and Emilio Gatto, as Alternate Auditors (drawn from the majority list submitted by the shareholder Fininvest S.p.A.);
- Mario Civetta, as Alternate Auditor (drawn from the minority list submitted by a grouping of shareholders formed of asset management companies and institutional investors).

The Board of Directors of Arnoldo Mondadori Editore S.p.A., which met after the Shareholders' Meeting, chaired by Marina Berlusconi, **confirmed Antonio Porro as Chief Executive Officer**, granting him the relating management powers.

The Board of Directors also appointed the members of the following **Committees** in compliance with the principles established by the Corporate Governance Code:

- Control, Risk and Sustainability Committee: Paola Elisabetta Galbiati (Chairman), Pietro Bracco and Cristina Rossello;
- Remuneration and Appointments Committee: Elena Biffi (Chairman), Paola Elisabetta Galbiati and Cristina Rossello;
- Related Party Committee: Riccardo Perotta (Chairman), Elena Biffi and Marina Rubini.

The Board also appointed, until expiry of its term, therefore, until approval of the financial statements for the year ending 31 December 2026:

- Paola Elisabetta Galbiati as Lead Independent Director;
- Alessandro Franzosi as Financial Reporting Manager.

On **20 May 2024**, the Mondadori Group launched a new initiative called "PLAI", the start-up accelerator that seeks to transform ideas based on the exploitation of artificial intelligence into successful businesses.

With PLAI, the Mondadori Group has set itself the following objectives:

- to create a technological hub that can identify highly innovative initiatives in the sectors in which it operates: publishing, education, retail, media and advertising;

- to position itself right at the heart of the artificial intelligence revolution, becoming the core of a national and international community of innovators;
- to create industrial value and competitive advantage through focussed investments in start-ups in the AI sector.

PLAI WILL operate in the pre-seed and seed phases, selecting, for each annual acceleration cycle, 10 Italian and international start-ups, which will be supported with an initial investment of € 100 thousand each, in exchange for a minority share. The total financial commitment of the Mondadori Group is approximately € 6 million, to be invested during the three-year period 2024-2026.

On **22 July 2024** the Mondadori Group defined - as a result of the acceptance of a binding offer - the essential terms and conditions for the **acquisition, by its subsidiary Mondadori Media, of 51% of the share capital of Waimea S.r.l.**, the company that holds all the intellectual property and economic exploitation rights pertaining to the image of **Benedetta Rossi** and **Marco Gentili**. Waimea was 97.9% owned by Benedetta Rossi and Marco Gentili (individually and through the company **Maui Media**) and 2.10% in equal amounts by Emiliano Messeni and Marco Iacobellis.

Benedetta Rossi is Italy's best-known creator in the food & cooking sector. Her content creation activities range from the digital sphere - where she has a **total social media fan base of over 17 million followers and 4 million unique monthly users of her website** (Audiweb, May 2024) - to traditional media including, in particular, TV, where she has for many years starred in various programmes dedicated to cooking. Benedetta Rossi is also **the most important cookbook author of recent years**, with **9 books** published with the Mondadori Group between 2016 and 2023, **selling over 1.5 million copies in total**.

As a result of this transaction, through the coordinated and synergistic management of activities linked to the Fatto in casa da Benedetta and GialloZafferano brands, **the Mondadori Group intends to create the leading multimedia player in the food & cooking sector**, both in digital and traditional media. The more than 87 million followers worldwide that Benedetta and GialloZafferano together will be able to reach will make them the world's second most important social media operator in the food & cooking sector (internal processing of market data).

Future development will rest on the centrality of Benedetta Rossi as the person who can guarantee quality and reliability. The strategic partnership is also intended, through greater investment aimed at growing the company through which Benedetta currently operates, to broaden the media success already achieved in the food & cooking sector into new neighbouring sectors and towards new opportunities, even by diversifying the current business model.

The transaction involves the initial acquisition by Mondadori of 51% of the share capital of Waimea - whose revenues and EBITDA in 2023 amounted to € 4.5 million and € 2.7 million respectively - on terms that reflect an Enterprise Value (for 100% of the company) of € 13.5 million, on a cash&debt free basis. The terms of the transaction also provide for a variable component (so-called earn-out) - to be defined on the basis of the results of the two-year period 2023-2024 and of the financial year 2026 - the value of which, also due a contractual "cap" mechanism, is expected to reach a total amount not exceeding € 3.2 million. Following the acquisition, the ownership structure of Waimea sees Mondadori Media holding 51% and Benedetta Rossi and Marco Gentili (through Maui Media) 49%.

The agreements signed also provide for put & call options on a further 19% stake in Waimea's share capital (exercisable after the approval of the 2028 financial statements), the exercise terms/strike price of which are linked to Waimea's performance (turnover and EBITDA) in 2028. Exercising these options would allow Mondadori Media to increase its **stake in the company to 70%**, while keeping Benedetta Rossi and Marco Gentili shareholders at 30%, consistent with the long-term strategic partnership established by the transaction.

On **2 August 2024**, Mondadori Libri S.p.A. signed mutual **put and call options** over a **10% stake in the share capital of Adelphi Edizioni** with Josephine Calasso – holder of a total shareholding of 23.88%.

The put/call options will be exercisable as of May 2027 at an exercise price reflecting an equity value for 100% of Adelphi of € 50 million.

On **1 October 2024**, **Mondadori Media** completed – in execution of the binding offer signed and disclosed on 22 July – the **acquisition of 51% of the share capital of Fatto in casa da Benedetta S.r.l.** (formerly Waimea S.r.l.), which holds all the intellectual property and economic exploitation rights pertaining to the image of Benedetta Rossi, as well as all the social media assets and the related content library.

The price of the acquisition, paid in full in cash, is **€ 6.9 million** and reflects an enterprise value for 100% of the company, on a cash & debt free basis, of € 13.5 million.

On 18 December 2024, the extraordinary Shareholders' Meeting of Arnoldo Mondadori Editore S.p.A. approved the proposal to amend the Bylaws by granting the Board of Directors the authority to allow participation in the Meeting and the exercise of voting rights exclusively through the appointed representative pursuant to Article 135-undecies.1 of Legislative Decree No. 58/1998.

On **21 December 2024**, Emilio Gatto, already an Alternate Auditor on the Board of Statutory Auditors of Arnoldo Mondadori Editore S.p.A., assumed the role of Standing Auditor of the Company. Gatto took over from Ezio Simonelli, who resigned as Standing Auditor on the same date.

Mr Simonelli stated that this decision was due to his appointment, on 20 December 2024, as Chairman of the Lega Nazionale Professionisti Serie A, causing him to turn down positions held in companies related to the Fininvest Group, since the group controls Monza Calcio.

Emilio Gatto's replacement of Ezio Simonelli as Standing Auditor of Arnoldo Mondadori Editore S.p.A. complies with the Bylaws and the provisions set out by Article 148, subsection 1-bis of Italian Legislative Decree no. 58/1998 on gender balance in the composition of the Board of Statutory Auditors. Gatto belongs to the same slate, submitted by the majority shareholder Fininvest S.p.A. to the Shareholders' Meeting on 24 April, from which the resigning standing auditor had been taken.

PURCHASE OF TREASURY SHARES

At **31 December 2024**, Arnoldo Mondadori Editore S.p.A. held 795,537 treasury shares, equal to **0.30% of the share capital**. It should be noted that a total of 247,066 shares were purchased in FY 2024.

SIGNIFICANT EVENTS AFTER 31 DECEMBER 2024

Below are the main extraordinary transactions and the most important events that took place after the close of FY 2024.

On **10 January 2025, Mondadori Libri S.p.A.** finalised the **acquisition of a further 25% stake in A.L.I. S.r.l.** – Agenzia Libreria International, which operates in the distribution of books.

As a result of this operation, Mondadori Libri S.p.A. has now brought its stake in the company to 100%, from the former 75%.

The increase in the A.L.I. stake came following the exercise of the call option set forth in the contract signed and announced on 11 May 2022, at the time of the acquisition of an initial 50% stake in the share capital, which envisaged the right, for Mondadori Libri, to acquire the remaining 50%. This is thanks to a deferred purchase commitment and a put & call agreement, each accounting for 25% of the A.L.I. S.r.l. capital; the former was implemented and disclosed in January 2023.

The **provisional price**, paid in cash, **is € 12.2 million**, determined on the basis of the average 2023-2024 EBITDA as well as the positive net financial position (cash) of the scope covered by the transaction, which at 31 December 2024 amounted to € 27 million. This provisional price may be adjusted following the approval of the financial statements as at 31 December 2024.

On **3 March 2025, Mondadori Libri S.p.A.** completed **the acquisition of a further 24.5% stake** in Edizioni Star Comics S.r.l., Italy's leading comic book publisher.

As a result of this operation, Mondadori Libri S.p.A. has now brought its stake in the publishing house to 75.5%, from the former 51%.

The increase in the stake in Edizioni Star Comics was carried out through the exercise of the call option envisaged by the agreement signed and disclosed to the market on 6 June 2022, which gave the Mondadori Group the right to acquire the remaining 49% stake in the company in two tranches of 24.5% each, exercisable in 2025 and 2028.

The **provisional price**, paid fully in cash, **is € 5 million**, determined on the basis of the average EBITDA for the three-year period 2022-2024 as well as the net financial position over the twelve months prior to the closing date (amounting to € 2.5 million).

This provisional price may be adjusted following the approval of the 2024 financial statements.

OTHER INFORMATION

In the reporting period, Arnoldo Mondadori Editore S.p.A. did not carry out any development activities. At closure or during the period, it did not hold any shares in parent companies, not even through trusts or trustees.

RELATED PARTY TRANSACTIONS

In compliance with the provisions set out in Article 5, paragraph 8, and Article 13, paragraph 3, of the "Regulation in the matter of transactions with related parties" issued by CONSOB through Resolution 17221 of 12 March 2010 and subsequent amendments (the "CONSOB Regulation"), the following is reported relating to the period of reference:

- no transactions of greater significance with related parties were concluded;
- no changes or developments relating to the transactions with related parties illustrated in the most recent Annual Report are reported that had a significant impact on the Company's equity or performance in the year of reference.

Also with regard to the provisions of Article 2427 no. 22 bis of the Italian Civil Code, it should be noted that transactions with related parties were regulated under normal market conditions: those concluded with Mondadori Group companies are intercompany current account trade and financial transactions, managed by Arnoldo Mondadori Editore S.p.A., to which the various subsidiaries companies contributed based on their relevant debt and credit positions.

Further details are found in the Notes to the Consolidated Financial Statements.

TAX CONSOLIDATION

In relation to the tax consolidation regime pursuant to Article 117 et seq. of Italian Presidential Decree 917/1986, Arnoldo Mondadori Editore S.p.A. renewed the option in 2022 also for its subsidiaries (Mondadori Group) to adhere to the tax consolidation regime with Fininvest S.p.A. as consolidating company for the 2022-2024 three-year period. The consolidation agreement contains a protection clause according to which Arnoldo Mondadori Editore S.p.A. and its subsidiaries adhering to tax consolidation shall not be required to pay more income tax than the Group would have paid if Arnoldo Mondadori Editore S.p.A. and its subsidiaries had created its own tax consolidation agreement. Therefore, this protection clause is aimed at only accounting the tax amount that would have been paid by the subsidiaries excluded from the fiscal unit belonging to Fininvest S.p.A. as a result of the application of the so-called "demultiplier".

The agreement sets the priority for the Mondadori Group to offset current tax receivables against payables (i.e. referred to the same year in which tax payment is due) transferred by the adhering companies and, in the case of residual taxable income, to subsequently use prior-year tax losses within the limits set by current legislation. Pursuant to the currently applicable regulations on the matter, the agreement allows the transfer, within the consolidation scope, of tax benefits enjoyed by the adhering companies, which are transferred or made available to the fiscal unit against recognition of a compensation (paid at a rate corresponding to the ordinary IRES tax value) by the companies benefiting from it.

Any tax receivables or payables resulting from adherence to such tax consolidation agreement are posted as receivables or payables to holding companies, with the latter acting as "clearing house".

DIRECTION AND COORDINATION ACTIVITIES (ARTICLE 2497 ET SEQ. OF THE ITALIAN CIVIL CODE)

While Fininvest S.p.A. holds a controlling stake pursuant to Article 2359 of the Italian Civil Code, it does not exert any direction and coordination activity as defined in Article 2497 bis and ensuing articles of the Italian Civil Code on Arnoldo Mondadori Editore S.p.A.; it manages the investment held in Arnoldo Mondadori Editore S.p.A. merely from a financial standpoint.

With regard to the companies controlled by Arnoldo Mondadori Editore S.p.A., with reference to the requirements of law and taking into account that the Board of Directors determines, generally speaking, the strategic and organizational policies relating also to subsidiaries, management and coordination activities pursuant to Article 2497 et seq. of the Italian Civil Code are carried out in respect of the following direct or indirect subsidiaries pursuant to Article 2359 of the Italian Civil Code:

- D Scuola S.p.A.
- Giulio Einaudi Editore S.p.A.
- Mondadori Retail S.p.A.
- Mondadori Education S.p.A.
- Electa S.p.A.
- Mondadori Media S.p.A.
- Mondadori Libri S.p.A.
- Direct Channel S.p.A.
- Mondadori Scienza S.p.A.
- AdKaora S.r.l.
- Hej! S.r.l.
- Rizzoli Education S.p.A.
- Mondadori Scuola S.p.A.
- Libromania S.r.l.
- Grafiche Bovini S.r.l.
- Mondadori PLAI S.r.l.
- Zenzero S.r.l.

The abovementioned companies consequently fulfilled their respective disclosure obligations pursuant to Article 2497-bis of the Italian Civil Code.

REGISTER OF PERSONAL DATA PROCESSING ACTIVITIES PURSUANT TO ARTICLE 30 OF REGULATION (EU) 2016/679

Arnoldo Mondadori Editore S.p.A. plays an active role in ensuring compliance of the Mondadori Group with the privacy regulations envisaged in Regulation (EU) 2016/679 (GDPR), and in applicable legislation. Specifically, Arnoldo Mondadori Editore S.p.A. constantly updates, pursuant to Article 30 of the above Regulations, a register of the personal data processing activities carried out as data controller or data processor.

Arnoldo Mondadori Editore S.p.A., pursuant to Article 37 of the Regulations, has a Data Protection Officer (DPO) in place; the Officer sees to regularly updating its privacy documentation and security measures, based on the principles of privacy by design and privacy by default.

TRANSACTIONS RELATING TO TREASURY SHARES

Renewal of the authorization to purchase and dispose of treasury shares

On 24 April 2024 and in consideration of the expiry of the previous shareholders' meeting authorisation of 27 April 2023 and with a view to continuing to assure the Board of Directors the faculty to take advantage of any investment or operating opportunities on treasury shares, the Shareholders' Meeting resolved, in accordance with Art. 2357 of the Italian Civil Code, and with a duration established as until approval of the financial statements at 31 December 2024, to authorise the purchase of treasury shares. The Shareholders' Meeting also authorised, in accordance with Art. 2357-ter of the Italian Civil Code and with reference to the reasons set out below, any disposals of the treasury shares acquired.

Here below are the main elements of the buyback plan authorized by the Shareholders' Meeting:

Motivations

- 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;
- to rely on investment or divestment opportunities, if considered strategic by the Company, also in relation to available liquidity;
- to dispose of treasury shares servicing the Performance Share Plan established by the Shareholders' Meeting and in any case as part of share-based incentive plans pursuant to Article 114-*bis* of the TUF, and of plans for the free allocation of shares to employees or members of the governing or supervisory bodies of the Company or to Shareholders.

Duration

The authorization to purchase treasury shares is set to last until the approval of the financial statements for the year ending 31 December 2024 and, in any case, for a period not exceeding 18 months after that date, while the authorization to sell is granted to last for an unlimited period, given the absence of time limits pursuant to the 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 the acts of disposal of the shares.

During the reference year, the Company acquired a total of 247,066 treasury shares on the market, accounting for 0.094% of the share capital. The purchases were made in execution of the purchase programme pursuant to Art. 5 of Regulation (EU) No 596/2014, disclosed to the market on 13 November 2024 and exclusively aimed to service the three-year performance share plans established by the ordinary shareholders' meeting and in accordance with Art. 114-bis of the TUF.

During the same period, the 2021-2023 Performance Share Plan Beneficiaries were assigned a total of 729,331 shares already held in the portfolio as treasury shares.

Taking into account the 1,277,802 shares in its portfolio as of the date of the Shareholders' Meeting of 24 April 2024 and the additional 472,934 shares acquired during FY 2025, also in execution of the aforementioned purchase programme, as of the date of this report the Company holds a total of 1,268,471 treasury shares, equal to **0.485% of the share capital**.

Maximum number of purchasable treasury shares

The authorization refers to the purchase, on one or more occasions and in one or more tranches, of a maximum number of ordinary shares with a nominal unitary value of € 0.26, which - considering the treasury shares already held by the Company and the shares that may possibly be acquired by subsidiaries - shall not exceed a total of 10% of the share capital.

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

Purchases would be made in accordance with articles 132 of the TUF and 144-bis(1)(b) and d-ter) of the Issuers' Regulation, and thus:

- i. on regulated markets or multilateral trading systems, according to the operating criteria established in the organisation and management regulations of the same markets, which do not allow the direct matching of purchase trading proposals with predetermined sales trading proposals, as well as in compliance with any other legislation in force, including European ones
- ii. by the methods established by the market practices permitted by Consob, pursuant to the combined provisions of article 180(1)(c) of the TUF and article 13 of Regulation (EU) no. 596 of 16 April 2014 ("Permitted Market Practices").

Additionally, share purchase transactions may also be carried out in the manner envisaged in Article 3 of EU Delegated Regulation no. 2016/1052 in order to benefit, if the conditions are met, from the exemption under Article 5, paragraph 1, of EU Regulation no. 596/2014 on market abuse with regard to inside information and market manipulation.

The disposal of treasury shares may be carried out, on one or more occasions and even before having terminated the maximum number of purchasable treasury shares, either by selling them on regulated

markets or according to other trading methods in compliance with the law, including EU law force and with the Admitted Market Practices, if applicable.

The authorisation proposal provides that purchases are made at a unit price, compliant with any regulatory requirements, including European ones, or permitted market practices in force at the time, where applicable, without prejudice to the fact that the minimum and maximum purchase price will be set at a unit price no lower than the official stock market price of the Mondadori stock on the day prior to the day on which the purchase transaction is carried out, decreased by 20%, and no higher than the official stock market price on the day before the day on which the purchase transaction will be carried out, increased by 10%. In any event - except for any different price and volume determinations resulting from the application of the conditions set forth in the Admitted Market Practices, as defined at the next point - 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 will not exceed 25% of the daily average volume of Mondadori shares traded as recorded in the 20 trading days before the dates of purchase or in the month prior to the month of the disclosure required by Art. 2, paragraph 1, of Regulation (EU) no. 1052/2016.

In terms of consideration, sales transactions or other acts of disposition of treasury shares would 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 above or in any case in respect of incentive plans based on financial instruments in accordance with Article 114-*bis* of the TUF in compliance with the terms and conditions set out in the resolutions of the Shareholders' Meeting that establish the Plans and the related regulations.

Report on Corporate Governance and Ownership Structure (Article 123-bis Legislative Decree no. 58 of 24 February 1998)

The 2024 Report on Corporate Governance and Ownership Structure containing information on the adoption by Arnoldo Mondadori Editore S.p.A. of the Corporate Governance Code for Listed Companies (January 2020 edition) established by Borsa Italiana S.p.A., as well as further information pursuant to Article 123- bis, par. 1 and 2 of Legislative Decree no. 58/1998, is available – together with this Directors' Report on Operations on the www.gruppomondadori.it website under the Governance section, and through the authorised storage mechanism 1Info (www.1info.it).

Adhesion to the legislative simplification process adopted by CONSOB resolution No. 18079 of 20 January 2012. Disclosure pursuant to art. 70, par. 8, and art. 71, par. 1-bis, of CONSOB Regulation No. 11971/99 as subsequently amended

On and with effect from 13 November 2012, the Board of Directors of Arnoldo Mondadori Editore S.p.A., pursuant to Article 3 of CONSOB Resolution no. 18079 of 20 January 2012 and in relation to the provisions set out in Article 70, par. 8, and Article 71, par. 1-bis of CONSOB Regulation no. 11971/1999, resolved to avail itself of the faculty of waiving the obligation of disclosure envisaged by the aforementioned CONSOB Regulation on the occasion of significant transactions relative to mergers, spin-off and capital increases through contribution of assets in nature, acquisitions and transfers.

List of branch offices

The company does not have any secondary offices.

Essential intangible resources

Essential intangible resources, as referred to in Article 15 of Decree 125/2024, include those resources without physical substance that represent the basis of the business model of the enterprise, constituting a crucial source of value generation. The main categories of intangible resources can be broken down as follows:

- **Human capital:** the value generated by employees through their competencies, specific skills and experience.
- **Relational capital:** the intrinsic value of the Group's relationships with customers, suppliers, investors, business partners and communities.
- **Intellectual capital:** the value created by the company through innovation, organisational processes and geographical distribution.

These resources are fundamental elements of the business model adopted by the Group, as described in the "Business Model and Value Chain" section of the Sustainability Report. In particular, the Group identifies its editorial skills as essential to the achievement of its objectives, as they allow authors maximum freedom of expression and nurture the fiduciary relationships that form the basis of relational capital. Direct dialogue with one's financial analysts, teachers and lecturers, customers and readers and suppliers, also facilitated by the proximity of one's own sales network, is considered a further essential element as a component of the relational capital that enables and facilitates the development of content and interactions between authors and the market. The essential elements described are based on an organisational structure deemed suitable for their further development as represented in the section "The corporate governance system of the Mondadori Group" of the Sustainability Report.

GLOSSARY OF TERMS AND ALTERNATIVE PERFORMANCE MEASURES USED

This document, in addition to the statements and conventional financial measures required by IFRS, presents a number of reclassified statements and alternative performance measures, in order to provide a better understanding of the operating and financial performance of the Group. These statements and measures should not be considered as a replacement of those required by IFRS. With regard to these figures, in accordance with the recommendations contained in CONSOB Communication no. 6064293 of 28 July 2006, and in CONSOB Communication no. 0092543 of 3 December 2015, as well as with the 2015/1415 ESMA guidelines on alternative performance measures ("Non-GAAP Measures"), explanations are given on the criteria adopted in their preparation and the relevant notes to the items appearing in the mandatory statements.

Specifically, the alternative measures used include:

Gross Operating Profit (EBITDA): net profit for the period before income tax, other financial income and expense, amortisation, depreciation and write-downs of fixed assets. The Group also provides information on the percentage of EBITDA on net sales. EBITDA measured by the Group allows operating results to be compared with those of other companies, net of any effects from financial and tax items, and of depreciation and amortization, which may vary from company to company for reasons unrelated to general operating performance.

Adjusted gross operating profit (adjusted EBITDA): gross operating profit as explained above, net of income and expense of a non-ordinary nature such as:

- income and expense from restructuring, reorganization and business combinations;
- clearly identified income and expense not directly related to the ordinary course of business;
- any income and expense from non-ordinary events and transactions as set out in CONSOB Communication DEM6064293 of 28/07/2006.

(Euro/thousands)	2024	2023
Gross Operating Profit - EBITDA (as shown in the financial statements)	154,969	148,896
Restructuring costs under "Cost of personnel"	2,406	6,450
Expenses related to acquisition and sale of companies and business units, sundry expense (income) and cost of services	203	(3,261)
Adjusted Gross Operating Profit - Adjusted EBITDA (as shown in the Directors' Report on Operations)	157,578	152,085

With reference to adjusted EBITDA in 2023, the following items were excluded from EBITDA:

- restructuring costs for a total amount of € 6.5 million, included in "Cost of personnel" in the income statement; NOTE 32
- income of a non-ordinary nature for a total of € 3.3 million, included in "Sundry expense (income)" and "Cost of services". NOTE 31 and 33

With reference to adjusted EBITDA in 2024, the following items were excluded from EBITDA:

- restructuring costs for a total amount of € 2.4 million, included in "Cost of personnel" in the income statement; NOTE 32
- expense of a non-ordinary nature for a total of € 0.2 million, included in "Sundry expense (income)" and "Cost of services". NOTE 31 and 33

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

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

Operating profit (EBT): EBT or consolidated result before tax is the net profit for the period before income tax.

Net Profit adjusted: this is the net profit excluding income and expense of non-ordinary nature, amortisation and depreciation deriving from the purchase price allocation of companies acquired in the last five years and write-downs of intangible assets net of the related tax effect and gross of any non-recurring tax expense/income.

Net invested capital: the algebraic sum of Fixed Capital, which includes non-current assets and non-current liabilities (net of non-current financial liabilities included in the Net Financial Position) and Net Working Capital, which includes current assets (net of cash funds and cash equivalents and current financial assets included in the Net Financial Position), and current liabilities (net of current financial liabilities included in the Net Financial Position).

Cash flow from operations: adjusted EBITDA, as explained above, plus or minus the decrease/(increase) in working capital in the period, minus capital expenditure (CAPEX/Investment).

Cash flow from ordinary operations: cash flow from operations as explained above, net of financial expense, tax paid in the period, and income/expense from investments in associates.

Cash flow from non-ordinary operations: cash flow generated/used in transactions that are not considered ordinary, such as company restructuring and reorganization, share capital transactions and acquisitions/disposals.

Free Cash Flow: the sum of cash flow from ordinary and non-ordinary operations in the reporting period (excluding payment of dividends, if any).

Total Cash Flow: the sum of cash flow from ordinary and non-ordinary operations in the reporting period (including payment of dividends, if any).

OUTLOOK FOR THE YEAR

The **economic performance and cash generation capacity, also demonstrated in 2024, point to a further improvement in results for the next year.**

From a strategic point of view, the Group intends to continue to **strengthen and consolidate its integrated and diversified leadership position in the core businesses of book and digital publishing**, and to expand its **retail** network in order to increase coverage throughout the country. In particular:

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

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

Income Statement

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

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

Cash Flow and Net Financial Position

The Group is expected **to maintain its strong cash generation capacity**, with an average annual **Ordinary Cash Flow** of around **€ 70 million**, in line with the 2024-2026 forecast. For the 2025 financial year, the timing of the Trade Books area publishing plan, in FYs 2024 and 2025, where the

best-selling titles were released in the first half of FY 2024 and are scheduled for the second half of 2025, may result in some receipts being delayed from 2025 to 2026. As a result, there could be a slight shortfall compared to the target, but this will lead to a corresponding benefit in the early months of the following year.

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

Shareholder Remuneration Policy

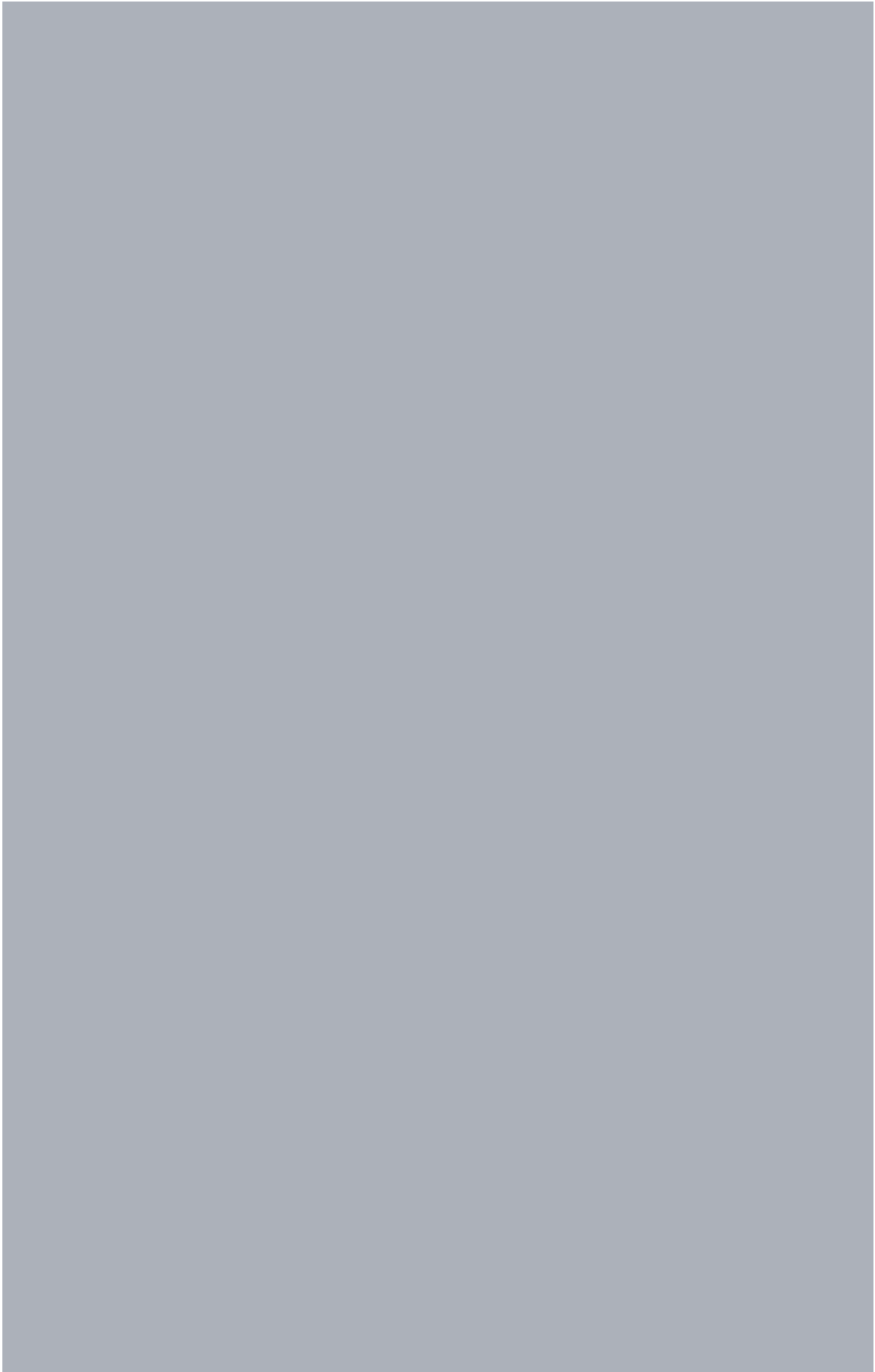
The Group's significant cash generation will continue to be allocated to **maximising the company's value creation**, through an active investment policy in its core and adjacent businesses aimed at seizing opportunities to strengthen the Group's leadership, expand geographically and/or expand its presence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

Each year, the Board of Directors, when proposing the distribution to the Shareholders' Meeting, will take account of the general macroeconomic scenario, as well as the expected cash flows and the Group's equity and financial structure.

For the Board of Directors

The Chairman
Marina Berlusconi

2024 Sustainability Statement



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GENERAL INFORMATION

Reconciliation table

Reconciliation Table for General Information

ESRS Standards	Paragraph	Notes

Reporting Criteria		
BP-1 – General basis for preparation of sustainability statements	Methodology and general criteria for the preparation of the report	The information required under paragraph 10 of BP-2 is not applicable, except for Scope 3 emissions, which are reported under the “Metrics” section of “E1 – Climate Change” within the “Environmental Information” chapter
BP-2 – Disclosures in relation to specific circumstances		The information required under paragraphs 13 and 14 of BP-2 is not applicable, as this document constitutes the first Sustainability Statement prepared in accordance with the ESRS For further information on the full reporting scope, please refer to the “Mondadori Group Structure” section of the Annual Financial Report
Governance		
GOV-1 – Role of the administrative, management and supervisory bodies	Governance Structure, see paragraph “Corporate governance system of the Mondadori Group”	For further details on the governance bodies, please refer to the “Composition of corporate bodies” and “Organisational structure of the Mondadori Group” sections of the Annual Financial Report
GOV-2 – Information provided to the administrative, management and supervisory bodies and sustainability matters addressed by them	Governance Structure, see paragraph “Corporate governance system of the Mondadori Group”	
GOV-3 – Integration of sustainability performance into incentive schemes	Governance Structure, see paragraph “Sustainability metrics in performance evaluation systems”	
GOV-4 – Statement on the due diligence process	Governance structure, see paragraph “Statement on the due diligence process”	
GOV-5 – Risk management and internal controls over sustainability statement	Governance structure, see paragraph “Risk management and internal control system for sustainability statement”	
Strategy		
SBM-1 – Strategy, business model and value chain	Business model and value chain	The information required under paragraph 40(a), point (iv), is not applicable, as the Mondadori Group’s products and services are not prohibited in any specific markets The information required under paragraph 40(d), points (i) to (iv), is not applicable, as the Mondadori Group does not operate in the sectors indicated therein For further details on the business model and corporate strategy, please refer to the sections “Overview of Group’s activities,” “Group History Milestones,” as well as “Significant events during the 2024 financial year” and “Significant events after 31 December 2024” of the Annual Financial Report
	Sustainability strategy	
SBM-2 – Interests and views of stakeholders	Material sustainability topics for the Mondadori Group, in the sections “Stakeholder engagement” and “Interests and views of stakeholders”	

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

Material sustainability topics for the Mondadori Group, in the section “List of material impacts, risks and opportunities” and across the thematic chapters under the section “Material impacts, risks and opportunities and their interaction with strategy and the business model”

For further details on the main risks and uncertainties to which the Mondadori Group is exposed, please refer to the section “Main risks and uncertainties to which the Mondadori Group is exposed” of the Annual Financial Report

Management of impacts, risks and opportunities

IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities	Material sustainability topics for the Mondadori Group, in the sections “Stakeholder engagement” and “List of material impacts, risks and opportunities”	Additional information required under IRO-1 is provided in greater detail in the section “Description of the process and results of the double materiality assessment” within the chapter “Explanatory notes to the Sustainability Statement” The information required under IRO-2 – ESRS disclosure requirements addressed in the undertaking’s sustainability statement – is provided later in the chapter “Explanatory notes to the sustainability statement”

Methodology and general criteria for the preparation of the report

[BP-1, ESRS IRO-2] This document constitutes the first consolidated Sustainability Statement (hereinafter also referred to as the "Sustainability Statement" or the "Report") of the Mondadori Group (hereinafter also referred to as the "Group" or the "Company") [BP-1, 5(a)] for the 2024 financial year (from 1 January 2024 to 31 December 2024).

The document is prepared in compliance with Legislative Decree no. 125/2024 implementing Directive (EU) 2022/2464/EU of the European Parliament and Council, also known as the Corporate Sustainability Statement Directive (hereinafter the "CSRD"), with the European Sustainability Statement Standard (ESRS) and in accordance with Article 8 of Regulation (EU) 852/2020 on the European Taxonomy, which requires companies obliged to report on sustainability to disclose the economic activities they consider environmentally sustainable.

As required by Article 3 of Legislative Decree no. 125/2024, the Sustainability Report is an integral part of the Directors' Report on Operations of the Group and contains the information necessary for understanding the company's impact on sustainability matters and how they affect the company's performance and results.

In particular, the document was prepared taking into account the contents of ESRS 1 (under the section "Content and structure of the sustainability statement"), which provides in detail for the preparation of four parts: general information, environmental information (including disclosure pursuant to Article 8 of Regulation (EU) 2020/852, also known as "Taxonomy"; the analytical tables required by the European Taxonomy Regulation are in the appendix), social information, governance information.

In line with the provisions of the ESRS standards, the Mondadori Group has prepared this document considering the principles of relevance, faithful representation, comparability, verifiability and understandability, in order to ensure the quality of the information and the appropriateness of the presentation methods.

The contents of this Report were identified on the basis of the results of the Group's double materiality analysis, which identified material impacts, risks and opportunities (IROs) and determined which sustainability issues are relevant for reporting purposes. The results of the double relevance analysis are presented in the section "Material sustainability topics for the Mondadori Group".

In the section "Explanatory notes to the Sustainability Statement", there is the table of contents in relation to relevant IROs ("Annex I – Overview of disclosure requirements related to relevant IROs") and the description of the process followed in the context of the double materiality analysis ("Description of the process and results of the double materiality assessment").

Value chain

In conducting the double materiality analysis, the Mondadori Group focused on the segment of value chains deemed most significant for understanding impacts, risks and opportunities. More specifically, it covers all activities and relationships relevant to the product-focused business proposition of the Trade, Education and Retail business areas, which account for the Group's main revenue, [BP 1-5C] as further described in the section "Business Model and Value Chain" of this chapter.

More information on the assessment of the materiality of IROs throughout the Mondadori Group's value chain can be found in the section "Description of the process and results of the double materiality assessment" of the chapter "Explanatory notes to the Sustainability Statement".

Regarding value chain metrics, this report discloses the total gross Scope 3 emissions generated along the Mondadori Group's upstream and downstream value chain. More details on the calculation methodology used to estimate emissions can be found in the "Metrics" section of the chapter "ESRS E1 – Climate Change".

The extent to which policies, actions taken and targets, including metrics adopted for monitoring, cover the value chain is described in each thematic chapter, under the sections containing information on policies, targets and actions and metrics.

Reporting scope

The reporting scope includes companies consolidated on a line-by-line basis for financial reporting purposes; for more details of the consolidated financial reporting scope, refer to section "3. Principles and Scope of Consolidation" of the Consolidated Financial Statements as at 31 December 2024 of the Mondadori Group. [BP-1, 5b)

As at 31 December 2024, the Mondadori Group held investments in jointly controlled companies ("joint ventures"), specifically in the following companies: Bookrepublic Webnovels, Edizioni EL S.r.l., Gruppo Attica Publications, and Mondadori Seec Advertising Co. Ltd. Note that the Mondadori Group does not exercise operative control over these companies; therefore, they have not been included in the consolidated calculation of metrics – including GHG emissions – due to the absence of such control.

Note that there are no Group companies subject to the regulatory requirement to prepare individual Sustainability Statements with reference to FY 2024. [BP-1, 5b)

The scope of social and governance data and information includes all companies consolidated on a line-by-line basis in the Group's consolidated financial statements.

Disclosures in relation to specific circumstances

The qualitative and quantitative information appearing in this document was collected, aggregated and disseminated at Group level; all the relevant company departments were involved in defining this information, and acted in concert with and coordinated by the internal contacts within the Investor Relations & ESG Reporting department.

In order to ensure the reliability of the reported information, the use of estimates has been limited as far as possible, also with regard to value chain data; if present, estimates are based on the best available methodologies and appropriately reported. [BP 2, 10, 11] The main calculation methodologies and assumptions for the performance indicators, including the estimates made, are indicated in correspondence with the specific tables in the "Metrics" section of the thematic chapters.

Any forward-looking information has been prepared on the basis of assumptions about events that may occur in the future and possible future actions to be taken by the Group.

Note that the Group availed itself of the transitional provision relating to section "7.1 Presenting comparative information" of ESRS 1, and therefore did not report comparative information in the first year of Sustainability Statement.

The time horizons considered by the Mondadori Group in carrying out its double materiality analysis were as follows:

- the short term coincides with the reporting period of this document;
- the medium term coincides with a horizon of two years from the end of the short term;
- long term: more than three years. [BP 2, 9]

These periods, with regard to the medium and long term, are not aligned with the ESRS standards, as the Mondadori Group deemed it appropriate to adopt the same time horizons defined in its strategic planning processes and considered for the definition of the Group's Business Plan, including the Sustainability Plan.

With regard to the disclosure of economic resources associated with an action plan, for this reporting year the Group has defined a materiality threshold for operating expenditure (OpEx) and/or capital expenditure (CapEx) of € 250 thousand or more. The thematic chapters therefore show the expenditure associated with these actions if they exceed this threshold.

Annex II ("List of phased-in disclosure requirements") of the document includes the disclosure requirements for which the Mondadori Group has made use of the transitional provisions of ESRS 1.

No omissions were made regarding EU classified and sensitive information and information on intellectual property, know-how or innovation results, with the exception of actions and resources related to the production of editorial content [BP-1, 5d]. In addition, the document includes information required by other regulations containing Sustainability Statement requirements, as summarised in Annex III of the chapter Explanatory notes [BP-2, 15]. Where relevant, the "Metrics" section of the thematic chapters indicates whether the data have been validated by any external body other than the party issuing the attestation of conformity of this document.

This Report was approved by the Board of Directors of Arnoldo Mondadori Editore S.p.A. on 12 March 2025.

The Sustainability Statement has been subject to limited assurance in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), performed by the Independent Auditors EY S.p.A. The Independent Auditors' Report can be found in the appendix to this document. [MDR-M, paragraph 77, point (b)]

Business model and value chain

Where present, the data reported below for the description of the business model comes from internal Mondadori Group reporting (e.g. number of stores, employee headcount); as regards value chain data, indirect Scope 3 emissions are reported, for more details on the processing method refer to the metrics section of the ESRS E1 thematic chapter (SBM-1 42a).

The business model

The Mondadori Group is the top Italian publisher, leading the market of trade books and school textbooks market, where it operates through the Country's most prestigious publishing houses and publishing trademarks, and one of the major players in the retail segment, thanks to a widespread network of bookstores across the Country. The Group is also the leading multimedia publisher, with a strong presence in the digital and social media segments, as well as in the print magazine segment.

Book publishing is the core business of the Mondadori Group, a market in which it operates through three distinct business areas, Trade Books, Education Books and Retail.

- The first includes publishing activities in print and digital format (e-books and audio books) in segments ranging from Italian and foreign fiction to non-fiction, from poetry to classics, from children's and young people's books to large, illustrated volumes and art catalogues, comics, fine editions and paperbacks.
- The second area deals with the publication of school textbooks and the provision of courses, teaching aids and multimedia content for all teaching levels, from primary to secondary schools and universities. [ESRS 2-SBM 1 40 a i] In addition to the traditional products in paper and digital formats (distributed through a single platform, HUB Scuola, used by all three publishing houses), the Companies' range in the Education Books area also includes lines on transversal topics, such as inclusion, guidance, STEM, civic education, environment and digital citizenship. These resources are designed to support students and teachers in strengthening basic skills, reducing early school leaving, and fostering educational innovation.
- A natural complement to the book publishing business is the bookstore chain, where the Group operates with the Retail business area via a network of more than 500 stores distributed throughout Italy, under direct management or in franchising, with the Mondadori Bookstore, Mondadori Duomo, Rizzoli Galleria, Mondadori Point brands, on the web with the e-commerce site Mondadoristore.it and the Bookclub formula. [ESRS 2 - SBM 1 40 a i]

The Mondadori Group is also the leading multimedia publisher in Italy, with a significant presence across the digital and social media landscape, as well as in the print magazine segment, where it operates through its Media business area. In addition to activities related to the development of brand media and digital activities in a multi-channel perspective, this area includes traditional print activities, which include the publication of magazines and related advertising sales, and the subscription management activities of magazines and daily newspapers.

Lastly, the Group includes a Corporate & Shared Service area that includes, in addition to the top management structures, the Parent Company functions engaged in service activities across the Group's various companies and business areas (including administration, planning and control, treasury and finance, IT, logistics, human resources management and organisation, legal and corporate affairs, Group purchasing management, general services, communication and media relations). Revenue comes mainly from consideration for services provided to subsidiaries and associates.

The Group's activities include a printing works, operated by the consolidated company Grafiche Bovini, which is responsible in particular for printing the comics and manga of Edizioni Star Comics. Note that, of the total paper procurement for the printing of the Mondadori Group's publishing products, only 3%

is printed directly in Grafiche Bovini's own operations. The remainder is handled by the printers the Group relies on as players in the upstream value chain.

The Mondadori Group's main consumers include customers of bookshops and newsstands, users of online content and services, readers of books, comics and magazines, students and families, as well as users of the social channels with which the Group interacts through its brands. In addition, a particular type of buyers are teachers and lecturers, who create a constant demand for scholastic products through the adoption of textbooks for each class. Finally, customers also include third-party publishers who use distribution services in the book and comics channel, a segment in which the Group is becoming vertically integrated through the recent acquisitions of A.L.I. S.r.l. – Agenzia Libreria International and Star Shop Distribution. [ESRS 2-SBM 1 40 a ii]

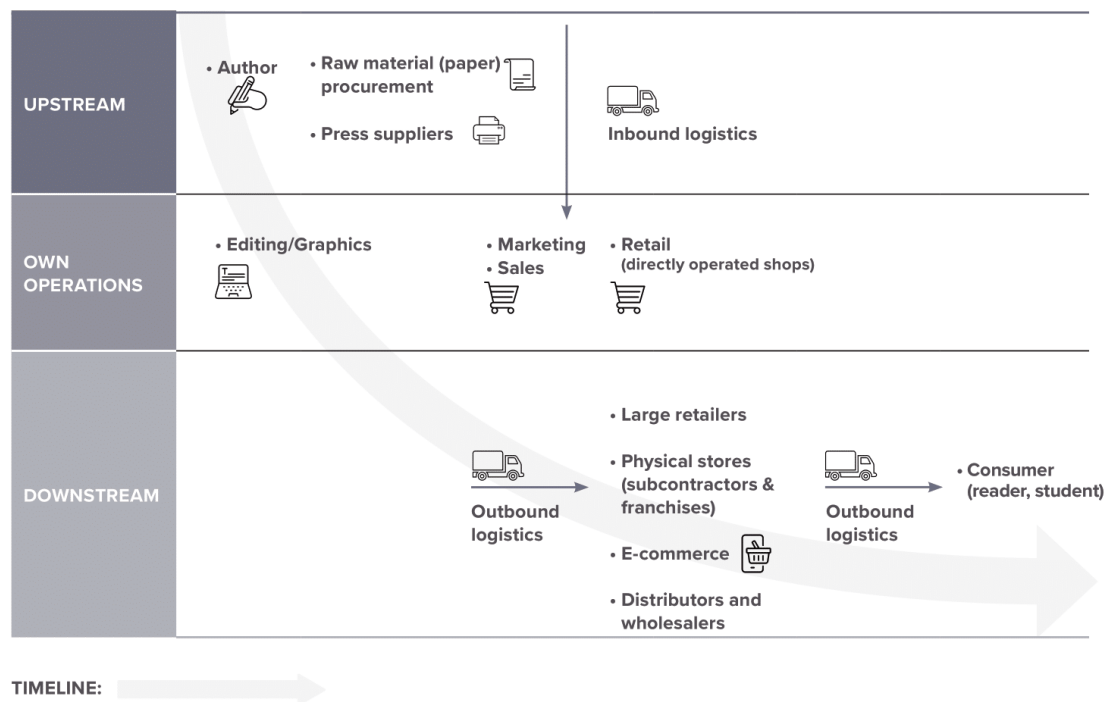
The Group is present in the Italian market with more than 2,038 employees. It is also present through its foreign consolidated companies with over 95 employees, respectively 79 in the US and 16 in Spain [ESRS 2-SBM 1 40 a, iii].

The representation of the business areas above coincides with the information prepared in accordance with IFRS 8, as reported in the "Operating Segments" section of the Mondadori Group Consolidated Financial Statements as at 31 December 2024.

For more details on the significant groups of products and services offered, as well as the Group's significant customers and markets, refer to the section "Overview of Group activities" in the Annual Financial Report. [ESRS 2-SBM 1 40 a, i, ii]. During the reporting period, there were no significant changes in the products and services offered, nor in the customer groups served.

Note that no significant changes occurred during the reporting period in the customer groups and/or markets served by the Mondadori Group [ESRS 2-SBM-1 40a, iii].

The Mondadori Group value chain



The Group's upstream and downstream value chain can be described by delving into the main

business relationships and players involved in order to offer the book product, which is the company's core business, to the market.

The authors are truly at the heart of the Mondadori Group's publishing activities, the sole "owners" and managers of the published work. The editorial strategy of the Group is underpinned by the clear commitment to guarantee through its products - whether books, magazines, websites, applications and digital products - accurate, meticulous and fair information respectful of the tastes and sensitivity of the various different audiences it targets. The Group acts as a vehicle towards the authors, leaving them the widest freedom of expression, according to a universal approach, and taking care, in its role as publisher, of the process of verification and adherence to content.

Starting with the authors' editorial offer, purchase orders are processed towards the main suppliers of the paper raw material, the paper mills, mainly located in Europe, specifically in Italy (approximately 50%) and Scandinavia. These orders are managed centrally at Group level.

From the paper mills, the production process moves to third-party companies that take care of the printing business. The majority of these companies operate in Italy. The same process takes place in the United States, where Rizzoli International Publications Inc. operates, with the specificity that the order of paper quantities is placed directly by the companies involved in the printing business, thus representing an indirect purchase for the Group.

The first step of inbound logistics, during which the paper is transported to the printer's premises, is managed directly by the paper mills; the next step is the printer's delivery of the finished product to third-party warehouses managed on behalf of the Group; from here, the outbound shipment distribution process begins, enabling products to reach the consumer (reader, student) through the Group's network of direct and indirect stores, as well as through third-party digital and physical stores, the Mondadoristore.it e-commerce channel and orders from Bookclub.

Note that this logistical process is managed centrally at Group level for all business areas (Trade, Education, Retail) through a specialised supplier; as far as the Media business area is concerned, the distribution of newspapers and magazines is managed by the third-party partner Press-di Distribuzione Stampa e Multimedia S.r.l., an associated company of the Group, which holds 20% of the shares. Press-di's logistics processes, including transport management, are all outsourced to select suppliers.

The Group's own operations include all support activities for the drafting of the final version of the book (editing and graphic design), promotion and marketing and sales in the various physical and digital channels of the book product.

The Group's own operations include some consolidated companies whose main business is distribution on behalf of third-party publishers. This is the case of Agenzia Libreria International (ALI) and Star Shop Distribuzione, the latter operating specifically in the comics segment. These two acquisitions are aligned with the Group's vertical integration strategy in the book and comics market, aimed at progressively strengthening its role in the promotion and distribution of third-party publishers.

Downstream, the Group operates as a retailer through its directly owned and franchised stores throughout Italy, as well as through its own digital channel. In addition, there are all sales channels (physical and digital) of third-party operators.

It is in this segment of the value chain that the main relationships with consumers and end users take place, which are identified in the operators described in greater depth in the previous section.

With regard to end-of-life management, many of the above-mentioned logistics processes involve both direct shipment to the relevant distribution channel destinations and return shipments of unsold products. According to the channel, unsold products may go into storage, be processed for paper recycling or pulping (in the case of paper products), or be destroyed or disposed of.[ESRS 2 -SBM 1 42, a b, c].

The main outputs and outcomes offered to the market and key stakeholders (SBM-1 42b) include that the Group:

- offers high **editorial quality**.
- generates a **material social impact** through a diverse and culturally relevant publishing catalogue;
- promotes **accessibility** and **inclusiveness** of publishing products.

Sustainability strategy

Reconciling history and innovation, traditional values and vision: this is what it means for the Mondadori Group to be a sustainable media company.

The Group is firmly convinced that its ability to engage stakeholders depends precisely on the fact that it is a content creator: strong ties with its authors and readers, employees and collaborators, shareholders, suppliers and society at large have helped it to progress and evolve over the years. This represents a privilege but also a responsibility: this is why the Mondadori Group feels the duty to ensure that its awareness and attention to the environment and the communities with which it interacts grow in harmony with the company's development and economic strength.

The mission of the Mondadori Group is to promote the dissemination of culture and ideas through products, activities and services that meet the needs and preferences of the widest possible audience. In its vision, the Group combines a passion for culture and editorial quality with market dynamics, and the ability to anticipate change with a strong commitment to the values that underpin the role of publishing in civil society. The Group is aware that this role calls for a natural and increasingly strong focus on defining clear sustainability strategies and pursuing long-term value creation objectives, in the interest of all its stakeholders.

As of 2022, the Mondadori Group has embarked on a path to define strategic ESG guidelines: in March 2024, the Board of Directors – with the preliminary, advisory and propositional support of the Control, Risk and Sustainability Committee – approved the 2024-2026 Sustainability Plan.

The Plan has been divided into three macro-areas and eight strategic guidelines – as outlined below.

These strategic ESG guidelines and related targets focus mainly on operations in Italy (accounting for more than 90 % of consolidated revenue), covering stakeholder categories ranging from customers and readers to teachers and lecturers, from students and families to upstream suppliers and Group employees in offices and direct sales outlets. [SBM-1 40e] With regard to product categories, the Plan mainly concerns the markets served by the Trade Books, Education Books and Retail areas and specifically, the promotion of reading in all its formats, the supply of content and school textbooks, as well as sustainability initiatives for the retail market. [SBM-1 40f]

SOCIAL - Enhancing people, content and places for education and culture



1. Become a role model in the field of diversity, equity and inclusion, enhancing and contributing to the well-being of our people, through welfare tools and skills development.
2. To promote culture and quality, equitable, and inclusive education that fosters pathways to lifelong learning.
3. To create, conceive and develop valuable content and accessible, ESG-friendly products.
4. To support cultural outposts for social development through the enhancement of bookstores, schools, museums, social channels, events and partnerships.

GOVERNANCE - Promoting sustainable business success



1. To pursue sustainable business success by promoting the integration of ESG issues in governance, business plans and the operating model, also by strengthening the mechanisms for listening to stakeholders to develop paths of ongoing improvement.
2. To maintain the highest standards for protecting and managing risks and opportunities along the value chain.

ENVIRONMENT - Dissemination of an environmental culture and mitigation of impacts on ecosystems



1. To spread environmental culture, also through education aimed at the development of an increasingly sustainable lifestyle.
2. To mitigate environmental impacts throughout the print product life cycle, by fostering the protection of biodiversity and reducing climate-changing emissions.

The Plan approved in 2024 identified strategic areas, qualitative and quantitative targets, and actions aimed at continuous improvement in social, governance and environmental performance.

In addition to the participation of the company management, the Plan was defined through direct dialogue with its financial analysts, employees, teachers and lecturers, customers and readers, and suppliers. Indeed, in the 2022 and 2023 stakeholder engagement activities, these stakeholders were asked to participate in an online survey and share the main areas they considered strategic in relation to relevant sustainability issues, according to their perspective and views. Also in this survey, these stakeholders also highlighted what they felt could be the main improvements the Group should focus on in monitoring its performance. (MDR-T 80 h)

In addition to the engagement of stakeholders, which was essential to understand their expectations in the definition of the objectives, the methodology for the elaboration of the objectives (MDR-T 80 f) followed a structured approach according to the following steps:

- Benchmark analyses with peers and competitors in order to identify best practices and opportunities for improvement in the sector.
- Analysis of key sustainability frameworks, such as the Sustainable Development Goals (SDGs) defined by the 2030 Agenda.

- Interviews with company contact persons and members of management in order to identify the highest priority strategic areas and to identify significant performance KPIs.
- Establishment of an internal framework for monitoring performance against defined targets, including periodic reports to the Control, Risk and Sustainability Committee to assess annual progress.

The base year to which these targets refer is 31 December 2023 and they are directed to the 2024-2026 period [MDR-T 80 d), e)]. The monitoring is carried out on an annual basis by the relevant departments, each in accordance with their roles and responsibilities [MDR-T 79 a)]. The Group considers that the performance achieved against the targets is consistent with what was planned [MDR-T 80, j)]; where relevant, further details on progress towards the targets are presented in the thematic chapters within the section "Status of targets as at 31.12.2024". No changes are reported with regard to either the defined targets or the methodologies and assumptions underlying the measurement methodologies [MDR-T 80, i)].

The strategic objectives and related targets are currently being revised, with the twofold aim of:

- identifying actions to mitigate impacts and address material risks and opportunities, including identifying useful metrics to monitor progress,
- identifying the targets and indicators that will be included in the new Top Management LTI plan.

The review under the first point will also take into account the outcome of the reformulation of the Group's policies following the double materiality analysis; in this context, targets consistent with the achievement of the commitments of those policies will be outlined where relevant [MDR-T 79 b)].

The following section summarises the main drivers that will characterise the new 2025-2027 Sustainability Plan.

The new 2025–2027 Sustainability Plan

The guidelines of the **new 2025–2027 Sustainability Plan** are articulated around three main strategic drivers, aimed at further integrating sustainability aspects across the Group's business areas, with a particular focus on the social impact inherent in its role as a publishing company:

1. quality and social value of the editorial offering;
2. efficiency and environmental responsibility across the supply chain;
3. people development and inclusion.

The first pillar, in particular, focuses on the activities the Group runs for the benefit of authors and readers, aiming to ensure:

- an **editorial quality** consistent with the Group's standards of excellence;
- a **significant social impact** through the maintenance and expansion of a diverse and culturally relevant publishing catalogue;
- an inclusive publishing offer, both in terms of the content offered and the formats, with a particular focus on accessible formats, such as audio-books, that allow a broadened and diversified enjoyment.
- strengthening relations with target communities (students, teachers, readers).

The second pillar focuses on increasing **commitment to sustainable management along the entire production chain** by taking measures that reduce environmental impact and promote responsible practices along the Group's value chain (in partnership with suppliers), as well as more efficient and innovative production management.

The third driver aims to **involve and value all people connected to the Group**, promoting the principles of inclusion and ensuring the well-being of all.

The new Sustainability Plan is implemented through the activation of four main strategic levers, which support the implementation of the Plan in all areas:

- governance: development and implementation of specific policies and definition of KPIs to monitor and assess progress;
- training and awareness-raising: promotion of training programmes and awareness-raising activities to spread the culture of sustainability among employees, partners and stakeholders;
- innovation: investment and development of targeted initiatives to introduce solutions that support sustainability goals, both environmentally and socially;
- relations and initiatives with the territory.

The process of defining the new Sustainability Plan started in November 2024: the full implementation of the Plan will be operational after the date of publication of this document.

Among other aspects, a transition plan for climate change mitigation within the Group's strategy and business model, which has not been adopted as of today, will be carefully considered in the coming years.

Material sustainability topics for the Mondadori Group

Stakeholders

The graph below summarises the main categories of internal and external stakeholders considered as priorities along the Group's value chain.

These categories are defined both in terms of the influence they can exert on the Mondadori Group (or, conversely, that they may be subjected to), and in terms of their interest as main users of the Sustainability Statement. [SBM-2, 43, 45a]



The definition of "Stakeholder" for the Mondadori Group includes:

- individuals or groups whose interests are affected or could be affected – positively or negatively – by the undertaking's activities and its direct and indirect business relationships across its value chain;
- the users of Sustainability Statements (including, in particular, investors and financial analysts).

Interests and views of stakeholders

Well aware of the importance of establishing and maintaining a constant dialogue with its stakeholders, the Mondadori Group has opened up various channels of communication and engagement with them throughout the year, in order to understand and take their demands into consideration. This allows the Group to gain a deeper understanding of the interests and opinions of these stakeholders, and how these relate to the strategy and business model, as described in the table below. [SBM-2 45a, ii, iii, iv v]

Note that no stakeholder views, needs or perspectives emerged that resulted in significant changes to the company's strategy or business model in this reporting year [SBM-2 45c, i].

Stakeholder Category	Details of stakeholders by category	Key interests and views	Summary of the communication and engagement methods
Shareholders and the Financial Community	Majority shareholders	Group's medium-term economic and financial sustainability	• Shareholders' Meeting • Dialogue channels under the Investor Relations function • Meetings with institutional investors • Reporting channels (whistleblowing)
	Non-controlling interests		
	Analysts/rating agencies		
	Banks		
	Institutional Investors		
Readers and customers	Readers	Quality, accessibility and inclusiveness of the textbook and magazine offering	• Support channels and direct assistance through the retail network (stores and e-commerce) • Complaint reporting channels • Social channels • Stakeholder engagement activities • Reporting channels (whistleblowing)
	Customers		
	Users/Social Media Users		
Institutions and Authority	Antitrust	Business conduct in compliance with applicable regulations and leading best practices	• Ad hoc discussions on specific topics • Institutional round tables • Formal communications • Participation in tenders • Reporting channels (whistleblowing)
	Trade associations		
	CONSOB		
	National/Community lawmaker		
	Superintendencies/Museums		
	Public Administration		

World of schools	Ministry of Education and Research	Quality, accessibility, and inclusivity of the editorial offering of school textbooks	• Ad hoc discussions on specific topics • Institutional round tables • Formal communications • Faculty survey • Stakeholder engagement activities for teachers/educators • Reporting channels (whistleblowing)
	Teachers/educators		
Opinion leaders	Media	Accurate, rigorous, and truthful content that respects the tastes and sensitivities of diverse audiences	• Media relations activities • Social channels • Reporting channels (whistleblowing)
	Influencers		
Content creators	Authors	Editorial independence and creative autonomy; respect for intellectual property and copyright; access to adequate support tools and resources for content	• Media relations activities • Social channels • Reporting channels (whistleblowing)
	Journalists		
Business Partners	Sales network (news stands, book stores, franchisees, large retail, e-commerce)	Establishment of long-term relationships, access to quality content, access to tools and resources for content promotion and sales	• Franchisee conventions • Round tables • Reporting channels (whistleblowing)
	Sales network (agents)		
	Third-party publishers		
	Advertising investors		
	Digital platforms		
Suppliers	Direct suppliers (press, paper)	Collaboration with a view to long-term relationships, reliability, stability and transparency in contractual arrangements (including payment practices)	• Regular meetings and discussion tables • Reporting channels (whistleblowing)
	Indirect suppliers of services and distribution		

Employees and collaborators	Employees	Protection of well-being, quality and occupational health and safety	• Employee surveys • Corporate intranets • Reporting channels (whistleblowing, Ethics Line) • Training and awareness-raising activities • Dialogue opportunities with managers, including regular performance evaluations • Stakeholder engagement activities
	Associates		
	Advisors		
Social parties	Trade unions	Safeguarding workers' rights, respect for workers' economic and professional conditions, employment stability	• Regular meetings with union representatives • Institutional round tables • Reporting channels (whistleblowing)
	INPS, INAIL		
Third sector	NGOs	Collaboration and dialogue on projects of common interest to contribute positively to the community and the environment	• Regular discussions on project development • Reporting channels (whistleblowing)
	Non-profit organizations		

Own workforce

The Mondadori Group recognises the central role of its workforce in defining its strategy and business model. For several years now, it has been integrating into its strategy and business model objectives related to the responsible management of its people and the enhancement of human capital.

The interests and opinions of the Group's own workforce, which is a central stakeholder category for the Group, are collected continuously throughout the year, with active involvement initiatives realised through various listening and dialogue mechanisms, including:

- **Company surveys and continuous listening tools:** surveys on company climate and employee satisfaction are conducted periodically, covering topics such as people's well-being, quality of work, protection of workers' rights, development of skills and personal development, combating discrimination and promoting fairness and inclusion in the workplace.
- **Discussion forums and social dialogue:** the Group encourages dialogue with trade union representatives to address issues relating to working conditions, safety, information privacy, equal opportunities and professional development.

The actual and potential impacts identified in relation to the Group's own workforce – and presented in the paragraph "List of material impacts, risks and opportunities" below – influence and are closely related to the Group's strategy and business model, which is inescapably based on the relationship with its people.

Workers' well-being is right at the heart of the Mondadori Group's attention and this is supported through a variety of actions such as agreements on welfare and work-life balance, which bear concrete witness to this in the context of a constant and constructive dialogue with the trade unions.

As part of the involvement of workers' representatives, the Mondadori Group has identified national trade unions and workers' representatives (RSU) as the people with whom it can dialogue about relevant information on sustainability matters. Specifically, while drafting the Sustainability Statement, the Group discussed with these parties the results of the double-materiality process and the pillars identified as part of the sustainability strategy being defined.

Dialogue with workers: internal communication

Communication activities for employees and associates of the Mondadori Group are essential to involve all people in company life and strengthen their sense of belonging, as well as being functionally and operatively useful tools. These actions and initiatives fall within the competences of the Communication and Media Relations Department and, to a large extent, take place on the Mondadori Group's communication ecosystem channels.

In 2024, more than 120 contents were published on the platform: from direct mails sent to employees, liaising with the various company departments, to news relating to services and opportunities made available to the Group. Particularly close attention was paid to telling about the initiatives organised in the well-being sphere to promote the health and well-being of our people. In addition, a section dedicated to the Palazzo Mondadori redevelopment project has been created and is constantly updated. This section contains all the information about the new renovated spaces, the construction site activities and the changes to the services at the headquarters.

The Intranet and direct emails to all employees are the main tools used by the CEO too to share and comment on the Group's performance and financial results.

As regards communication through the Group's social media channels, posts continued to be published on new appointments and initiatives specifically dedicated to employees and collaborators, such as Diversity & Inclusion projects, training activities, and welfare opportunities.

Workers in the value chain

Respect for workers' rights in the value chain for the Mondadori Group is not just a regulatory requirement, but rather an integral part of the company's strategy and how it intends to compete in the market as a responsible publisher.

The Group directs its business model in favour of respect for every person, committing itself to promoting initiatives that take into account the impact on workers in the value chain. This approach is reflected in the care of relations with its business partners, with whom the Group intends to disseminate good human resources management practices, promoting an inclusive culture throughout its supply chain.

The Group attaches the utmost importance to listening to the interests and opinions of every type of worker, whether in its own workforce or a worker in the value chain. In particular, the company endeavours to actively include their interests and opinions, to involve its partners, trade unions, non-governmental organisations and other interest groups with a view to ensuring the utmost respect for human rights.

Consumers and end-users

The interests, opinions and rights of consumers and end users are central to the definition of the Mondadori Group's strategy and business model. Their preferences, values and expectations play a key role in guiding and actively influencing business decisions.

As described in the "Sustainability Strategy" section of this chapter, the Group positions itself in the market as a responsible publisher. In order to promote the diffusion of reading and accordingly the socio-cultural growth of the country, the Mondadori Group is committed to guaranteeing for all its consumers and end users:

- a quality and inclusive publishing proposal, both in terms of offer and formats;
- a significant social contribution through its publishing offer;

The Mondadori Group regularly collects and analyses consumer feedback to improve the quality of content and the user experience, thus adapting its editorial strategies to market trends and needs. Aware that consumers are increasingly attentive to the social, environmental and ethical impacts of companies, the Group has been promoting the inclusivity and accessibility of its publishing offer for years, on the one hand, through the integration of initiatives that respect and reflect a wide range of cultural, social and ethnic identities and, on the other, through investment in technologies that allow people with disabilities to enjoy its content, such as the publication of books and articles in accessible formats.

Growing consumer awareness of environmental topics has further driven the decision to expand the publishing offering, such as the recent strategic acquisition of Chelsea Green Publishing finalised in May 2024.

Chelsea Green Publishing is the leading US publisher of books on the politics and practice of sustainable living. Its books carry in-depth knowledge and provide readers with practical information on organic and regenerative farming and gardening, ecology and the environment, healthy food, local economies and resilient communities, health and wellness.

Involving stakeholders in the double materiality analysis

In the context of the double materiality analysis aimed at identifying elements of strategic interest in the field of sustainability, the Mondadori Group organises annual dialogue activities with its stakeholders. [SBM-2 45b]

In 2024, these engagement moments involved the active participation of company management and—specifically in relation to the assessment of impact materiality—also included employees and other key stakeholders, such as teachers and bookstore customers, identified based on their strategic relevance to the Group in both business and sustainability terms. Involvement took place through direct interviews with members of the management, conducted in the period between October and November, and the administration of an online questionnaire in December for external stakeholders.

There were more than 3,400 compilations, more specifically, around 2,000 from customers and readers and 500 from the teaching staff, results that could be achieved thanks to the relationship that the Group has developed over time with these categories, in light of their fundamental importance. [SBM-2 45a, ii, IRO-1 53b, iii] In addition to these numbers, there are more than 800 employees of the Mondadori Group and 15 members of the Management Committee and Top Management.

It should be noted that, for the purposes of assessing the materiality of the IROs, the Mondadori Group did not involve any parties other than those mentioned above as external experts.[IRO-1 53b, iii].

The members of Group management involved transversally represent all the relevant corporate areas, from the Chief Executive Officer of the Mondadori Group to the Chief Executive Officers of the business areas of Mondadori Libri, Mondadori Scuola, Mondadori Retail, Mondadori Media, to the functional managers, from the Chief Financial Officer to the Chief Sustainability Officer, from the Human Resources and Organisation Department, Legal and Corporate Affairs, to the Industrial Procurement, Logistics, Real Estate, Administration, Finance and Control areas.

The contributions collected are fundamental for the Group to define the areas to be covered in order to build a more sustainable future for the company. Building on the experience gained in previous years, the participation of both internal and external stakeholders played a key role in the double materiality assessment process, as it enabled the identification of priority topics and a deeper understanding of the various perspectives and information needs of the stakeholders involved.[SBM-2 45]

The main findings of the external stakeholder engagement activities were shared and considered internally at management level by the Control, Risk and Sustainability Committee, the Management Committee and the Board of Statutory Auditors. [GOV-2 26, a] [SBM-2 45 d].

List of material impacts, risks and opportunities

Material impacts, risks and opportunities for the Mondadori Group are summarised in the table below, broken down by sub-topic and sub-sub-topic, time horizon and location within the value chain [SBM-3, 48, a]. The ways in which the company is involved in the generation of each IRO (directly or through a business relationship) and the stakeholders involved are also made explicit [SBM-3, 48, c, ii, iii, iv and point h].

It should be noted that, following the first double materiality assessment exercise conducted in 2024, no material opportunities were identified, nor were any material risks identified in the short term. Therefore, for the current year, there are no current financial effects of material risks and opportunities on the Group's statements of financial position, results of operations and cash flows. [SBM-3, 48, a, d].

General	Environment	Social	Governance
ESRS 1 * General requirements	ESRS E1 ✓ Climate change	ESRS S1 ✓ Own workforce	ESRS G1 ✓ Business conduct
ESRS 2 * General disclosures	ESRS E2 Pollution	ESRS E2 ✓ Workers in the value chain	
	ESRS E3 ✓ Water and marine resources	ESRS S3 Affected communities	
	ESRS E4 ✓ Biodiversity and ecosystems	ESRS S4 ✓ Consumers and end-users	
	ESRS E5 ✓ Circular economy		

Legend

* Transversal principles

✓ Material sustainability matters

Sub-topic: sub-sub- topic Type	Description [SBM-3 48a, 48c i]	[GOV 1, 26, c] Value chain	SBM-3 48a] Group involvement	Relevant stakeholders	[SBM-3 48c iv]	Time frame [SBM-3 48c iii]
E1 – Climate change						
Climate change mitigation and Climate change adaptation Energy	Actual negative impact	Generation of greenhouse gas emissions associated with energy consumption in the paper production process, product printing activity and inbound logistics activity	Upstream	Involvement due to business relations	Suppliers (paper mills, printing services, logistics and upstream distribution)	Short term

Actual negative impact	Generation of greenhouse gas emissions associated with energy consumption in own operations (offices and stores) and productive	Own operations	Involvement through own activities	-	Short term
Actual negative impact	Generation of greenhouse gas emissions associated with energy consumption in outbound and sales outlet logistics activities (franchisees)	Downstream	Involvement due to business relations	Suppliers (logistics and downstream distribution) Retail BU business	Short term

Climate change mitigation and Climate change adaptation	Transition risks	Risk of increased capital expenditure (CapEx) due to the use of new raw materials and/or the implementation of new technologies and low-carbon production processes [IRO-1, 50c,	Upstream own operations			Medium-term
E3 – Water and marine resources						
Water: water consumption, water withdrawals, water discharges	Actual negative impact	Decreased availability of water resources associated with water consumption in the paper production process	Upstream	Involvement due to business relations	Suppliers (paper mills)	Short term
E4 – Biodiversity and Ecosystems						

Direct impact drivers of biodiversity loss: land-use change	Potential negative impact	Loss of biodiversity and alteration of ecosystems due to deforestation activities associated with paper production	Upstream	Involvement due to business relations	Suppliers (paper mills)	Long-term
Impacts on the extent and condition of ecosystems: land degradation, desertification	Risk	Risk of increased costs, difficulties in sourcing and loss of supply of raw materials, particularly specific types of paper, due to their increasing scarcity as a result of intensive deforestation in production areas, land-use changes and/or environmental	Upstream	Involvement due to business relations	Suppliers (paper mills)	Long-term
E5 – Resource use and circular economy						

Inflows, including the use of resources	Actual negative impact	Reduced availability of raw materials due to the intensive use of wood and wood-based products along the Mondadori Group's upstream value chain	Upstream	Involvement due to business relations	Suppliers (paper mills)	Short term
Outflows of resources related to products and services	Actual negative impact	Reduced availability of raw materials due to the intensive use of wood derivatives and inks in the Mondadori Group's own activities and operations	Own operations	Directly caused	-	Short term

	Actual negative impact	Reduced availability of raw materials due to the intensive use of wood and wood-derived products (packaging) used during outbound transport	Downstream	Involvement due to business relations	Suppliers (logistics and downstream distribution)	Short term
Waste	Potential negative impact	Environmental damage due to improper management of waste produced along the Mondadori Group's upstream value chain	Upstream	Involvement due to business relations	Suppliers (paper mills)	Medium-term

Waste	Potential negative impact	Environmental damage due to improper management of waste produced along the Mondadori Group's downstream value chain	Downstream	Involvement due to business relations	Suppliers (logistics and downstream distribution) Consumers (end of product life)	Medium-term

Inflows, including the use of resources	Risk	Risk of increased costs, difficulties in sourcing and loss of supply of raw materials, particularly specific types of paper, due to their increasing scarcity as a result of intensive deforestation in production areas, land-use changes and/or environmental degradation	Upstream	Involvement due to business relations	Suppliers (paper mills)	Long-term
S1 – Own workforce						

Working conditions: secure employment, working time, work- life balance	Actual positive impact	Enhancement of workers' well-being through job stability, quality of work activities, and protection of work-life balance	Own operations	Involvement through own activities	Own workforce	Short term
Working conditions: health and safety	Potential negative impact	Negative impact on the well-being and health of the Group's employees and collaborators resulting from the failure or malfunctioning of health and safety procedures and controls	Own operations	Involvement through own activities	Own workforce	Short term

Equality of treatment and opportunity for all: training and development of skills	Actual positive impact	Employment and professional growth through the generation of job	Own operations	Involvement through own activities	Own workforce	Short term
	Actual positive impact	Developing employees' skills through training programmes and sharing best practices	Own operations	Involvement through own activities	Own workforce	Short term
Working conditions: social dialogue	Actual positive impact	Positive impact due to a fair and inclusive working environment through the dissemination of an inclusive internal culture and the enhancement of individual talent	Own operations	Involvement through own activities	Own workforce	Short term
Equality of treatment and opportunity for all: gender equality and equal pay for work of equal value, employment and inclusion of persons with disabilities, diversity						

Equality of treatment and opportunity for all: gender equality and equal pay for work of equal value, employment and inclusion of persons with disabilities, measures against violence and harassment in the workplace, diversity	Actual positive impact	Positive impact in terms of DEI due to increased awareness of diversity, equity and inclusion and combating all forms of discrimination	Own operations	Involvement through own activities	Own workforce	Short term
Other work-related rights: privacy	Potential negative impact	Failure to protect privacy due to ineffective data protection systems, including events resulting from cyber attacks and security breaches	Own operations	Involvement through own activities	Own workforce	Short term
S2 – Workers in the value chain						

Equality of treatment and opportunity for all: gender equality and equal pay for work of equal value, employment and inclusion of persons with disabilities, measures against violence and harassment in the workplace, diversity	Actual positive impact	Positive impact in terms of DEI due to the fight against all forms of discrimination along the Mondadori Group's upstream value chain	Upstream	Involvement due to business relations	Suppliers (logistics and upstream distribution)	Short term
Equal treatment and opportunities for all: measures against violence and harassment in the workplace	Actual positive impact	Positive impact in terms of DEI due to the fight against all forms of discrimination along the Mondadori Group's downstream value chain	Downstream	Involvement due to business relations	Suppliers (logistics and downstream distribution) Retail BU business	Short term

Working conditions: working time, adequate wages, freedom of association, including the existence of works councils, collective bargaining, health and safety	Potential negative impact	Human rights violations (e.g., exploitation, unfair working conditions) along the upstream value chain of the Mondadori Group	Upstream	Involvement due to business relations	Suppliers (logistics and upstream distribution)	Short term
Working conditions: working time, adequate wages, freedom of association, including the existence of works councils, collective bargaining, health and safety	Potential negative impact	Violation of human rights (e.g. gangmastering, unfair working conditions, etc.) involving workers along the downstream value chain of the Mondadori Group	Downstream	Involvement due to business relations	Suppliers (logistics and downstream distribution)	Short term
Other work-related						

S4 - Consumers and end-users

Social inclusion of consumers and/or end-users: responsible business practices	Actual positive impact	Positive impact in terms of DEI due to increased awareness of diversity, equity and inclusion and combating all forms of discrimination	Own operations	Directly caused	Customers and readers, teachers and lecturers, students and families	Short term
	Actual positive impact	Development of STEM skills and digital literacy through editorial and multimedia content, as well as supporting initiatives	Own operations	Directly caused	Teachers and lecturers, students and families	Short term

Actual positive impact	Developing and updating the skills of teaching staff through training tools and dedicated digital platforms	Own operations	Directly caused	Teachers and lecturers	Short term

Social inclusion of consumers and/or end-users: non-discrimination, access to products and services	Actual positive impact	Accessibility to education for all social groups and backgrounds through educational tools that also take into account learning difficulties	Own operations	Directly caused	Students and families	Short term
	Actual positive impact	Social inclusion of consumers and/or end-users through accessible content in different formats (including e-books, audiobooks)	Own operations	Directly caused	Readers and customers	Short term

Social inclusion of consumers and/or end-users: access to products and services	Actual positive impact	Positive impact in terms of combating school dropout by publishing programmes that stimulate interest in school	Own operations	Directly caused	Students and families	Short term
Information-related impacts on consumers and/or end-users: Access to (quality) information	Actual positive impact	Socio-cultural growth of the country through reading promotion initiatives	Own operations	Directly caused	Readers and customers	Short term

Information-related impacts on consumers and/or end-users: freedom of expression	Actual positive impact	Ensuring freedom of expression through editorial independence and multiplicity of viewpoints	Own operations	Directly caused	Readers and customers	Short term
Information-related impacts on consumers and/or end-users: privacy	Potential negative impact	Failure to protect intellectual property and copyright due to the malfunctioning of the dedicated protection system	Own operations	Directly caused	Authors	Short term

Other work-related rights: privacy	Potential negative impact	Failure to protect privacy due to ineffective data protection systems, including events resulting from cyber attacks and security breaches	Own operations	Directly caused	Readers and customers, teachers and lecturers	Short term

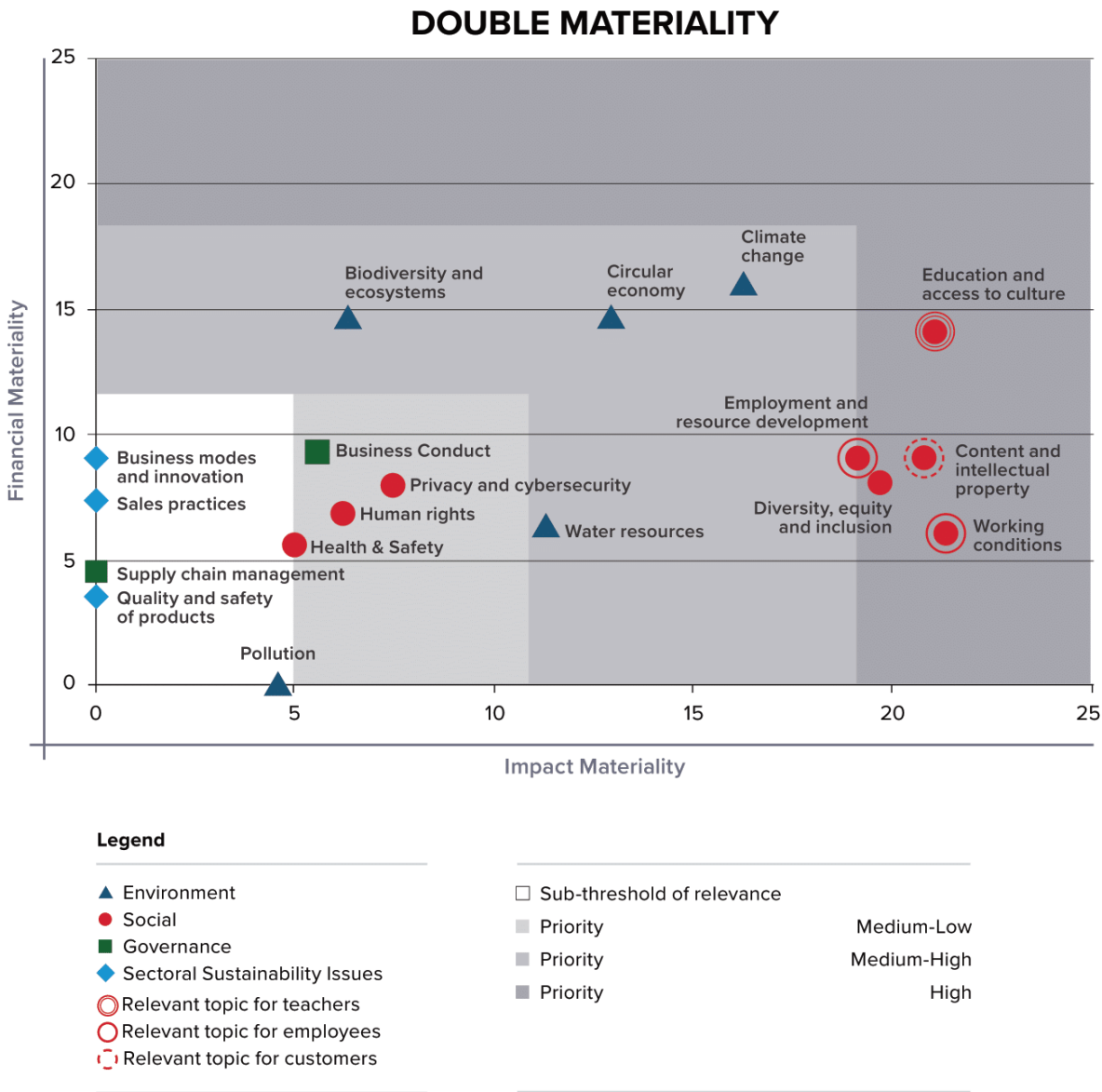
Social inclusion of consumers and/or end-users: access to products and services	Risk	Risk that regulatory changes in schools may affect the market as: - the experimentation in 2024-2025 concerning technical-professional institutes with consequent revision of the guidelines, for all technical institutes - the European Accessibility Act (EAA) establishing minimum requirements for accessibility in educational content	Own operations	Directly caused	Teachers and lecturers, students and families	Long-term
G1 – Business conduct						

Corporate culture	Potential negative impact	Negative impact due to non-compliant conduct and lack of ethics and integrity safeguards (such as ESG criteria in supply chain management)	Own operations	Directly caused	Own workforce, suppliers and business partners, institutions and authorities	Short term
Protection of whistleblowers,						
Political engagement and lobbying activities						
Management of relations with suppliers, including payment practices						
Corruption and bribery: prevention and detection including training, incidents						

Within the thematic chapters, disclosure requirements by relevant sub-topic are reported, including a description of policies, objectives, actions and metrics related to those material impacts, risks and opportunities, as summarised in the bridging tables in the introduction to each chapter.[IRO-2, 56] [SBM-3, 48b]

Below is the representation of the topics in the form of a double materiality matrix; the X-axis represents materiality from an impact perspective, the Y-axis the financial perspective. The topics that came in above the defined thresholds were considered material. For more details on the analysis criteria, refer to the section "Description of the process and results of the double materiality assessment" of the "Explanatory notes to the Sustainability Statement" of this document.

Note that, in the graph, the circles around the score of each topic highlight the topic that each external stakeholder considered to have the highest priority for 2024.



The process for identifying and assessing material impacts, risks and opportunities

Climate change

Within the scope of the materiality analysis, the following activities were specifically considered for the topic at hand:

1. **Fuel and electricity consumption in upstream operations**, i.e. in the paper mills, printing plants and in the warehouses and vehicles of the inbound logistics companies.
2. **Consumption of fuel and electricity in the Group's own operations**, i.e. in the Group's own premises, offices and shops in Italy and in consolidated foreign operations, including the Grafiche Bovini printing works, as well as the company car fleet.
3. **Fuel and electricity consumption in downstream operations**, i.e. in the vehicles of the outbound logistics companies and in the indirect shops of the Group's store network in Italy.

In line with the provisions contained in IG 1 – Materiality Assessment Implementation Guidance, sources of scientific and authoritative literature on climate change were considered, including reports from the Intergovernmental Panel on Climate Change (IPCC), as well as publications in high-impact journals such as Nature Climate Change and Science, and evidence from recognised databases (such as Our World in Data and the Global Carbon Project).

Information on direct impacts (gross Scope 1 GHG emissions), indirect impacts (gross Scope 2 GHG emissions) and impacts generated along the upstream and downstream value chain (gross Scope 3 GHG emissions) are described in more detail in the dedicated thematic chapter "ESRS E1 – Climate Change". In this section, the quantification of emissions from the Group's indirect activities, calculated according to the GHG Protocol guidelines and according to the characteristics of the business areas Trade Books, Education Books, Retail and Media, can be consulted in greater detail.

The double materiality analysis conducted in 2024 did not identify any climate-related hazards that could lead to physical climate risks. The Mondadori Group reserves the right to update this output in future reporting years in order to refine its physical risk analysis process, taking into account climate scenarios in its own, upstream and downstream operations and the exposure of its assets and business to climate-related hazards.

On the other hand, this analysis identified a transition risk related to increased capital expenditure. This is due to a scenario in which, as a result of global warming rising to or above 1.5 °C, the company may be faced with changes in supply processes (e.g. the use of new raw materials) and the implementation of new technologies and low-carbon production processes. This risk will also be further analysed in future updates of the double materiality analysis, with a view to using climate scenario analyses to further define and guide its re-assessment. This activity may also give rise to additional transition risks in the short, medium and long term.

With regard to climate change opportunities, the Mondadori Group assessed the relevance of strategic partnerships with companies, organisations and industry experts to reduce the environmental impact of its operations and throughout the value chain. Currently, significant projects are already underway, such as the collaboration with the Polytechnic University of Milan, focused on the Life Cycle Assessment (LCA) of the book supply chain. This area of opportunity, although not considered relevant for this reporting year, could generate increasing positive economic effects over different time horizons and will therefore be consistently monitored in future updates of the double materiality analysis.

Water and marine resources

Within the scope of the materiality analysis, the following activities were specifically considered for the topic at hand:

- a) **Procurement of upstream paper raw material** for the Group's operations, which generates water consumption in the production process;
- b) Consumption of **water resources in own operations**;
- c) Consumption of **water resources in downstream operations**, i.e. in the indirect stores of the franchise network.

It should be noted that points b) and c) above refer only to sanitary use and, therefore, are considered non-priority, both in terms of impact materiality and financial materiality; this, however, has been prudentially assessed and confirmed by the perspective that has emerged from those involved in the double materiality analysis.

On the other hand, the analysis of impacts, risks and opportunities related to point a) refers to the consumption of the Group's upstream paper mills. Paper production requires large amounts of water, especially in the pulp preparation and fibre washing stages. Inadequate treatment of effluents can then cause environmental impacts such as eutrophication and oxygen depletion in surface waters, and wastewater treatment can generate challenges related to the disposal or reuse of sludge containing fibres and other impurities.

To support this analysis, public reports of the main strategic paper suppliers were consulted. These have implemented water minimisation and efficient water management practices, including advanced water recycling systems. In the thematic chapter dedicated to this topic, you can find more details on the main safeguards put in place by them.

In terms of risk, a scenario was assessed related to the possibility of strategic suppliers discontinuing services as a result of water shortages at sites in water-stressed areas. This scenario was considered below the materiality threshold, especially in view of the diversification of the suppliers from which the Group procures.

It should be noted that, in view of the type of activity and production process upstream, any impacts, risks and opportunities related to marine resources are not considered material. Furthermore, it is specified that no consultations were conducted with affected communities on IROs related to water and marine resources.

Biodiversity and ecosystems

Within the scope of the materiality analysis, the following activities were specifically considered for the topic at hand: **procurement of paper raw material upstream** for the Group's operations in Italy.

In terms of impact, the analysis was limited to the assessment of impacts on biodiversity and alteration of ecosystems at sites along the upstream value chain, specifically paper suppliers. This dependency was also analysed by consulting public sources, i.e. the reports of the Group's main strategic suppliers. In the thematic chapter dedicated to this issue, more details are available on the main safeguards put in place by these upstream players, including the possession of international certifications such as PEFC and FSC.

In terms of risk, the Mondadori Group has assessed a scenario related to transition risk in terms of biodiversity and ecosystems; indeed, the Group depends on the availability of paper raw material and, therefore, on the natural resources of the forests from which this production process starts. The Group has assessed the risk of increased costs, difficulties in obtaining and loss of supply of raw materials from this natural resource, which was identified as being above the materiality threshold in the medium term and therefore deemed significant.

For 2024, this analysis did not consider there to be material systemic risks to biodiversity and ecosystems.

Note that the Group did not conduct direct consultations with affected communities on sustainability assessments of shared biological resources and ecosystems. However, it took into account the public reports of the main strategic providers on dialogue with communities.

The affected communities with which the Mondadori Group interacts in its own operations are defined in relation to the impact the company has as a publisher in the world of civil society and its role in promoting a quality and inclusive publishing offer. They are therefore identified with consumers and end users. In view of this definition, it was not considered reasonable to analyse the potential or actual negative impacts on biodiversity (including ecosystem services) that may occur to affected communities at a site of the Group's own operations.

Resource use and circular economy

Within the scope of the materiality analysis, the following activities were specifically considered for the topic at hand:

a) **Procurement of upstream paper raw material** for the Group's operations in Italy (incoming resource flows).

In Italy, the purchase order for the paper is sent centrally to the paper mills, which operate mainly on the European continent, mostly in Italy and Scandinavia; in the US operations, on the other hand, the purchase order is issued indirectly: it is, in fact, made in person by the printers with whom Rizzoli International Publications cooperates.

However, this process specificity has little impact when considering overall purchasing volumes; in fact, the tonnes of paper handled in the United States account for less than 7% of total purchasing by 2024.

b) **Typographic activities in its own operations** for the printing of Star Comics and manga at the Grafiche Bovini printing works in Italy.

It represents the Group's only production facility, yet its impact in terms of paper consumption is also limited when compared to the Group's total procured: by 2024, only 3% of the tonnes of paper are related to operations managed by Grafiche Bovini.

c) **Management of inbound and outbound logistics** involving the consumption of raw materials related to packaging (such as plastic, paper and cardboard, pallets).

In addition, the effects of waste management upstream and downstream, i.e. in the production process of paper mills and in the disposal of products at the end of their life cycle, were taken into account. Specifically, end-of-life unsold product may be destined for storage, further processing for recycling or pulping (if paper), destruction or disposal, depending on the different specific return management channels. Some types of products, by their nature, have an undefined useful life (e.g. the exchange in the second-hand market of comic books or gadgets, as well as the preservation as historical memory of fiction books).

For this reporting year, no consultations were conducted with external stakeholders as part of the materiality analysis. In fact, the identification of IROs was carried out internally within the company, through the use of company resources, as well as direct knowledge of the industry and the use of industry information sources, including the consultation of specific reports from major strategic paper suppliers.

The analysis of risks and opportunities in the area of resource use and the circular economy was conducted considering possible scenarios related to difficulties in sourcing and loss of supply of raw

materials, particularly specific types of paper, due to their increasing scarcity as a result of intensive deforestation in production areas, land-use changes and/or environmental degradation.

In the Retail area, the opportunity of implementing practices to reduce raw material consumption, such as minimising paper waste and using recycled materials in stores, was analysed.

While the first risk was considered material in the medium term, the second opportunity for this year was not considered a priority, especially since direct consumption of these materials is low.

Business Conduct

[GOV-1, 5] The Mondadori Group's organisational and management model is designed to ensure the Company's economic sustainability and long-term value creation, placing at its core the mission and values that guide the Group's day-to-day operations. This starts with adherence to external codes and regulations that shape its governance structure and control system.

In the context of the materiality analysis, all the Mondadori Group's activities in the various global areas of operation were taken into account; therefore, the entirety of the Mondadori Group's structures and organisational set-up in the European and American continents was analysed.

The analysis of IROs in the area of responsible business conduct was conducted in consideration of pivotal elements of the Group's management process, including scenarios related to:

- the monitoring of ongoing regulatory developments;
- inadequate training on current regulations;
- possible cases of corruption;
- inappropriate conduct by store managers and franchisees;
- not fully effective communication of the commitment to sustainability to all stakeholders;
- a negative customer perception of the Group's activities from an environmental point of view.

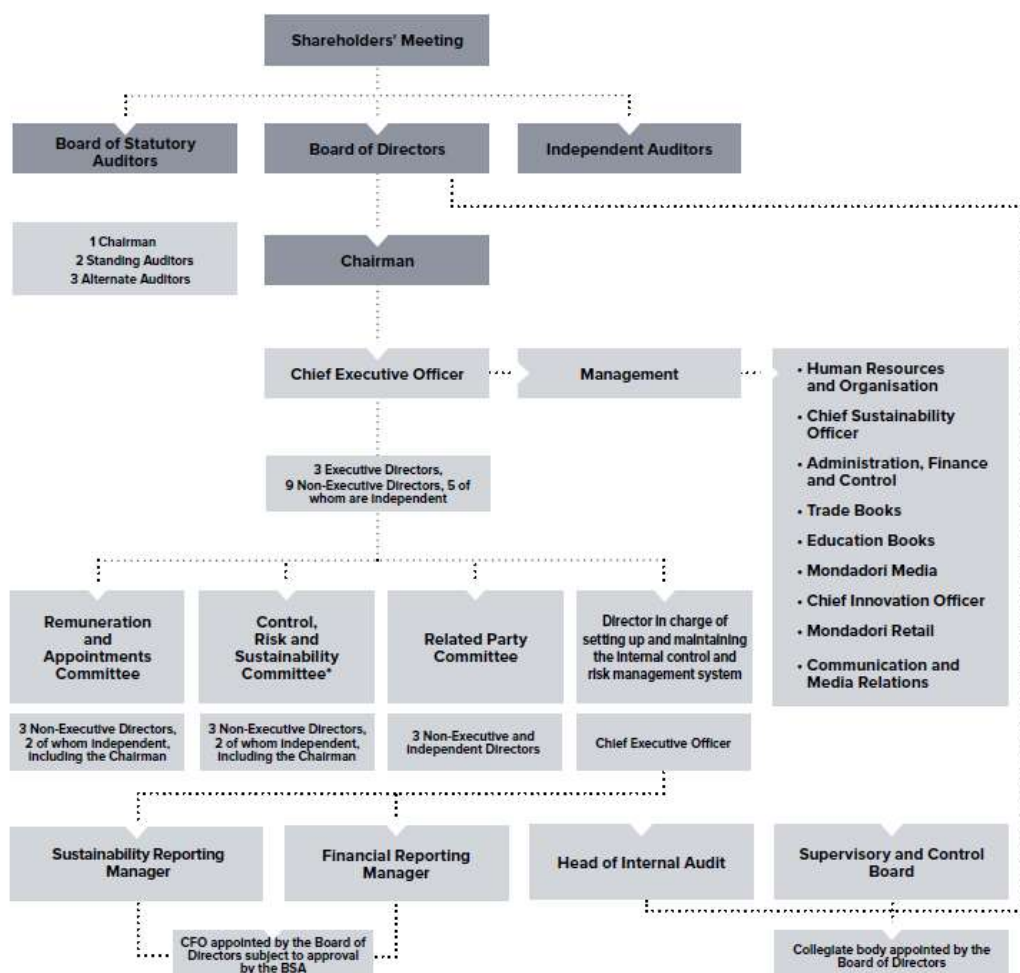
Governance structure

The corporate governance system of the Mondadori Group

Arnoldo Mondadori Editore S.p.A. has adopted a corporate governance system based on the “traditional” administration and control model as set out in Articles 2380-bis et seq. of the Italian Civil Code. The model is structured around a **Board of Directors, a Board of Statutory Auditors** — responsible for oversight and control activities, including compliance with applicable legal and statutory provisions, adherence to sound management principles, and, in particular, the adequacy and effective functioning of the organisational, administrative and accounting structure adopted by the company — and an **Independent Auditing Firm**, which is in charge of auditing the statutory and consolidated financial statements, the abbreviated half-year consolidated financial report, and the Sustainability Statement.

These bodies are appointed by the Ordinary Shareholders' Meeting. The Board of Directors is appointed through the list voting system, in a manner that enables the identification of directors and is also an expression of the wishes of the minority shareholders.

Arnoldo Mondadori Editore S.p.A. also adheres to the Corporate Governance Code promoted by Borsa Italiana S.p.A., which serves as a reference framework for defining the company’s organisational structure and operational practices in the area of corporate governance. (GOV-1, 22).



The Board of Directors

The **Board of Directors** of Arnoldo Mondadori Editore S.p.A. plays a key role in the Mondadori Group's governance system. The Board of Directors determines the strategic and organisational guidelines and objectives of the Company and the Group, in particular through the examination and approval of medium-term plans based on a three-year reference period. Furthermore, in accordance with the provisions of the Bylaws, the Board of Directors is vested with all powers for the **ordinary and extraordinary management of the Company**, with the exception of the powers and functions reserved by law to the Shareholders' Meeting.

Within the Board of Directors, the following have been established: the **Remuneration and Appointments Committee**, the **Control, Risk and Sustainability Committee**, both with proposing and advisory functions – also in compliance with the recommendations of the Corporate Governance Code – in the areas of their respective competences, and the **Related Party Committee** pursuant to and for the purposes of the Consob Related Parties Regulation and the procedures on related party transactions adopted by the Company.

As part of its strategic guidance activities, the Board of Directors places specific emphasis on **pursuing sustainable success**, understood as the creation of long-term value for shareholders while taking into account the interests of all stakeholders relevant to the Group.

In exercising the aforementioned role, the Board of Directors holds the strategic and management powers and responsibilities listed below. In particular, the Board of Directors, among other duties: [GOV-1, 22, a, d]

1. defines, with the assistance and the advisory and propositional support of the specific Control, Risk and Sustainability Committee, the guidelines of the internal control and risk management system, determining the degree of compatibility of these risks with a management consistent with the identified strategic objectives, including in its evaluations the impacts, risks and opportunities that may become relevant with a view to the medium-long term sustainability of the business;
2. evaluates the adequacy of the internal control system and risk management with respect to the characteristics of the risk profile, as well as its effectiveness;
3. approves, at least annually, the work plan prepared by the Head of the Internal Audit department, after consulting the Board of Statutory Auditors and the director in charge of the internal control and risk management system;
4. examines and approves the results of the double materiality analysis, previously investigated by the Control, Risk and Sustainability Committee, which formulates its own opinion in support of the Board of Directors' resolution;
5. examines and approves the Sustainability Statement, previously investigated by the Control, Risk and Sustainability Committee – which formulates its own opinion in support of the Board of Directors – verifying that the document is drafted in compliance with current regulations.

The Board of Directors in office as at the date of approval of this document was appointed by the Shareholders' Meeting of 24 April 2024, with a term of office set for three financial years and, precisely, until the Shareholders' Meeting to approve the financial statements as at 31 December 2026. The Board of Directors numbers **12 directors** of whom **3 Executive Directors** and **9 Non-Executive Directors**, as directors who do not hold individual management powers and who do not hold management positions in the Company (or in Group companies of strategic importance) or in the parent company when the office also concerns the Company.

The Directors have heterogeneous skills and experience in relation to the Group's sectors, products and geographical areas of activity [GOV-1 21 C].

The following table shows the composition of the Board of Directors of Arnoldo Mondadori Editore by gender and age bracket. As of 31 December 2024, the gender composition is divided between 42% women and 58% men, while the age composition shows that 100% of members are over the age of 50. [GOV-1, 21, D].

GOV-1: Composition and diversity of the members of the administrative, management and supervisory bodies

Composition of the Board of Directors	31-12-2024
Number of executive members	3
Number of non-executive members	9
Percentages of independent members (%)	42 %
Gender diversity (% women of total)	42 %

In addition, full compliance with the regulations on gender balance according to the provisions of Law 160/2019 and the European Directive of 17 October 2022 should be noted: the proportion reserved for the least represented gender is more than 40% **of the Board of Directors in office**. [GOV-1, 21,A,D]

As part of the dialogue for the purpose of the double materiality analysis and the definition of strategic sustainability areas, the Group has identified national trade union organisations and workers' representatives (RSU) as employee representatives.

The Board of Statutory Auditors

The Board of Statutory Auditors performs supervisory and control functions over the management of the Company. The Board of Statutory Auditors monitors compliance with sound management principles, and in particular, the adequacy of the organisational, administrative and accounting structure adopted by the Company and its proper functioning.

The Board of Statutory Auditors also oversees compliance with the provisions of Legislative Decree no. 125/2024, with particular reference to monitoring the compliance of Sustainability Statement with the standards required by the relevant regulations and the suitability of the relevant internal control system, reporting on its supervisory activities in the annual report to the Shareholders' Meeting.

In accordance with the current Bylaws, the Board of Statutory Auditors is made up of **three Standing Auditors and three Alternate Auditors**, with the requisites of integrity and professionalism provided for by reference legislation. The composition of the Board of Statutory Auditors is also consistent with the legal provisions on gender balance, which require, in particular, that at least two-fifths of the standing members of the Board belong to the less represented gender.

The Control, Risk and Sustainability Committee

The Control, Risk and Sustainability Committee, appointed by the Board of Directors on 24 April 2024, is made up of **3 Non-Executive Directors, 3 of whom are Independent**, including the Chairman.

The committee members shall remain in office until the expiration of the Directors' mandate, and therefore until the approval of the financial statements as of 31 December 2026.

The **Control, Risk and Sustainability Committee** is the Board body established in application of the Corporate Governance Code to support, with adequate preliminary activities, the decisions and

assessments of the Board of Directors concerning, amongst others, the internal control and risk management system, with reference also to sustainability activities.

Within the framework of sustainability governance, the **Control, Risk and Sustainability Committee** also plays an investigative, advisory and propositional role with respect to the Board of Directors in regards assessments and resolutions on sustainability issues, with particular reference to the definition of the guidelines of the related internal control system, the approval and monitoring of the double materiality matrix, the Sustainability Statement and the Sustainability Plan.

The Committee coordinates its activities, as far as their respective competences are concerned, with those of the Board of Statutory Auditors, the Independent Auditors, the Head of Internal Audit, as well as the Director in charge of the internal control and risk management system and the Officer responsible for the preparation of corporate accounting documents and Sustainability Statement.

In particular, in line with the recommendations of the Corporate Governance Code, the Board of Directors appointed the Committee to:

- assess the suitability of the periodic, financial and sustainability information, correctly representing the business model, the company's strategies, the impact of its activities and the performance achieved;
- examine the content of the periodic sustainability information relevant for the internal control and risk management system;
- examine, in agreement with the Board of Statutory Auditors, the overall process aimed at defining the Sustainability Statement, with particular reference to the related internal control system and the results of the double materiality analysis, providing a non-binding advisory opinion on the outcome of the activities in support of the resolutions of the Board of Directors and indicating any further details and/or additions;
- review the content of the draft Sustainability Statement, prepared by the Head of Investor Relations & ESG Reporting, in accordance with the applicable reporting principles and providing a non-binding advisory opinion on its outcome to support the resolutions of the Board of Directors;
- report to the Board of Directors on the work performed and on the adequacy of the internal control and risk management system, at least at the time of approving the annual financial statements and the half-year report.

In accordance with Recommendation 35 of the Code, the Control, Risk and Sustainability Committee is chaired by an independent Chairman, who has adequate knowledge and experience in accounting and finance, and consists of two independent Non-Executive Directors (75%) and one Non-Executive Director.

With regard to the gender diversity of the Control, Risk and Sustainability Committee, the **quota reserved for the female gender is 67%**.

Within this mandate, the Control, Risk and Sustainability Committee oversees, reporting to the Board of Directors, the management of IROs relevant to the Group, measuring the effectiveness of policies, actions and targets in place to mitigate material impacts and risks.

More details on the role of management bodies in the risk management process and internal control system can be found in the section "Risk management and the internal control system" in this chapter.

More details on how governance bodies consider impacts, risks and opportunities in overseeing the Company's strategy can be found in the "Sustainability Strategy" section of this chapter.

Note that for this reporting year, within the scope of corporate governance, no situations arose that would require revision of the Group's strategy and business model configuration in relation to the management of sustainability impacts and risks [GOV-2, 26b].

Sustainability expertise

The Group's training initiatives include the development and implementation of a professional development plan for members of the Board of Directors and the Board of Statutory Auditors dedicated to specific ESG topics, including at least one induction session per year. This included an intervention in 2024 related to the development of the EU's CSRD Directive on Sustainability Statement.

Updates on sustainability aspects, with particular reference to the progress of reporting activities, are the subject of formal and periodic transitions with the Board of Statutory Auditors, the Control, Risk and Sustainability Committee and, with the advisory and investigative support of the Committee, with the Board of Directors. In particular, the above-mentioned steps relate to the results of the double materiality analysis, the implementation of the internal control system and the approval of the Sustainability Statement and plan.

In future years, further training and skills development sessions will be planned in order to ensure continuous updating in relation to the monitoring and management of impacts, risks and opportunities relevant to the Mondadori Group. [ESRS 2 GOV-1, 20c, 23a]. [GOV-1, 26B]

In 2024, the Board of Directors conducted a self-assessment in line with the Corporate Governance Code, confirming an adequate distribution of the necessary competences, including those on sustainability relevant to the governance of the Mondadori Group (including competences on business conduct).

ESG competencies are overseen by the Chief Executive Officer, who was appointed coordinator of sustainability topics in 2023, and by an independent Non-Executive Director with roles in the Board Committees and the Supervisory Board. The latter has gained experience as Chairman of the Sustainability Committee of a leading banking institution, in the Risk and Sustainability Committees of other listed issuers and in international organisations specialising in environmental issues, and has also published scientific articles on the subject of sustainability in specialist journals.

The Financial Reporting Manager

The Board of Directors' meeting of 24 April 2024, having heard the favourable opinion of the Board of Statutory Auditors and having acknowledged the existence of the professionalism requirements set forth in the Bylaws, confirmed, until the Board's term of office expires or a different resolution is passed, the Executive Director Group Chief Financial Officer Alessandro Edoardo Franzosi as "Financial Reporting Manager" pursuant to Article 24 of the Bylaws and Article 154-*bis* of the TUF.

The Board of Directors has also granted the Financial Reporting Manager all powers, including those of an organisational nature, necessary for the performance of the tasks and functions assigned, with the power to also make use of the competent corporate departments and, where appropriate, the Internal Audit Department for the necessary support in verifying the effective application of the administrative and accounting procedures set forth in paragraph 3 of Article 154-*bis* of the TUF.

During this financial year, the Board of Directors resolved to extend to the Financial Reporting Manager, Alessandro Franzosi, the functions relating to the certification activities of the Sustainability Statement pursuant to Article 154-*bis*, paragraph 5-*ter*, of Legislative Decree no. 58/1998. In particular, in the context of Sustainability Statement, these functions are responsible for certifying, by means of a specific report, that this document complies with the reporting standards and that the information on the KPIs of the Taxonomy Regulation is compliant with the indications of the Taxonomy Regulation and related delegated acts. More information on the roles and responsibilities of the Manager in charge of issuing this attestation is available in the section "Risk management and the internal control system" of this chapter.

The Board of Directors, with the support of the Control, Risk and Sustainability Committee, exercises supervisory functions with regard to the adequacy of the powers and means attributed to the Financial Reporting Manager and the effective compliance with administrative and accounting procedures. In particular, the Board has approved the Regulation of the Financial Reporting Manager, which governs:

- a) the role and functions of the Financial Reporting Manager with respect to:
 - the activities referred to in Article 154-*bis* of the TUF – concerning the annual, separate and consolidated financial report, and the half-yearly report – to certify the adequacy and effective application of the administrative-accounting procedures pursuant to Law 262/2005 and compliance with international accounting standards. These activities are part of the **Internal Control over Financial Reporting Model** ("ICFR") which the Company has adopted;
 - activities, introduced by **Italian Legislative Decree no. 125/2024** transposing the CSRD Directive, **to certify compliance with the reporting standards governed by the new Sustainability Statement legislation**. These activities are part of the **Internal Control over Sustainability Statement Model** (or "ICSR") being implemented by the Company.
- b) the main information flows and the way in which activities are coordinated between the Financial Reporting Manager and:
 - the corporate and supervisory bodies: the Board of Directors, the Board of Statutory Auditors, the Control, Risk and Sustainability Committee and the Supervisory Board
 - the corporate Departments, with particular reference, in addition to Internal Audit and Compliance, to the first-level departments in charge of the management and application of corporate procedures and to the Investor Relations & ESG Reporting Department, in charge – reporting hierarchically and functionally to the Financial Reporting Manager – of drafting and updating documentation for Sustainability Statement purposes.

Head of the Internal Audit department In line with the Corporate Governance Code of Borsa Italiana, the Board of Directors has defined, among others, the following responsibilities of the Internal Audit department:

- a. verify, both on an ongoing basis and in relation to specific needs and in compliance with international standards, the **functioning and the suitability of the internal control and risk management system** according to the audit plan. The audit plan is approved by the board of directors and is based on a structured process of analysis and prioritisation of the main risks;
- b. prepare **periodic reports containing adequate information on its activity**, on the ways in which risk management is conducted, as well as on compliance with the plans defined for the containment of risks. The periodic reports contain an assessment of the suitability of the internal control and risk management system;

Compliance Department

Without prejudice to the ultimate responsibility of the Financial Reporting Manager, the Compliance Department operates under his delegation and performs the following activities:

- it identifies applicable regulations in the field of sustainability and provides the Financial Reporting Manager with a timely and comprehensive update on any new legislation that may affect the Group's operations.
- it ensures that the Sustainability Statement Control Model is continuously updated and complies with legal requirements;

- it supports the Financial Reporting Manager in scoping activities in order to identify processes, relevant controls and applicable companies.

Supervisory Body

The Board of Directors has adopted an Organisation, Management and Control Model that meets the requirements of Legislative Decree no. 231/2001, which introduced into the Italian legal system the principle of administrative liability in criminal proceedings of companies for certain types of offences committed by their directors, managers or employees in the interest or to the advantage of those companies.

The Model, which was also drawn up in accordance with the guidelines prepared on the subject by trade associations, represents a further qualifying element of the internal control system of the Company and the Group and consists of:

- a general part containing, *inter alia*, specific information on the qualifying contents of Legislative Decree no. 231/2001 and subsequent additions, the objectives and methods of operation of the Model, the powers of the Body called upon to supervise the application and operation of the Model, information flows, and the system of sanctions relating to violations of the provisions of the Model;
- a special part, consisting of a series of specific protocols in relation to the different types of offences provided for in Legislative Decree no. 231/2001.

The Supervisory and Control Body periodically reports to the Board of Directors, the Control, Risk and Sustainability Committee and the Board of Statutory Auditors on its activities, the functioning of the Model or specific situations.

Sustainability metrics in performance evaluation systems

The Mondadori Group has adopted a Remuneration Policy defined, in accordance with the Company's governance model and best market practices, with the aim of attracting, motivating and retaining resources with the professional qualities that meet the Group's development needs and, at the same time, guaranteeing the achievement of the Company's strategic objectives, with a view to creating sustainable value in the medium-long term, to the benefit of shareholders and relevant stakeholders.

The Remuneration and Appointments Committee assists the Board of Directors, in an advisory and proposing capacity, in drawing up this policy, adopted by the Board of Directors, after consulting the Board of Statutory Auditors in accordance with Article 2389 of the Italian Civil Code.

The remuneration package is attributed to Key Management Personnel Executives and is related to the responsibilities linked to the exercise of operational proxies in management, the size of the business managed and the ability to contribute to the Group's consolidated results and is verified on the basis of market benchmarks for equivalent positions.

Key Management Personnel Executives are those persons, including directors, who have the power and responsibility, directly or indirectly, for planning, directing and controlling the Company's activities and for taking decisions that may affect the Company's results, prospects and development. In relation to this principle, Key Management Personnel Executives are identified as:

1. Executive Directors, in their capacity as directors holding individual management powers or executive positions in the Company;
2. the Directors in charge of the main Areas of Activity or Business in which the Mondadori Group operates;
3. the Central Managers of the Corporate Departments with decision-making and policy-making responsibilities capable of significantly affecting the Company's current and prospective results.

The structure of the remuneration package comprises a fixed component, a short-term variable component (MBO), a medium-long-term variable component (LTI), plus extraordinary/one-off bonuses, benefits and allowances.

In the area of sustainability, the LTI component aims to promote the sustainability of corporate management in the long term through the achievement of the objectives set forth in the Company's multi-year strategic plans and the creation of sustainable value for shareholders and stakeholders, while fostering management retention and engagement.

Of the performance conditions, 15% are linked to the ESG Objective – Impact Inclusion Index and Environmental Sustainability Index. [ESRS 2 GOV-3, 29.b]

The result of the ESG target, consisting of the synthesis of the results in different areas of action (gender equity and environment), can range from 0% to 120%, depending on the results in each of the areas considered.

Focus on ESG objectives

The Mondadori Group, which has always been attentive to its role as a cultural agent in the country, has also been paying attention to ESG aspects for years. Starting in 2023, the Company has decided to enrich its commitment to sustainability topics, setting concrete goals for management, not only in the social sphere, but also in the environmental sphere, indicating as a condition for the payment of long-term bonuses also the achievement of green goals and with a greater overall relevance of ESG objectives also from an economic point of view.

The **2024 ESG targets** are therefore made up of 2 macro indicators:

- **Impact Inclusion Index** for 80%;
- **Environmental Sustainability Index** for 20%. [ESRS 2 GOV-3, 29.b]

With reference to the Impact Inclusion Index, as of 2022, the Group has initiated a systemic approach to the issue of D&I (Diversity & Inclusion) and, more specifically, Gender Equity, which is particularly relevant given the centrality of the human factor for the achievement of its mission, as also highlighted in the Sustainability Plan approved in 2022 and subsequently updated.

For this reason, in addition to equipping itself with a set of indicators useful for the constant monitoring of inequality phenomena, the Group has also established a strategy of action covering several areas of intervention and a progressive approach in defining, year by year, commitments and targets for continuous improvement.

For the 2024-2026 Plan, the Mondadori Group has defined a set of objectives that will lead the Group, after an initial three-year period of commitment to the implementation of concrete ESG initiatives, to the achievement of the following goals:

1. Obtaining the Gender Equality Certification from Bureau Veritas, a leading certifying body, demonstrating the work done and the Mondadori Group's willingness to formalise, also towards stakeholders, its commitment to consider D&I values as fundamental elements of its business.

The certification, which is valid for three years, was issued by Bureau Veritas, an accredited certifying body, in March 2024, following an audit process that recognised the Mondadori Group's concrete commitment to valuing diversity and significantly encouraging inclusion processes within the Company.

2. Continue the path of improvement in terms of Gender Balance and Pay Equity where, historically, differences in opportunities have been most evident, i.e. at managerial levels.

In order to assess the results achieved in these areas, the "Impact Inclusion Index" (with a total weight of 80%), as defined from 2022, measures in summary form, the level of achievement of the defined objectives. The areas described above contribute to the definition of the Index according to the following percentage weights: [ESRS 2 GOV-3, 29. b, c]

- 40% for the indicator measuring the achievement and maintenance of Gender Equality Certification by passing the monitoring audits scheduled over the three-year period on an annual basis;
- 20% for Equal Opportunities, with the indicator measuring that the percentage of women in managerial positions remains at or above the 35% level;
- 20% in the area of pay equity, with the indicator measuring, after the improvements called for in previous Plans, a further step in reducing the gender pay gap for managerial positions, amounting to 3% of the results achieved by the end of 2025.

With reference to the Environmental Index, represented by the Environmental Sustainability Index (with a relative weight of 20%), the Group aims to complete the ecological transition of 90% of its more than 40 locations (including points of sale) in Italy to forms of energy supply deriving from renewable sources in the three-year period 2024-2026, thus contributing to the more general process of decarbonisation.

Finally, the weighting of the ESG Indicator, as envisaged in previous years' Policies, after an initial phase, increased and stabilised at 15% of the variable remuneration of Top Management. [ESRS 2 GOV-3, 29. d]

For the first indicator, the target performance is reached with the attainment of the Certification by Bureau Veritas in 2024 and if the control levels ("surveillance" set by the route for 2025 and 2026 are exceeded. The result may exceed 100% of the target in the event of a positive response, over the

three-year period, to at least 50% of the proposals for further improvement formally made by the Certifying Body.

For the Gender Balance and Pay Equity indicators, on the other hand, the Index measures, with a linear progression, the achievement of the set target or its exceedance. Finally, the Environmental Sustainability Indicator is considered to be 100% achieved in the case of reaching the target of 90% transition and can reach 120%, according to a linear progression, if the target is exceeded. In this way, the ESG index appreciates, in a summarised manner, the overall results achieved in the four areas; the premium linked to the performance of the index can then vary proportionally from 0% (failure to achieve the 3 targets) to 120% (exceeding the targets in all areas).[ESRS 2 GOV-3, 29 b, c]

Scope	Objective	Metrics	Contents	Targets
Programme development	Gender Equality Certification	Certification recognition	40	Passing Main Audits and Annual Surveys
Equal opportunities	Increase of women in managerial positions	Percentage of women executives	20	Percentage greater than or equal to 35%
Pay equity	Reducing the pay gap for managerial positions	Equal pay gap for middle management and executive positions	20	3% improvement over the targets set in the 2023-2025 Plan
Environmental sustainability	Transition of Italian locations towards sustainable forms of energy supply	Percentage of locations transformed	20	Transformation of 90% of locations

Statement on the due diligence process

Below is a description of the steps on which the Group's activities can be divided to identify, prevent, mitigate and communicate the ways in which it deals with identified actual and potential negative impacts:

- a) Integration of responsible business conduct into policies and management systems, through: the Code of Ethics, the Management and Control Organisation Model (pursuant to Legislative Decree no. 231/2001), the business management system (UNI EN ISO 9001, UNI PdR 125:2022) and related policies; in 2025, the Group will further strengthen its policies with the adoption of the Supplier Code of Conduct and the Policy on Anti-Corruption.
- b) identification and assessment of actual and potential negative impacts along the entire value chain, as better described in the section "Description of the process and results of the double materiality assessment" and in the section "List of material impacts, risks and opportunities";
- c) prevention and mitigation of negative impacts;
- d) monitoring of actions and results, as detailed in the "Sustainability Strategy" section of this chapter and subsequently in the thematic chapters.
- e) communication of how impacts and risks are managed within this Report in the different sections into which it is structured and, specifically, in the paragraphs of the thematic chapters dealing with policies, objectives, actions, targets and metrics as at 31 December 2024;

As described, all the components of the Mondadori Group's organisational structure contribute to the management of sustainability impacts and risks in the various Board Committees operating within the Board of Directors, each with the responsibilities and roles detailed in the section "The Mondadori Group's corporate governance system".

Note that the Mondadori Group will formalise its Supplier Code of Conduct by 2025. The document will define how the Group intends to establish clear criteria and requirements for suppliers in relation to sustainability due diligence, ensuring that they meet environmental, social and ethical standards along the supply chain.

More specifically, it will describe the obligations and responsibilities and, in relation to key ESG impacts and risks, including respect for human rights, monitoring and mitigation actions (including actions such as periodic reviews and audits), as well as how non-compliance, such as the application of sanctions and/or suspension or termination of the business relationship, will be handled.

In alignment with the commitment already undertaken in its Code of Ethics on human rights, the document will take into account the principles laid down in the Universal Declaration of Human Rights, the UN Convention on the Rights of the Child, the International Labour Organisation and the OECD Guidelines for Multinational Enterprises.

The following table shows the key elements of the duty of care and the relevant sections where more details can be found in the Sustainability Statement.

[ESRS 2 GOV-4, 30,31,32,33]

Key elements of due diligence	Sustainability Statement section
a) Integrating due diligence into governance, strategy, and the business model	• Corporate governance system, under the section "The Control, Risk and Sustainability Committee" (Chapter 1 - General Information) • Sustainability strategy (Chapter 1 - General Information)
b) Engaging stakeholders in all fundamental stages of due diligence	• Interests and views of stakeholders (Chapter 1 - General Information) • Stakeholder engagement (Chapter 1 - General Information)
c) Identifying and assessing negative impacts	• Description of the process and results of the double materiality analysis (Detailed Notes) • List of material impacts, risks and opportunities (Chapter 1 - General Information) • The process for identifying and assessing material impacts, risks and opportunities (Chapter 1 - General Information)
d) Taking action to address negative impacts	• Sustainability strategy (Chapter 1 - General Information) • Sections "Material impacts, risks and opportunities," "Actions to manage impacts" and "Status of targets as at 31.12.2024" within the thematic chapters of this Sustainability Statement
e) Monitoring the effectiveness of actions and communicating	• Sections "Actions to manage impacts" and "Status of targets as at 31.12.2024" within the thematic chapters of this Sustainability Statement

Risk management and internal control system on Sustainability Statement

The internal control and risk management system of the Mondadori Group is understood as the set of procedures, organizational structures, and related activities aimed at ensuring, through an appropriate process of identification, measurement, management, and monitoring of the main risks, the proper and consistent conduct of the company in line with the established objectives related to Sustainability Statement. [ESRS 2 GOV-5 ,36, a]

The guidelines for the internal control system and risk management are based on the CoSO Framework, developed by the Committee of Sponsoring Organisations of the Treadway Commission. [ESRS 2 GOV-5 ,36, a]. This model is recognised internationally as a reference for the establishment, updating, analysis and evaluation of the internal control system. The 2013 update of the CoSO Internal Control – Integrated Framework emphasised the importance of the internal control system not only for financial information, but also for the sustainability data process. Furthermore, on 30 March 2023, the CoSO published supplementary guidance for organisations, entitled Achieving Effective Internal Control over Sustainability Statement (ICSR): Building Trust and Confidence through the COSO Internal Control – Integrated Framework. This document provides guidance for ensuring effective internal control over Sustainability Statement (ICSR) by adopting the CoSO Internal Control – Integrated Framework.

The internal control and risk management system provides reasonable assurance regarding the control of risks associated with the pursuit of the Company's strategic objectives and related operational objectives, in particular the reliability of Sustainability Statement (reporting objectives) [GOV-5, 36 A,B,C].

In this context, the following elements are identified and monitored:

- the identification of risks of failure to achieve objectives;
- the identification and assessment of risks that may be relevant for sustainability in the medium to long term;
- the assessment of the impact and likelihood of these risks;
- the way in which risks are currently being monitored;
- the assessment of the effectiveness of the safeguards in relation to the risks detected.

Definition of controls

As part of the preparation of the Sustainability Statement pursuant to Legislative Decree no. 125/2024, the Mondadori Group has approved a special procedure to formalise the main activities carried out in relation to the preparation of this document. It focuses in particular on the following aspects:

- i. definition of the scope and timing of activities;
- ii. the double materiality analysis;
- iii. identification and selection of indicators to be reported on the basis of the results of the double materiality analysis;
- iv. data collection, management, consolidation and validation;
- v. approval of the Sustainability Statement.

In relation to what is regulated within the procedure, the Group has equipped itself with a specific matrix of controls (Risk & Control Matrix – RCM), within which the main risks for each sub-process,

the relative control objectives for the identified financial statement assertions and, finally, the controls identified to mitigate the risks are considered.

As part of the scoping exercise that the Group carried out to prioritise Disclosure Requirements on the basis of quantitative and qualitative criteria, in order to identify the portion of Sustainability Statement relevant to the Internal Control System, 21 relevant Disclosure Requirements were identified: for 7 of these, the relevant controls were foreseen to be implemented starting from the 2025 reporting year:

- DR E1-5 - Energy consumption and energy mix;
- DR E1-6 - Gross GHG emissions for Scope 1, 2, 3 and total GHG emissions;
- DR S1-8 - Coverage of collective bargaining and social dialogue;
- DR S1-9 - Diversity metrics;
- DR S1-13 - Training and skills development metrics;
- DR S1-14 - Health and safety metrics;
- DR S1-16 - Remuneration metrics (pay gap and total remuneration).

For the coming reporting years, the Mondadori Group intends to define, according to a gradual logic, additional risk and control matrices in relation to the process of collecting, transmitting, consolidating and reporting sustainability data associated with the indicators being reported and the companies in the perimeter considered most significant.

Currently, the qualitative-quantitative sustainability information that goes into Sustainability Statement is managed through a special computer application, whereby it is entered by the so-called data owners (compilers) and validated by the department managers (approvers). The data and information is consolidated automatically through the calculation and aggregation rules defined within the same platform.

The Head of Investor Relations and ESG Reporting monitors the complete and timely execution of this process, in line with ESRS standards, the double materiality analysis conducted, the closing schedule and the CSRD provisions. Data owners are responsible for ensuring the correct storage of data and their underlying evidence (e.g. contracts, invoices, extractions from the management system) within the Workiva system.

At the end of this process, in cooperation with the department managers and data owners, the Investor Relations and ESG Reporting Department is responsible for the drafting of the Sustainability Statement within the Workiva system, starting with the qualitative and quantitative information collected and extracted on the basis of the collection and approval process described above. Any discrepancies are investigated and analysed by the Head of Investor Relations and ESG Reporting with the support of the Department managers and data owners.

Monitoring and evaluation

The periodic verification of the adequacy of the controls on the Sustainability Statement is carried out in different ways, depending on the entity in charge of their implementation.

In reporting year 2024, testing was carried out on the 6 sub-processes of the Sustainability Statement procedure.

Implementation activities during FY 2025 will include:

- in the first instance, first-line operational monitoring entrusted to the management and business departments of the Group companies included in the reporting scope. They will be responsible for ensuring the proper functioning, updating and implementation of operational procedures relating to the formation and processing of data and associated controls;
- this will be followed by a second level of control entrusted to the Internal Audit Department, by means of an independent audit plan that will define the scope, frequency and procedures of verification, taking into account the existing risks and the effectiveness of the verifications already carried out.

Monitoring and evaluation activities could lead to the identification of situations of non-compliance with the standards expected from the internal control system. Should areas for improvement be identified from the testing carried out, these will be subject to appropriate evaluation and follow-up to ascertain their resolution. For each corrective action, an implementation manager will be appointed, together with precise timelines for action.

At the end of each audit by the Internal Audit Department, there will be a periodic activity to share the results with the relevant implementation managers, the Investor Relations & ESG Reporting Department and the Financial Reporting Manager. The results of control assessments and relevant reports arising during other activities will be duly documented, to ensure traceability and monitor the progress of corrective action.

Roles and responsibilities

Board of Directors

The Board of Directors has identified the Chief Executive Officer as the director in charge of the internal control and risk management system. Its task is to ensure the identification of the main corporate risks and the management of the internal control and risk management system, taking into account the characteristics of the activities carried out by the Group, and reporting to the Control, Risk and Sustainability Committee or the Board of Directors, including on any critical issues detected.

The Board of Directors plays a central role in supervising the activities of the Financial Reporting Manager, ensuring:

- the adequacy of the means and powers allocated to him to perform his duties;
- compliance with the Sustainability Statement procedures prepared by him.

Board of Statutory Auditors

The Board of Statutory Auditors monitors compliance with the provisions of Legislative Decree no. 125/2024, ensuring that Sustainability Statement complies with the law and reporting standards. It reports on its supervisory activities in its annual report to the Shareholders' Meeting:

- on the adequacy of all procedures, processes and structures involved in the preparation of financial reporting and Sustainability Statement;
- on the effectiveness of the internal control, internal audit and risk management systems and on the statutory audit of the annual financial statements, the consolidated financial statements and the attestation of compliance of the Sustainability Statement;
- on statutory auditor independence and sustainability.

Control, Risk and Sustainability Committee

The Committee coordinates its activities, as far as their respective competences are concerned, with those of the Board of Statutory Auditors, the Independent Auditors, the Head of Internal Audit, as well as the Director in charge of the internal control and risk management system and the Financial Reporting Manager; specifically, it is appointed to:

- examine, in agreement with the Board of Statutory Auditors, the overall process aimed at defining the Sustainability Statement, with particular reference to the related internal control system and the results of the double materiality analysis, providing a non-binding advisory opinion on the outcome of the activities in support of the resolutions of the Board of Directors and indicating any further details and/or additions;
- review the content of the draft Sustainability Statement, prepared by the Head of Investor Relations & ESG Reporting, ensuring compliance with the applicable reporting standards (the European Sustainability Statement Standards, or "ESRS"), after obtaining the opinion of the Financial Reporting Manager, and providing a non-binding advisory opinion on its outcome to support the resolutions of the Board of Directors;
- provide opinions on specific aspects related to the identification of the main business risks and support the assessments and decisions of the Board of Directors concerning the management of risks arising from prejudicial events of which the Board has become aware;
- examine the periodic and particularly relevant reports prepared by the Internal Audit department;
- monitor the independence, suitability, effectiveness and efficiency of the Internal Audit Department;

Financial Reporting Manager

The Financial Reporting Manager is responsible:

- for setting up appropriate procedures in relation to Sustainability Statement;
- for compliance of sustainability documents with the European Directive (EU) 2022/2464 CSRD;
- for the compliance of the documents with the European Sustainability Statement Standards (ESRS) issued in July 2023 by the European Commission;
- for the correctness and accuracy of the documents and contents related to the drafting of the Sustainability Statement.

Responsibility for the integrity and correctness of accounting and sustainability data remains a responsibility identified within the business organisation, in the individual structures that produce the data, check them and with them feed the information flows governed by the Sustainability Statement.

The Financial Reporting Manager identifies suitable organisational and procedural solutions to ensure the adequacy of the control model for the Sustainability Statement process.

He also attends any meeting of the Board of Directors or the Executive Committee dealing with the approval of the Sustainability Statement or other data/issues relevant to the statements he is required to provide.

As far as the double materiality analysis is concerned, he is in charge of verifying and validating its outcomes. This analysis is shared by the Investor Relations & ESG Reporting Department with the Financial Reporting Manager; the latter validates the results through an assessment of the consistency of the sustainability issues identified, in relation to both their ESG impact and relevance and their financial impact on the Group's activities; the approval process of the double materiality analysis is described in more detail in the section "Description of the process and results of the double materiality assessment" in the chapter "Explanatory notes to the Sustainability Statement".

Internal Audit Department

The Internal Audit Department is directly responsible for carrying out, as an independent third-level body, independent and impartial audits in order to ensure the full operability of the control model on the drafting of the Sustainability Statement.

Upon delegation by the Financial Reporting Manager, the Internal Audit Department may perform the following activities:

- support in defining the testing plan;
- support in carrying out specific checks on the design and effective application of the procedures for drafting the Sustainability Statement, without prejudice to the sole responsibility of the Financial Reporting Manager for the outcome of the checks carried out;
- support with reference to supervising the implementation of the remediation actions defined, verifying that the first-level corporate departments have implemented the corrective activities in a timely and effective manner, without prejudice to the exclusive responsibility of the Financial Reporting Manager for the implementation of such activities.

Investor Relations & ESG Reporting Department

The Head of Investor Relations & ESG Reporting, supported by the Chief Sustainability Officer, draws up and updates the documentation for the purpose of preparing the Sustainability Statement and identifies any need to change activities and/or processes.

It is also responsible for ensuring that an adequate flow of information concerning the results of its activities is provided to the Financial Reporting Manager and to the competent bodies, with particular attention to the data attributable to Sustainability Statement.

Compliance Department

Without prejudice to the ultimate responsibility of the Financial Reporting Manager, the Compliance Department operates under his delegation and performs the following activities:

- it identifies applicable regulations both in the field of finance and sustainability and provides the Financial Reporting Manager with a timely and comprehensive update on any new legislation that may affect the Group's operations.
- it ensures that the Sustainability Statement Control Model is continuously updated and complies with legal requirements;
- it supports the Financial Reporting Manager in scoping activities in order to identify processes, relevant controls and applicable companies.

Information flows

All Group subjects are required to provide timely information on any event that may affect the internal control system, activating the necessary communications to the Financial Reporting Manager. These information flows are described in more detail below, with specific reference to Sustainability Statement.

Relations between the Financial Reporting Manager and Corporate Governance Bodies

In order to meet the information requirements functional to the management of the system, all the document flows for updating and reporting are implemented between the subjects and bodies involved

in the management of the control and risk management system: the Board of Directors, the Control, Risk and Sustainability Committee, the Financial Reporting Manager, the Internal Audit Department, the Supervisory Board, the Board of Statutory Auditors and the Independent Auditors.

The Financial Reporting Manager reports directly to the Board of Directors and to Arnoldo Mondadori Editore S.p.A.'s Control, Risk and Sustainability Committee, in relation to the functions and responsibilities of the position; in particular, he informs the Board of Directors on the status of the control model on the process of drafting the Sustainability Statement, on the occasion of or prior to the Board's examination of the same, reporting any significant shortcomings found in the controls and the initiatives implemented, planned to remedy them, or for compensatory purposes.

The Financial Reporting Manager is obliged to promptly bring to the attention of the administrative and control bodies of the Company any significant deficiencies and anomalies ascertained over time that, in his prudent assessment, do not appear likely to be corrected in time for the approval of the Sustainability Statement.

Once a year, he informs the Board of Directors, jointly with the Executive Director, of:

- how the management and control of the Sustainability Statement process is carried out and its adequacy in relation to the statement to be issued;
- any critical issues that may have arisen during the reporting period for the attestation and the plans defined, including with the Executive Director, to overcome the problems encountered;
- issues concerning the suitability of the means at its disposal for carrying out its work.

Within the scope of the powers and means at his disposal, the Financial Reporting Manager communicates constantly with the following Corporate Governance Bodies:

- the Board of Directors, the Executive Director, and the Control, Risk and Sustainability Committee to provide updates on the progress of the preparation and verification of the Sustainability Statement procedures and any corrective action;
- the Supervisory Board, the Board of Statutory Auditors, the Independent Auditors for the coordination aimed at detecting any further risks relevant to the reliability of the Sustainability Statement.

The Financial Reporting Manager provides the Board of Statutory Auditors with the necessary cooperation in order to ensure that the Board of Statutory Auditors performs its supervisory and verification functions on the adequacy and functioning of the operational procedures for the preparation of the Sustainability Statement, their suitability for the purpose envisaged by the law, as well as their effective implementation at the Company and, to the extent within the competence of the Company's Board of Statutory Auditors, also at the companies belonging to the Group.

He is also an active part of the information flows to and from the Supervisory Board with regard to control over the preparation and application of the procedures for drafting the Sustainability Statement, as well as their monitoring and constant updating.

The Independent Auditors, in the performance of their duties, may at any time request information from the Financial Reporting Manager on specific matters falling within the scope of his functions and carry out checks on the procedures established and their concrete application. He is therefore obliged to submit to the Independent Auditors any information and assistance requested by the latter in this regard.

Relations between the Financial Reporting Manager and the corporate Departments

The sustainability information flow originates from the business processes managed by the Company's first-level Departments. The Financial Reporting Manager liaises with these Departments to document

and monitor the Company's procedures, periodically receiving information on activities affecting Sustainability Statement.

Environmental Information

Disclosure pursuant to article 8 of Regulation EU 2020/852 (European Taxonomy Regulation)

Regulation (EU) 2020/852 (hereafter also the "Regulation") introduced the European Taxonomy, a unified classification system for environmentally sustainable activities, based on the opinion of the Technical Expert Group (TEG) on sustainable finance.

This system aims to enable investors to accurately identify and evaluate investment opportunities that meet EU environmental criteria, to counteract greenwashing, and to promote investments that truly contribute to environmental sustainability.

The Regulation defines the criteria for determining whether an economic activity can be considered environmentally sustainable. Specifically, environmentally sustainable economic activities are defined as those that:

- contribute substantially to the achievement of one or more of the six environmental and climate objectives (Article 9 of EU Regulation 2020/852);
- do no significant harm to any of the other environmental objectives (hereinafter "DNSH");
- are carried out in compliance with the Minimum Safeguards.

The environmental and climate objectives under the Taxonomy are:

1. Climate change mitigation ("CCM");
2. Climate change adaptation ("CCA");
3. Sustainable use and protection of water and marine resources ("WTR");
4. Transition to a circular economy ("CE");
5. Pollution prevention and control ("PPC");
6. Protection and restoration of biodiversity and ecosystems ("BIO").

Analysis of eligible economic activities

In accordance with the provisions of the Regulation, any company subject to the obligation to publish sustainability information under the Corporate Sustainability Statement Directive (CSRD) must include in its Sustainability Statement information on how and to what extent the company's activities are associated with economic activities considered environmentally sustainable under Articles 3 and 9 of the Regulation. In particular, companies such as the Mondadori Group are required to disclose:

- the share of their turnover coming from products or services associated with economic activities that are considered environmentally sustainable in accordance with Articles 3 and 9 of the Regulation;
- the share of their capital expenditure and the share of their operating expense related to assets or processes associated with economic activities considered environmentally sustainable in accordance with Articles 3 and 9 of the Regulation.

In 2024, the Mondadori Group conducted an analysis to identify potentially eligible activities aligned with the requirements of the Regulation. This process was coordinated by the Investor Relations and ESG Reporting department in cooperation with the Consolidated Financial Statements Department.

Eligibility Analysis

The Mondadori Group has examined the list of economic activities included in the reference documentation (defined in the Delegated Regulation (EU) 2021/2139 Climate Delegated Act, Delegated Regulation (EU) 2023/2486 Environmental Delegated Act, Delegated Regulation 2023/2485 amending the Climate Delegated Act), comparing the Group's economic activities with those defined in the technical reference documentation available to date, not only by comparing the respective ATECO/NACE codes, but also and above all by assessing the substantial correlation between them.

The analysis was also carried out taking into account changes in the company scope, in order to examine any new economic activities that might emerge as eligible and/or aligned. In addition, the Commission's most recent clarifications were taken into account in order to carefully consider the evolving interpretations of the regulations.

At the date of publication of this document, based on the Group's interpretation, the publishing activities that typify its operations are not included among those identified to date by the relevant legislation for the environmental objectives referred to above. As a result, neither eligible nor aligned revenue, investments and operating expenses are identified with reference to the company's core business.

At the date of publication of this document, based on the Group's interpretation, the publishing activities that typify its operations are not included among those identified to date by the relevant legislation for the environmental objectives referred to above. As a result, neither eligible nor aligned revenue, investments and operating expenses are identified with reference to the company's core business. However, it should be noted that, in the analysis of activities not directly related to the Group's core business, eligible activities were identified according to the EU Taxonomy Regulation. In particular:

For turnover:

- Climate Change Mitigation objective: Economic Activity 7.6 (Installation, maintenance and repair of renewable energy technologies)

For capital expenditure (CapEx):

- Climate Change Mitigation objective: Economic Activity 7.2 (Renovation of existing buildings) and 7.3 (Installation, maintenance and repair of energy efficiency equipment)
- Transition to a Circular Economy objective: Economic Activity 3.2 (Renovation of existing buildings);

The above-mentioned activities 7.2, 7.3 and 7.6 for the CCM objective are not considered eligible for the CCA objective as no assessment of climate change risks and vulnerabilities has been carried out (as indicated in EU Commission Notice (C/2023/305), FAQ no. 18).

On the other hand, potentially eligible and aligned operating expenses were not calculated as the total operating expenses to be considered for the purposes of the EU Taxonomy Regulation are not significant, i.e. less than 1% of the Group's total operating costs. In 2024, this value amounted to € 1,353 thousand out of a consolidated total of € 777,143 thousand and consisted of the operating expenses incurred during the year in connection with the maintenance of the company's offices and directly operated shops (included in the item Maintenance costs under "Cost of services" in Note 31 to the Consolidated Financial Statements).

Alignment analysis

Turnover

The share of turnover eligible for the climate change mitigation objective (economic activity 7.6) is not significant and is not related to the Mondadori Group's core business. This is why, in line with the European Commission's interpretation "EU Commission Notice (C/2023/305), FAQ no. 13", this activity is considered non-aligned without conducting in-depth checks on the alignment criteria.

CapEX

Substantial contribution criteria

For each of the eligible economic activities, compliance with the substantial contribution criteria was verified, which define quantitative and/or qualitative technical thresholds that must be met in order for the activity to be considered Taxonomy-aligned.

Objective	Business	Description
Climate change mitigation	7.2 - Renovation of existing buildings	The renovation/restructuring activities carried out are not aligned with the substantial contribution criteria, as no certificates are available showing a reduction in primary energy requirements of at least 30%.
	7.3 – Energy efficiency equipment	Activities aimed at enhancing the energy efficiency of buildings carried out by third parties are aligned with the substantial contribution criterion according to the analyses conducted by the Group, as they are essentially relamping activities (measures pertaining to point d of the substantial contribution criterion).
Transition to a circular economy	3.2 - Renovation of existing buildings	In the absence of sufficient evidence to allow a full assessment of compliance with the substantial contribution criteria, the Group considers the renovation of existing buildings to be non-aligned.

Do Not Significant Harm (DNSH):

The analysis of compliance with the DNSH criteria set out in the Regulation's Delegated Act aims to determine that the individual activities identified do not harm the remaining environmental objectives. These analyses revealed the following:

Objective	Business	Description
Climate change mitigation	7.2 - Renovation of existing buildings	According to a conservative and prudential approach and in the absence of sufficient evidence to allow a full assessment of compliance with the DNSH criteria relating to climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy and pollution prevention and reduction, the Group considers the activities to be non-aligned.
	7.3 - Energy efficiency equipment	
Transition to a circular economy	3.2 - Renovation of existing buildings	According to a conservative and prudential approach and in the absence of sufficient evidence to allow a full assessment of compliance with the DNSH criteria relating to climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources and pollution prevention and reduction, the Group considers the activities to be non-aligned.

Analysis of minimum safeguards

Adopting a conservative and prudent approach, the Mondadori Group believes that current supply chain practices are not adequately formalised to consider eligible assets aligned with specific minimum safeguards.

Nonetheless, the Mondadori Group puts in place a variety of safeguards to ensure that activities are carried out with respect for human and workers' rights, as detailed in the sections "Statement on due diligence", "Policies related to own workforce", "Policies related to value chain workers" and "Policies on business conduct" of this Document.

Calculation of indicators for reporting year 2024

Below are the KPIs required by Article 8 of the EU Taxonomy Regulation and detailed by the supporting Delegated Act ("Article 8 Delegated Act").

The Regulation requires non-financial companies to disclose this information by reporting the percentage of revenue, capital expenditure (CapEx) and operating expenditure (OpEx) associated with the eligible economic activities and aligned with all respective technical selection criteria.

The numerators of all KPIs are calculated on the basis of point data, and represent revenue, CapEx and OpEx from products or services associated with economic activities eligible under the Taxonomy, divided by total consolidated revenue, CapEx and OpEx. In order to identify the allowable quotas, and accordingly develop the corresponding indicators, a process of analysis of the individual items derived from accounting extractions at the level of individual legal entities of the Group was adopted, thus ensuring the completeness and reliability of the values presented.

The processing was carried out by the Group at a centralised level, in order to guarantee the reliability of the data and the maximum consistency of the relative extraction and processing methods, and shared with the administrative departments of the Group companies, for further sharing and validation of the results.

The denominators of the KPIs, on the other hand, are the respective Consolidated Financial Statement totals, i.e. the aggregation of certain items of the same. More specifically, the denominator related to capital expenditures includes annual investments in intangible assets (both finite and indefinite useful life) of € 53,052 thousand, in addition to € 16,524 thousand representing tangible assets and € 23,644 thousand related to rights-of-use assets (in accordance with IFRS 16); to these values are added the data arising from the consolidation of the Companies acquired in 2024 for a total of € 5,185 thousand (for more information, see notes: 12. "Intangible assets", 13. "Property, plant and equipment", 14. "Rights-of-use assets" in the Notes to the Consolidated Financial Statements).

In 2025, the Group reserves the right to carefully evaluate developments in its activities in relation to possible impacts on reporting under the EU Taxonomy Regulation, promptly assessing the effects that may arise from new regulations, documents and explanatory guidelines of the European Commission.

Nuclear and fossil gas related activities

In accordance with the requirements of Regulation 2021/2178, the information required by Template 1 of Annex XII is set out below:

Nuclear energy related activities		
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
Fossil gas related activities		
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

Analytical Tables of the European Taxonomy

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024				Criteria for substantial contribution						DNSH criteria ('do no significant harm') (h)									
Economic activities (1)	Code (i) (2)	Turnover (3)	Portion of turnover, year 2024 (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards guarantees (17)	Portion of turnover aligned (A.1.) or eligible (A.2.) for the taxonomy, 2023 (18)	Enabling activity category (19)	Transition activity category (20)
Text		Euro/000	%	Yes; No; N/EL (b)(c)	Yes; No; N/EL (b)(c)	Yes; No; N/EL (b)(c)	Yes; No; N/EL (b)(c)	Yes; No; N/EL (b)(c)	Yes; No; N/EL (b)(c)	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	%	E	T
A. ACTIVITIES ELIGIBLE FOR TAXONOMY																			
A.1. Eco-sustainable activities (aligned with the taxonomy)																			
N/A	N/A	0	0%													0%			
Turnover from eco-sustainable activities (aligned with taxonomy) (A.1)		0	0%													0%			
Of which are enabling		0	0%													0%	E		
Of which are transitional		0	0%													0%			
A.2. Activities eligible for the taxonomy but not eco-sustainable (activities not aligned with the taxonomy) (g)																			
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
Renewable Energy Technologies	CCM 7.6	55	0.006%													0%			
Turnover of activities eligible for the taxonomy but not eco-sustainable (activities not aligned with the taxonomy) (A.2)		0	0%													0%			
A. Turnover from activities eligible for the taxonomy (A.1+A.2)		0	0%													0%			
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY																			
Turnover of activities not eligible for the taxonomy		934.722	100%																
TOTAL		934.722	100%																

Share of turnover / Total turnover		
	Aligned by goal	Eligible for objective
CCM	0%	0.006%
CCA	-	-
WTR	-	-
CE	-	-

PPC	-	-
BIO	-	-

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024				Criteria for substantial contribution						DNHS ("Do No Significant Harm") Criteria (h)									
Economic activities (1)	Code (i) (2)	CapEx (3)	Portion of CapEx, year 2024 (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguard guarantees (17)	Share of CapEx aligned (A.1.) or eligible (A.2.) to the taxonomy, 2023 (18) Portion of CapEx aligned (A.1.) or eligible (A.2.) for the taxonomy, 2023 (18)	Enabling activity category (19)	Transition activity category (20)
Text		Euro/000	%	Yes; No; N/EL (b)(c)	Yes; No; N/EL (b)(c)	Yes; No; N/EL (b)(c)	Yes; No; N/EL (b)(c)	Yes; No; N/EL (b)(c)	Yes; No; N/EL (b)(c)	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	%	E	T
A. ACTIVITIES ELIGIBLE FOR TAXONOMY																			
A.1. Eco-sustainable activities (aligned with the taxonomy)																			
N/A	N/A	0	0%													0%			
CapEx of eco-sustainable activities (aligned to taxonomy) (A.1)		0	0%													0%			
Of which are enabling		0	0%													0%	E		
Of which are transitional		0	0%													0%			
A.2. Activities eligible for the taxonomy but not eco-sustainable (activities not aligned with the taxonomy) (g)																			
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
7.2 Renovation of existing buildings	CCM 7.2/ EC 3.2	3.748	3.808%													0%			
7.3 Energy efficiency equipment	CCM 7.3	64	0.066%													0%			
CapEx of taxonomy-eligible but non-sustainable activities (activities not aligned with the taxonomy) (A.2)		3.812	3.874%													0%			
C. CapEx of taxonomy eligible activities (A.1+A.2)		3.812	3.874%													0%			
B. ACTIVITIES NOT ELIGIBLE FOR TAXONOMY																			
CapEx from activities not eligible for the taxonomy		89.408	96.126%																
TOTAL		98.405	100%																

Share of turnover / Total turnover		
	Aligned by goal	Eligible for objective
CCM	0%	3,874

CCA	-	-
WTR	-	-
CE	0%	3,808
PPC	-	-
BIO	-	-

ESRS E1 – Climate Change

Cross-reference table related to climate change

ESRS Standards	Paragraph of the Sustainability Statement	Notes
Governance		
ESRS 2 GOV-3 – Integration of sustainability performance into incentive schemes	Metrics (Chapter 2 - Environmental Information, ESRS E1)	
Strategy		
E1-1 – Transition plan for climate change mitigation	Chapter "General Information", under "Sustainability Strategy" in "The new 2025-2027 Sustainability Plan"	To date, the Mondadori Group has not defined a climate change transition plan; it will be formalised in the coming years and will be subject to future disclosure.
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	Material impacts, risks and opportunities	
Management of impacts, risks and opportunities		
ESRS 2 IRO-1 – Description of processes for identifying and assessing material climate-related impacts, risks and opportunities	Chapter "General Information", under the section "The process for identifying and assessing material impacts, risks and opportunities"	
E1-2 – Policies related to climate change mitigation and adaptation	Climate change policies	Further information on climate change policies is also presented in tabular format in the section "Material impacts, risks and opportunities".
E1-3 – Actions and resources related to climate change policies	Actions for impact management	
Metrics and targets		
E1-4 – Targets related to climate change mitigation and adaptation	Status of targets as at 31.12.2024	
E1-5 – Energy consumption and energy mix	Metrics	
E1-6 - Gross Scopes 1, 2, 3 and Total GHG emissions	Metrics	
E1-9 – Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	E1-9 – Expected financial effects from material physical risks and transition risks and climate change opportunities	The Mondadori Group makes use of the option indicated in Appendix C – "List of phased-in disclosure requirements", omitting the information required by ESRS E1-9 for the first year of reporting.

Material impacts, risks and opportunities

The results of the double materiality analysis on climate change have revealed the following material impacts and risks for the Group, described in tabular form by linking them to the main safeguards in place and the commitments outlined therein.

Type	Description of IROs	Existing controls	Main commitments	Scope of the value chain
E1 – Climate change				
Actual negative impact	Generation of greenhouse gas emissions associated with energy consumption in the paper production process (paper mills), product printing activity and inbound logistics activity.	<i>As of the current date, there is no control measure in place on this matter.</i>		Upstream
Actual negative impact	Generation of greenhouse gas emissions associated with energy consumption in own operations (offices and stores) and productive use in own operations	Environment Policy	Reducing energy consumption through, <i>inter alia</i> , actions on energy efficiency and business travel management policies.	Own operations
Actual negative impact	Generation of greenhouse gas emissions associated with energy consumption in outbound and sales outlet logistics activities (franchisees)	<i>As of the current date, there is no control measure in place on this matter.</i>		Downstream
Transition risks	Risk of increased capital expenditure (CapEx) due to the use of new raw materials and/or the implementation of new technologies and low-carbon production processes	<i>As of the current date, there is no control measure in place on this matter. It will also be carefully assessed in view of the time horizon in which this risk is expected to manifest itself (long term, more than 3 years)</i>		Upstream Own operations

No opportunities above the materiality threshold were identified for this reporting year. Furthermore, it should be noted that an analysis of resilience in the face of climate change has not been conducted to date; this will be the subject of subsequent evaluations. [ESRS E1-1 17]

Climate change policies

To date, the Mondadori Group does not have a policy on reducing greenhouse gas emissions in the value chain; this will be carefully evaluated in relation to future developments in the transition plan for climate change mitigation.

Furthermore, it should be noted that an analysis of resilience in the face of climate change has not been conducted to date; this will be the subject of subsequent evaluations. [ESRS E1-1 17]

The Group's commitment to the proper management of environmental impacts is linked to compliance with the relevant regulations and the mitigation of negative environmental externalities associated with its business activities, and is driven by the will to better address the growing needs of the company's many stakeholders.

In general, sustainability-related aspects, including those related to environmental impacts, are brought to the attention of the Group's Control, Risk and Sustainability Committee, whose Environmental Policy is published on the Mondadori Group's corporate website.

The policy outlines the commitment towards achieving objectives aimed at reducing environmental impacts and serves as the reference framework for defining the Group's strategy and areas of intervention. The guidelines identified in the environmental policy steer the operational decisions and

practices of the Group, from the purchase of paper to the management of stores, with each company unit responsible for applying the guidelines in its day-to-day operations.

The Environmental Policy, among other aspects, makes explicit the Group's commitment to reducing energy consumption through, *inter alia*, actions on energy efficiency and business travel management policies. It is specified that these are not considered, to date, to be related to the sub-topics Climate change mitigation and Climate change adaptation", "Energy" (regarding the use of renewable energies).

More details on the implemented initiatives on energy consumption and climate-changing emissions can be found in the "Actions for impact management" sections of this chapter.

Actions for impact management

This paragraph describes actions and resources for managing the negative impact of the generation of greenhouse gas emissions associated with energy consumption in own operations (offices and stores) and productive use in own operations.

Note that for 2024, the Mondadori Group did not identify any significant operating expenses (OpEx) and/or capital expenditures (CapEx) in this topic. Although these values were not significant, the Group implements safeguards to manage impacts, which involve both incurring costs and making investments. Future operating and capital expenditures are being assessed in the context of the update of the 2025-2027 Sustainability Plan.

Reducing environmental impacts in own operations

Segrate head office

In January 2023, renovation and redevelopment work began on Palazzo Mondadori, the Group's headquarters in Segrate (Milan). This ambitious project aims to enhance and "regenerate" the headquarters while respecting the distinctive and original character of Oscar Niemeyer's work, a historical heritage and iconic symbol of the Group. The work continued throughout 2024 and is expected to be completed by the summer of 2025.

Two key words have guided the conception of this new project: identity and coherence, with the aim of creating a completely renewed space that combines the Group's history with its future: a new, contemporary headquarters that is more innovative, more functional, and more sustainable.

The objective of the project, carried out in collaboration with Generali Real Estate (the owner of the headquarters), is to provide, in the coming years, a modern, renovated space that will allow for optimal working conditions.

The main interventions in 2024 focused on:

- the installation of a new generation heating/cooling system, with low operating temperatures that will allow the use of geothermal-powered heat pumps (groundwater).

For a number of rooms, with specific use, Freon gas heat pump systems were chosen instead. Some of these interventions are currently in the implementation phase and will be completed by the end of the works.

- the refurbishment of all the air treatment plants in the Services Building, connected to the new geothermal heating and cooling plant with low-temperature fluids;
- the start of work (to be completed by 2025) on the kitchen serving the company's restaurant with the elimination of all gas equipment, replaced with induction burners, more efficient equipment and

the installation of compensated hoods for smoke evacuation capable of reducing room air expulsion by at least one third, with related energy savings.

- fully LED lighting, with a zoning program and presence sensors;

Throughout 2024, the building was progressively served by the new systems, which will be flexible and capable of managing thermohygrometric and lighting conditions, ensuring zoning of the areas used based on occupancy. This process imposed a simultaneous operation of two systems throughout 2024: the new machines for the progressively completed rooms, and the old systems for all spaces still served by the previous system. When the installations are completed, the result will be zero consumption of methane gas with obvious advantages in terms of efficiency, energy consumption and emissions into the atmosphere.

The energy supply at the Segrate headquarters is now entirely from certified renewable sources. Also the choice of materials, furnishings and services (cleaning with Ecolabel certificates) was focussed on sustainable site management. Upon completion of the restructuring work, CO2 emissions into the environment will be entirely eliminated.

Regarding the estimated emissions saved as a result of the initiatives described above, comparative data with the same granularity for 2023 is not available to measure this change. As for the expected emission reduction, appropriate estimates will be made upon completion of the work to determine this metric.

Other offices

A request for energy supply from renewable sources has also been activated for all the Group's institutional offices, in order to continue this virtuous path, which will be completed in 2025.

Group stores and bookstores

In 2024, as part of the action taken to increase energy efficiency in Retail, the following activities continued:

- remote control of air conditioning systems through the adoption of smart technologies to control schedules, system anomalies and to prevent the exceeding of shop temperature limits set by regulations in both winter and summer;
- in the event of acquiring new stores, all high-consumption/energy-intensive lighting systems are replaced with new-generation LED technology solutions. In some contexts, the DALI lighting system has been incorporated into the shop lighting systems, which allows the lighting to be controlled and regulated in order to manage the entire lighting system according to the actual usage needs of the different zones and according to the amount of natural light in the shop;

As regards new stores, wherever possible the space design aims to minimise electricity consumption, for example through the installation of false ceilings to reduce and limit the cubic metres of air to be heated or cooled within the building.

These targeted interventions come in addition to the optimisation actions already mentioned and allow for a further reduction in consumptions.

Employee mobility

Regarding employee mobility, various green opportunities and solutions were also offered to employees and collaborators in 2024, aimed at supporting both work activities and personal life. These include not only the company transport service that connects the office of Segrate with the railway stations of Segrate, Milan Lambrate and Milan Rogoredo, and Milan Linate airport, but also the various conventions

stipulated for car sharing, discounted subscriptions for urban mobility and rail travel and the rental of e-bikes and e-scooters.

Status of targets as at 31.12.2024

Below is the status as at 31 December 2024 of the 2024-2026 Sustainability Plan target in relation to the impacts, risks and opportunities that emerged from the climate change double materiality analysis:

Target (Sustainability Plan)	Status as of 31.12.2024	Target	Metrics	Related IROs	Type
E1 – Climate change					
- IT (Information Technology) development and implementation of the "Book environmental footprint" project: Life-Cycle Assessment (LCA) study	- The Book Environmental Footprint project is currently being implemented into the system in order to finalise the calculation algorithms and define its integration into business processes	Upstream	<i>Future definition</i>	Generation of greenhouse gas emissions associated with energy consumption: - in the paper production process (paper mills)	Actual negative impact
- Formalisation of a Code of Conduct governing responsible procurement	- The formalisation	Downstream		Generation of greenhouse gas emissions associated with energy consumption in	Actual negative impact
- Extension of the activation of the supply of electricity from renewable sources to the offices and DOSs on the territory, with the consequent reduction of Scope 2 emissions (consumption).	- As at 31 December 2024, the percentage of renewable electricity at the target buildings is 66% (as of 1 January 2025, 100% activation completed); in the baseline year (31 December 2023) this percentage was 41%.	Own operations	E1-5 (percentage of electricity purchased in combination with instruments such as guarantees of origin)	Generation of greenhouse gas emissions associated with energy consumption: - in own operations (offices and stores) and for production use in own operations (factories)	Actual negative impact
- Continuation of the energy efficiency actions under the	- Energy efficiency		E1-6 (Scope 2)		

To date, the Group has no targets for GHG emission reduction; moreover, it has not identified targets for managing the risk associated with the scenario of increased capital expenditure (CapEx) due to the use of new raw materials and/or the implementation of new low-carbon technologies and production processes.

Metrics

ESRS E1-5 Energy consumption and energy mix

As far as own operations are concerned, total energy consumption from renewable sources is 6,597 MWh and accounts for 47% of the total, a share that has been gradually growing in recent years following the investment to extend the supply of renewable energy in offices and stores and the self-production of renewable energy in the offices of A.L.I., Grafiche Bovini and Star Shop Distribuzione.

The total consumption of energy from fossil fuels, on the other hand, is 7,225 MWh and accounts for 52 % of the total; this is derived from the following fuels: natural gas, diesel and petrol for the car fleet, and the purchase of electricity from fossil fuels. As far as the car fleet is concerned, the use of these vehicles for personal use was excluded from the calculation of consumption – and subsequently of Scope 1 emissions – by attributing 70% of the total consumption to business use as deduced from literature sources (ABI Guidelines). In 2024, the Mondadori Group consumed 148 MWh of energy from nuclear sources (1% of the total).

Below is a breakdown of Group consumption as at 31 December 2024. Some data was estimated, in particular the electricity consumption of Adgage and Chelsea Green Publishing. The estimate was made in proportion to the headcount of Rizzoli International Publications Inc., whose energy consumption is measured and whose offices were considered as comparable in terms of per capita consumption (excluding consumption related to the bookstore in New York, which is not applicable for the other companies). In addition, the consumption of the A.L.I. car fleet was estimated on the basis of the average fuel price. The figures for total energy from nuclear sources were calculated on the basis of the share of nuclear energy consumed at country level (source Association of Issuing Bodies for Italy and Spain, International Energy Agency for USA, base year 2023).

Energy consumption of own operations	31-12-2024
Consumption of fuel from coal and coal products (MWh)	0
Fuel consumption from crude oil and petroleum products (MWh)	1,288
Fuel consumption from natural gas (MWh)	2,728
Fuel consumption from non-renewable sources (MWh)	0
Consumption of electricity, heat, steam, and cooling from fossil sources, purchased or acquired (MWh)	3,209
Total energy consumption from fossil sources (MWh)	7,225
Percentage of energy consumption from fossil sources over total energy consumption (%)	52 %
Total energy consumption from nuclear sources (MWh)	148
Percentage of energy consumption from nuclear sources over total energy consumption	1 %
Consumption of fuel from renewable sources, including biomass (MWh)	9
Consumption of electricity, heat, steam and cooling purchased or acquired from renewable sources (MWh)	6,588
Total energy consumption from renewable sources (MWh)	6,597
Percentage of energy consumption from renewable sources over total energy consumption	47 %
Self-generation of energy from non-renewable sources (MWh)	0
Self-generation of energy from renewable sources (MWh)	295
of which self-generated energy fed into the grid (MWh)	80
Total self-generated and consumed energy from renewable sources (MWh)	215
Total energy consumption (MWh)	14,185

Note that the total consumption of electricity, heat, steam and cooling, both from fossil and renewable sources, is determined solely by the consumption of electricity, the consumption of heat, steam and cooling being 0 in 2024. The conversion to MWh was performed according to the physical properties of each type of energy carrier; the source used is the Department for Energy Security and Net Zero (DEFRA 2024).

Below are details of energy consumption, and relative intensity in relation to turnover, for Group companies belonging to high climate impact sectors (as defined in Commission Delegated Regulation (EU) 2022/1288). These are, specifically:

- Mondadori Retail, Mondadori Libri and Electa, belonging to the sector "Retail sale of new books in specialised stores";
- Edizioni Star Comics, belonging to the sector of "Retail sale of any type of product over the internet";
- ALI and Star Shop Distribuzione, belonging to the "Wholesale of books, magazines and newspapers" sector.

Energy consumption of own operations - high climate impact sectors	31-12-2024
Consumption of fuel from coal and coal products (MWh)	0
Fuel consumption from crude oil and petroleum products (MWh)	566
Fuel consumption from natural gas (MWh)	759
Fuel consumption from non-renewable sources (MWh)	0
Consumption of electricity, heat, steam, and cooling from fossil sources, purchased or acquired (MWh)	2,868
Total energy consumption from fossil sources (MWh)	4,193
Percentage of energy consumption from fossil sources over total energy consumption (%)	75 %
Total energy consumption from nuclear sources (MWh)	132
Percentage of energy consumption from nuclear sources over total energy consumption (%)	2 %
Consumption of fuel from renewable sources, including biomass (MWh)	1
Consumption of electricity, heat, steam and cooling purchased or acquired from renewable sources (MWh)	1,338
Total energy consumption from renewable sources (MWh)	1,339
Percentage of energy consumption from renewable sources over total energy consumption (%)	23 %
Self-generation of energy from non-renewable sources (MWh)	0
Self-generation of energy from renewable sources (MWh)	232
of which self-generated energy fed into the grid (MWh)	62
Total self-generated and consumed energy from renewable sources (MWh)	170
Total energy consumption (MWh)	5,834

Energy intensity of activities in high-climate-impact sectors	31-12-2024
Total energy consumption of activities in high-climate-impact sectors (MWh)	5,834
Net revenue (€/000) of activities in high-climate-impact sectors	€ 496,446
Energy intensity of activities in high-climate-impact sectors (MWh/€000)	0.01

Net revenue reconciliation	31-12-2024
Net revenue from activities in high climate impact sectors used to calculate energy intensity (€/000)	€ 496,446
Net revenue from activities in non-high-climate-impact sectors (€/000)	€ 438,288
Total net revenue (€/000)	€ 934,734

For the purpose of calculating intensities, the value of revenue considered in the denominator was expressed in Euro/thousands (€/000).

ESRS E1-6 – Gross Scope 1, 2, 3 GHG emissions and total GHG emissions¹

Gross greenhouse gas (GHG) emissions	31-12-2024	
	tCO ₂ eq	%
Direct (Scope 1)	1,002	0.39 %
<i>of which emissions related to the use of natural gas - tCO₂eq</i>	553	55.21 %
<i>of which emissions related to the company vehicle fleet - tCO₂eq</i>	320	31.90 %
<i>of which emissions related to refrigerant gases - tCO₂eq</i>	129	12.88 %
Indirect (Scope 2) - tCO₂:		
location-based – tCO₂	2,607	1.02 %
market-based – tCO₂	1,680	0.66 %
Other indirect (Scope 3) emissions - tCO₂eq	251,406	98.94 %
1. Purchased goods and services – tCO ₂ eq	139,161	55.35 %
<i>of which cloud computing and data centre services – tCO₂eq</i>	167	-
2. Capital goods – tCO ₂ eq	10,830	4.31 %
3. Fuel- and energy-related activities (not included in Scope 1 or 2) - tCO ₂ eq	521	0.21 %
4. Upstream transportation and distribution – tCO ₂ eq	72,227	28.73 %
5. Waste generated in operations – tCO ₂ eq	109	0.04 %
6. Business travelling – tCO ₂ eq	1,740	0.69 %
7. Employee commuting – tCO ₂ eq	1,714	0.68 %
8. Upstream leased assets – tCO ₂ eq	1,289	0.51 %
9. Downstream transportation – tCO ₂ eq	750	0.30 %
10. Processing of sold products – tCO ₂ eq	N/A	— %
11. Use of sold products – tCO ₂	2,671	1.06 %
12. End-of-life treatment of sold products – tCO ₂ eq	10,175	4.05 %
13. Downstream leased assets – tCO ₂ eq	N/A	— %
14. Franchises – tCO ₂	7,459	2.97 %
15. Investments – tCO ₂ eq	2,760	1.10 %
% Scope 3 emissions calculated from primary data	0.17%	-
Total emissions from Scope 1, Scope 2 (location-based) and Scope 3 - tCO₂eq	255,015	100.00 %
Total Scope 1, Scope 2 (market-based) and Scope 3 emissions - tCO₂eq	254,088	100.00 %

Scope 1 emissions

The Group's direct emissions (Scope 1) are derived from:

- the consumption of natural gas, based on specific measurements, for heating offices, stores, and warehouses, amounted to 553 tCO₂eq in 2024 (55% of total Scope 1);
- the combustion of fuel used by the cars making up the company fleet, amounting to 320 tCO₂eq in 2024 (32 % of the Scope 1 total);

¹Note that the columns "base year", "comparative", "milestones" and "target years" have not been reported as they were not considered applicable for the Mondadori Group at present.

- emissions from refrigerant gas topping up at Mondadori Group stores, amounting to 129 tCO₂eq in 2024 (13 % of the Scope 1 total).

Compared to the previous year, Scope 1 emissions decreased as a result of a general decrease in fuel consumption, both stationary (natural gas, refrigerant gases) and mobile sources.

The percentage of Scope 1 emissions covered by regulated emissions trading systems is 0 for 2024.

It is noted that through the use of 1,318 litres of HVO biodiesel (Hydrotreated Vegetable Oil) in the corporate fleet, 2.24 tons of biogenic CO₂, which is carbon neutral, are counted and therefore not included in Scope 1 emissions.

Below are the emission factors used for the calculation of Scope 1 emissions, indicating the reference source:

Type	Source	Unit of measurement	Emission factor
Natural gas	Department for Energy Security and Net Zero (DEFRA) 2024	ton CO ₂ e/m ³	0.0020
Diesel for vehicles		ton CO ₂ e/l	0.0025
Petrol for vehicles		ton CO ₂ e/l	0.0021
HVO biodiesel for vehicles (N ₂ O, CH ₄)		ton CO ₂ e/litres	0.0000356
HVO biodiesel for vehicles – biogenic origin (CO ₂)		ton CO ₂ /litres	0.00243
Refrigerant gas - R410A		ton CO ₂ e/kg	1.9240
Refrigerant gas - HFC32		ton CO ₂ e/kg	0.6770

Scope 2 emissions

The Group's indirect emissions (Scope 2) are derived from

The Group's indirect energy emissions (Scope 2) result from the consumption of electricity from fossil sources - although gradually being phased out - purchased from the national electricity grid for the following uses:

- lighting, air conditioning (heat pumps), and equipment (e.g. PCs, printers) in offices and stores;
- lighting and equipment in warehouses;
- recharging electrical vehicles (Segrate) and forklift trucks (warehouses).

Two separate calculation approaches are used: location-based and market-based. The location-based approach involves the use of average emission factors related to energy generation for well-defined geographical boundaries, including local, sub-national or national boundaries. The market-based approach is hinged on the CO₂ emissions of the energy suppliers from which the organisation procures, thus taking into account the total electricity purchased through supply contracts.

Scope 2 market-based emissions continue their generally decreasing trend following the gradual increase in the share of electricity purchased from certified renewable sources.

The percentage of electricity purchased in combination with instruments such as guarantee of origin is 66% for 2024 (of the total electricity purchased); these instruments are, in particular, certificates attesting to the renewable origin of the sources used by the supplier's qualified installations.

It is reported that there are no Scope 2 biogenic emissions from combustion or biodegradation of biomass by 2024.

Below are the emission factors used for the calculation of Scope 2 emissions, indicating the reference source:

Type	Source	Unit of measurement	Emission factor
Location Based - Italy	Institute for Environmental Protection and Research (ISPRA) 2023	ton CO ₂ /MWh	0.2566
Market Based - Italy	Association of Issuing Bodies (AIB) - European Residual Mixes 2023	ton CO ₂ /MWh	0.5006
Location Based - United States	Terna international comparisons on Enerdata data (2019 data)	ton CO ₂ /MWh	0.37400
Market Based - United States	US Environmental Protection Agency (EPA), GHG Emission Factor 2025 (US average)	ton CO ₂ /MWh	0.3500
Location Based - Spain	Terna international comparisons on Enerdata data (2019 data)	ton CO ₂ /MWh	0.2100
Market Based - Spain	Association of Issuing Bodies (AIB) - European Residual Mixes 2023	ton CO ₂ /MWh	0.2824

Scope 2 emissions are shown in tonnes of CO₂, as the source used does not report the emission factors of other gases than CO₂. However the percentage of methane and nitrous oxide has a negligible effect on the total greenhouse gas emissions (CO₂eq), as inferred from the technical reference literature.

Scope 3 emissions

The calculation of Scope 3 emissions was based on the GHG Protocol guidelines and on an extended analysis of the Mondadori Group's value chain for all business areas. In total, 227,591 tCO₂eq are indirect emissions from the upstream value chain (91%) and 23,815 tCO₂eq from the downstream value chain (remaining 9%). More details are given below.

The most significant category is the purchase of Group goods and services (category 1), which accounts for more than 55% of total Scope 3 emissions; specifically, this category includes 167 tCO₂eq related to cloud computing and data centre services (0.12% of the category total) and 19,389 tCO₂ due to the purchase of paper for industrial use. The calculation was performed on the basis of expenditure data, activity data (for paper purchases) and primary supplier data (for hosting services).

The emissions of data centre services include one supplier that shared a final figure until 30 September 2024, with the last quarter estimated by analysing the historical seasonality of emission data.

The second most significant category is Upstream transportation and distribution (Category 4), which includes emissions from logistics and global distribution for the Mondadori Group and accounts for 29 % of the total. This includes emissions from shipments that Press-di – an associated company and value chain operator – makes on behalf of the Mondadori Group in the magazine area. The calculation was carried out from expenditure data, activity data (kilometres travelled per type of transport performed by Press-di) and primary data from an ALI logistics provider.

Category 9 "Downstream transportation and distribution", on the other hand, includes emissions from shipments with customer collection, a process peculiarity of the school business area; the calculation was made on the basis of activity data, estimating in particular the kilometres travelled per type of transport.

Category 2 "Capital goods" includes emissions related to overall investments during the financial year in intangible assets and plant (mainly software, creation of new publications, e-commerce site developments, production of audio books) and in plant and equipment. They amount to 4.31 % of the total and were calculated from expenditure data.

Category 3 "Fuel and energy-related activities" includes emissions generated during the production (extraction, transport and distribution, refining and production of fuels) and distribution of energy in the grid before it reaches the point of use (including grid losses). Altogether, these amount to 521 tCO₂eq. The boundary for the calculation of this category is the same as for the consumption data in ESRS E1-5 and the calculation was carried out using activity data (kilowatt-hours, standard cubic metres and litres consumed for stationary and mobile sources).

Category 5 "Waste generated in operations" includes emissions from the disposal and treatment for recycling of waste generated at all of the Group's global locations. The calculation was made from activity data (kilograms of waste generated per destination) and expenditure data. Note that estimates were made to obtain the cost of municipal waste of companies for which there is no direct monitoring (Rizzoli International Publications, Adgag, Chelsea Green Publishing, Fatto in casa da Benedetta). More specifically, these were calculated proportionally to the headcount of Starshop, which was considered a representative office. In addition, waste from the Group's direct shops was estimated by sampling five representative stores.

Categories 6 "Business travelling" and 7 "Employee commuting" include, respectively, the emissions of all Group employees arising from:

- business travelling (based on activity data and expenditure data), primarily aimed at client meetings, event-related mobility, supplier meetings, meetings at other company sites, and participation in trade fairs;
- home-to-work and teleworking, including the primary emissions of the shuttle service provider at Segrate.

These latter were estimated from average statistics on the percentage of on-site and smart-working by Group employees. Overall, both categories account for a small share of indirect emissions, 1.4 % of the total.

Category 8 "Upstream leased assets" includes emissions from licences paid by the Group for the use of software and was calculated from expenditure data.

Category 11 "Use of sold products" includes emissions from the use of products sold by the Mondadori Group; specifically, they were calculated from activity data related to the use of digital content by consumers and end users, including:

- reading e-books and listening to audio books, amounting to 1,213 tCO₂;
- digital activities via the various platforms where the Group is present (YouTube, Tik Tok, Instagram, Facebook, website, e-commerce), amounting to 1,458 tCO₂.

For the purposes of the calculation, it was assumed that the use of these products takes place predominantly in Italy.

Category 12 "End-of-life treatment of sold products" includes emissions from the disposal of products sold (school textbooks and magazines) and shipping packaging, amounting to 10,175 tCO₂eq (4.05 % of the total); the calculation was performed from activity data (tonnes of products and packaging). Overall, the use and end-of-life of products accounts for 5 % of total indirect emissions.

Category 14 "Franchises" includes emissions from electricity consumption in indirect stores in Italy. This consumption was estimated from the monitoring of the electricity consumed in the Group's direct shops by defining representative average consumption clusters based on the size of the buildings (square metres measured over the sales area). They amounted to 7,459 tCO₂ (2.97 % of the total).

The unit of measurement for Category 11 and Category 14 emissions is tCO₂, since the emission factor of the Association of Issuing Bodies (AIB, Market Based) was used, which, as mentioned above, does not report emission factors for gases other than CO₂.

Category 15 "Investments" includes the calculation of issues by affiliated companies in which the Group has a financial interest and no operational control. They were calculated on the basis of revenue and share data as at 31 December 2024; this category represents a residual share of the emissions, amounting to 1 %. The reporting boundary considered refers to all Group associates, with the exception of:

- Mondadori Seec (Beijing) Advertising, which was excluded in order to avoid double counting as its revenue is an intercompany item of Mondadori Media.
- Press-di, whose emissions were calculated on the basis of the service provided (see Category 4), as there were no significant residual emissions related to financial participation.

Note that emissions calculated from primary data amount to 0.17% of total indirect emissions; in particular, these are derived from data from a data centre service provider, a logistics provider and the shuttle service provider at the Segrate site.

There are no reported biogenic CO₂ emissions from the combustion or biodegradation of biomass in the upstream and downstream value chain. Category 10 is not applicable since the Mondadori Group is not involved in the sale of semi-finished goods to its customers. Similarly, Category 13 is not applicable since the Group does not lease goods and equipment.

Greenhouse gas (GHG) emissions intensity

Greenhouse gas (GHG) emissions intensity	31-12-2024
Total Scope 1, Scope 2 (market-based) and Scope 3 emissions	254,088
Net revenue (€/000)	934,734
Intensity of Scope 1, Scope 2 (market-based) and Scope 3 emissions to net revenue (tCO ₂ eq/€/000)	0.27

The net revenue item considered for the calculation is equal to the total consolidated revenue of the Mondadori Group as at 31 December 2024, available in the section "Mondadori Group Highlights at 31 December 2024" of the Annual Report. For the purpose of calculating intensities, this value was expressed in Euro thousands (/000).

As of today, the LTI remuneration components of Management do not take into account GHG emission reduction targets (E1-1, GOV 3).

ESRS E3 Water and marine resources

Cross-reference table related to water and marine resources

ESRS Standards	Paragraph of the Sustainability Statement	Notes
Management of impacts, risks and opportunities		
ESRS 2 IRO-1 – Description of processes for identifying and assessing material impacts, risks, and opportunities related to water and marine resources	Chapter "General Information", under the section "The process for identifying and assessing material impacts, risks and opportunities"	
E3-1 – Policies related to water and marine resources	Policies on water and marine resources	The disclosures required in paragraph 12a (point iii) and 12b are not applicable as the Mondadori Group does not generate water pollution from its activities, nor does it design products and services with a view to addressing water-related issues and preserving marine resources. Furthermore, the information required in paragraph 13 is not applicable as the Group has not identified any material sustainability issues in relation to the water consumption of its own operations. Similarly, the information required in paragraph 14 is not applicable since the sustainability of the oceans and seas is not a material sustainability issue for the Group. Further information on water and marine resources policies is also presented in table 1.
E3-2 – Actions and resources related to water and marine resources	Actions for impact management	
Metrics and targets		
E3-3 – Targets related to water and marine resources	Status of targets as at 31.12.2024	The information required in paragraph 23b is not applicable as the Mondadori Group has not identified any material sustainability issues in relation to marine resources.

Material impacts, risks and opportunities

The results of the double materiality analysis on marine and water resources have revealed the following significant impacts for the Group, described in tabular form by linking them to the main safeguards in place and the commitments outlined therein.

No risks or opportunities above the materiality threshold were identified for this reporting year.

Type	Description of IROs	Existing controls	Main commitments	Scope of the value
E3 – Water and marine resources				
Actual negative impact	Decreased availability of water resources associated with water consumption in the paper production process	<i>As of the current date, there is no control measure in place on this matter.</i>		Upstream

Policies on water and marine resources

It is specified that the Group does not currently have a policy that specifically addresses the management of impacts related to the decreased availability of water resources associated with water consumption in the paper production process.

In view of the results of the double materiality analysis, the Mondadori Group is committed to reviewing and updating its set of policies and procedures (starting with the current Environmental Policy), including defining its approach to reducing relevant water consumption (including at any water-risk zones) along the upstream value chain. This update will be part of the broader context of the formalisation of the Supplier Code of Conduct that will take place by 2025.

Actions for impact management

To date, the Mondadori Group has not implemented significant actions and resources to manage the negative impact of the decreased availability of water resources associated with water consumption in the paper production process.

However, these aspects are closely monitored by the Group's strategic upstream suppliers, some of the actions they have implemented to protect water resources in the production process are given as examples:

Focus: the Group's strategic suppliers	
i.	Optimisation of water use by progressively reducing the use of fresh water and fostering the reuse of recycled water (through purification processes and recirculation).
ii.	Implementation of increasingly efficient production processes to gradually reduce water consumption in operations and the related ratio per tonne of product.
iii.	Where recycled water cannot be used, preference is given to water withdrawals from surface sources (lakes and rivers) from non-water-stressed areas.

Note that for 2024, the Mondadori Group did not identify any significant operating expenses (OpEx) and/or capital expenditures (CapEx) in this topic. Although these values were not significant, the Group implements safeguards to manage impacts, which involve both incurring costs and making

investments. Future operating and capital expenditures are being assessed in the context of the update of the 2025-2027 Sustainability Plan.

Status of targets as at 31.12.2024

Below is the status as at 31 December 2024 of the 2024-2026 Sustainability Plan target in relation to the impacts, risks and opportunities that emerged from the water resources double materiality analysis:

Target (Sustainability Plan)	Status as of 31.12.2024	Target	Metrics	Related IROs	Type
E3 – Water and marine resources					
- Formalisation of a Code of Conduct governing responsible procurement throughout the supply chain	- The formalisation of the Supplier Code of Conduct will take place in 2025.	Upstream	<i>Future definition</i>	Decreased availability of water resources associated with water consumption: - in the paper production process (paper mills)	Actual negative impact

Note that the above targets do not relate to mandatory targets under applicable laws or regulations. Moreover, at present, they do not refer to the management of material impacts, risks and opportunities related to water risk zones. In the future, consideration will be given to how the Group intends to contribute indirectly – where relevant – to the responsible management of water consumption (such as through reduction initiatives, where relevant).

ESRS E4 Biodiversity and Ecosystems

Cross-reference table related to biodiversity and ecosystems

ESRS Standards	Paragraph of the Sustainability Statement	Notes
Strategy		
ESRS E4-1 – Transition plan and consideration of biodiversity and ecosystems in strategy and business model	Material impacts, risks and opportunities	To date, no resilience analysis in relation to biodiversity and ecosystems has been conducted; this will be the subject of subsequent evaluations.
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	Material impacts, risks and opportunities List of material impacts, risks and opportunities (Chapter 1 - General	The disclosures required in paragraph 16 a) and c) are not applicable as the Mondadori Group has not identified any material sustainability issues in relation to its own operations. The information required in paragraph 16b) is
Management of impacts, risks and opportunities		
ESRS 2 IRO-1 – Description of processes for identifying and assessing material impacts, risks, and opportunities related to biodiversity and ecosystems	Chapter "General Information", under the section "The process for identifying and assessing material impacts, risks and opportunities"	
E4-2 – Policies related to biodiversity and ecosystems	Policies on biodiversity and ecosystems	The disclosures required in paragraph 24 b) and c) are not applicable as the Mondadori Group has not identified any material sustainability issues in relation to sustainable agricultural practices/sustainable land use and sustainable sea/ocean use. Further information on biodiversity and ecosystem policies is also presented in tabular format in the section "Material impacts, risks and opportunities".
E4-3 – Actions and resources related to biodiversity and ecosystems	Actions for impact management	
Metrics and targets		
E4-4 – Targets related to biodiversity and ecosystems	Status of targets as at 31.12.2024	
E4-6 – Anticipated financial effects arising from risks and opportunities related to biodiversity and ecosystems	-	The Mondadori Group makes use of the option indicated in Appendix C – "List of phased-in disclosure requirements", omitting the information required by ESRS E4-6 for the first year of

Material impacts, risks and opportunities

The results of the double materiality analysis on biodiversity have revealed the following significant impacts and risks for the Group, described in tabular form by linking them to the main safeguards in place and the commitments outlined therein.

No opportunities above the materiality threshold were identified for this reporting year.

Type	Description of IROs	Existing controls	Main commitments	Scope of the value
E4- Biodiversity and Ecosystems				
Potential negative impact	Loss of biodiversity and alteration of ecosystems due to deforestation activities associated with paper production			Upstream
Risk	Risk of increased costs, difficulties in sourcing and loss of supply of raw materials, particularly specific types of paper, due to their increasing scarcity as a result of intensive deforestation in production areas, land-use changes and/or environmental degradation			

To date, no resilience analysis in relation to biodiversity and ecosystems has been conducted; this will be the subject of subsequent evaluations.

Policies on biodiversity and ecosystems

Note that the Group does not currently have a policy that specifically addresses the management of impacts, dependencies and risks related to this topic. In view of the results of the double materiality analysis, the Mondadori Group is committed to reviewing and updating its set of policies and procedures, assessing appropriate commitments to manage impacts on biodiversity, including effects on ecosystems (such as animal species and land use) and deforestation.

The latter in particular will also be defined in relation to compliance with the requirements of the European Deforestation-free products Regulation (EUDR).

The above-mentioned commitments will also be appropriately spelled out in the Supplier Code of Conduct, which will be formalised by 2025.

Actions for impact management

To date, the Mondadori Group has not implemented significant actions and resources to manage the negative impact related to the loss of biodiversity and alteration of ecosystems due to deforestation activities associated with paper production.

However, these aspects are closely monitored by the Group's strategic upstream suppliers, some of the actions they have implemented to protect biodiversity and ecosystems are given as examples:

Focus: the Group's strategic suppliers	
i.	Obtaining Forest Stewardship Council (FSC) and Programme for the Endorsement of Forest Certification (PEFC) certifications. More details on their contents can be found in the following thematic chapter.
ii.	Definition of environmental management plans, combining production aspects with respect for biodiversity, responsible land use and conservation of species and natural habitats.
iii.	Active conservation measures and collaboration with third-party organisations to carry out projects concerning forest management and biodiversity conservation with a view to continuous improvement.
iv.	Treatment and reuse of wastewater in order to reduce pollution of surface waters and preserve the quality and biodiversity of surrounding aquatic environments.

Note that for 2024, the Mondadori Group did not identify any significant operating expenses (OpEx) and/or capital expenditures (CapEx) in this topic. Although these values were not significant, the Group implements safeguards to manage impacts, which involve both incurring costs and making investments. Future operating and capital expenditures are being assessed in the context of the update of the 2025-2027 Sustainability Plan.

Status of targets as at 31.12.2024

Below is the status as at 31 December 2024 of the 2024-2026 Sustainability Plan target in relation to the impacts, risks and opportunities that emerged from the biodiversity and ecosystems double materiality analysis:

Target (Sustainability Plan)	Status as of 31.12.2024	Target	Metrics	Related IROs	Type
E4- Biodiversity and Ecosystems					
- Formalisation of a Code of Conduct governing responsible procurement throughout the supply chain.	The formalisation of the Supplier Code of Conduct will take place in 2025.	Upstream	<i>Future definition</i>	Loss of biodiversity and alteration of ecosystems due to deforestation activities associated with	Potential negative impact
				Risk of increased costs, difficulties in sourcing and loss of supply of raw materials, particularly specific types of paper, due to their increasing scarcity as a result of intensive deforestation in production areas, land-use changes and/or environmental	Risk

To date, the Mondadori Group has no specific objectives (other than the transversal objective presented in the table above concerning the formalisation of a Code of Conduct) that are related to biodiversity and ecosystems and defined on the basis of the methodological characteristics described in ESRS E4-4.

ESRS E5 Resource use and circular economy

Cross-reference table related to resource use and circular economy

ESRS Standards	Paragraph of the Sustainability Statement	Notes
<i>Management of impacts, risks and opportunities</i>		
ESRS 2 IRO-1 - – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and	Chapter “General Information”, under the section “The process for identifying and assessing material impacts, risks and opportunities”	
E5-1 – Policies related to resource use and circular economy	Policies on resource use and circular economy	Further information on climate change policies is also presented in tabular format in the section “Material impacts, risks and opportunities”.

E5-2 – Actions and resources related to resource use and circular economy	Actions for impact management Concerning the return mechanism, refer to the section "Logistics and the	
Metrics and targets		
E5-3 – Targets related to resource use and circular economy	Status of targets as at 31.12.2024	
E5-4 - Resource inflows	Resource inflows Metrics	
E5-5 - Resource outflows	Resource outflows	The information required by paragraphs 34a, 35 and 36 is not deemed applicable in view of the special characteristics of the publishing product and its life cycle. The disclosures required by paragraph 34b, as well as paragraphs 37 to 40, are not applicable as the Mondadori Group has not identified any material sustainability issues in relation to waste generated in its own operations.
E5-6 – Anticipated financial effects from resource use and circular economy-related risks and opportunities	-	The Mondadori Group makes use of the option indicated in Appendix C – "List of phased-in disclosure requirements", omitting the information required by ESRS E5-6 for the first year of reporting.

Material impacts, risks and opportunities

The results of the double materiality analysis on use of resources and circular economy have revealed the following significant impacts and risks for the Group, described in tabular form by linking them to the main safeguards in place and the commitments outlined therein.

No opportunities above the materiality threshold were identified for this reporting year.

Type	Description of IROs	Existing controls	Main commitments	Scope of the value chain
E5 – Resource use and circular economy				

Actual negative impact	Reduced availability of raw materials due to the intensive use of wood and wood-based products along the Mondadori Group's upstream value chain	Environment Policy	The Group promotes a responsible use of natural resources by encouraging the use of environmentally-friendly materials through, for example, the use of certified	Upstream
			The Group complies with all relevant EU and national environmental protection legislation. It also pays constant attention to regulatory developments in order to adapt in a timely manner to requirements as they arise. Suppliers' adherence to the environmental principles summarised in this Code is an	
Actual negative impact	Reduced availability of raw materials due to the intensive use of wood derivatives and inks in the Mondadori Group's own activities and operations	Code of Ethics		Own operations

Actual negative impact	Reduced availability of raw materials due to the intensive use of wood and wood-derived products (packaging) used during outbound transport	<i>As of the current date, there is no control measure in place on this matter.</i>	Downstream
Potential negative impact	Environmental damage due to improper management of waste produced along the Mondadori Group's upstream value chain	<i>As of the current date, there is no control measure in place on this matter. It will also be carefully assessed in view of the time horizon in which this impact is expected to manifest (medium term, from 1 to 3 years)</i>	Upstream

Potential negative impact	Environmental damage due to improper management of waste produced along the Mondadori Group's downstream value chain	Environment Policy	Improving the management of waste from product distribution activities.	Downstream
Risk	Risk of increased costs, difficulties in sourcing and loss of supply of raw materials, particularly specific types of paper, due to their increasing scarcity as a result of intensive deforestation in production areas, land-use changes and/or environmental degradation	<i>As of the current date, there is no control measure in place on this matter. It will also be carefully assessed in view of the time horizon in which this risk is expected to manifest itself (long term, more than 3 years)</i>		Upstream

Policies on resource use and circular economy

The Mondadori Group's Environmental Policy, published on the corporate website, defines the Group's commitment to reducing environmental impacts and guides the Group's strategy and areas of action. For this area, the corporate Department Industrial Procurement is responsible for the implementation of the policy. More details on the contents of the policy are presented below under "Responsible use of natural resources".

Note that for other impacts related to the consumption of materials for shipping (packaging) and waste generation in the upstream value chain, which are better described in the table above, there is currently no monitoring in this regard. In view of the results of the double materiality analysis, the Mondadori Group is committed to reviewing and updating its set of policies and procedures.

Actions for impact management

Description of IROs	Paragraph for more details on actions and
Reduced availability of raw materials due to the intensive use of wood and wood-based products deriving from its own operations and along the Mondadori Group's upstream value chain	Responsible use of natural resources
Environmental damage due to improper management of waste produced along the Mondadori Group's upstream value chain	Paper suppliers' waste management commitments
Environmental damage due to improper management of waste produced along the Mondadori Group's downstream value chain	Logistics and the end of life of editorial products

Note that for 2024, the Mondadori Group did not identify any significant operating expenses (OpEx) and/or capital expenditures (CapEx) in this topic. Although these values were not significant, the Group implements safeguards to manage impacts, which involve both incurring costs and making investments. Future operating and capital expenditures are being assessed in the context of the update of the 2025-2027 Sustainability Plan.

Responsible use of natural resources

The Mondadori Group's Environmental Policy outlines a specific commitment to promoting the responsible use of natural resources, encouraging the use of environmentally-friendly materials through the use of certified paper for the printing of its products. All companies that purchase paper – either directly or indirectly through print service providers (the case of Rizzoli International Publications) – are obliged to comply with this commitment.

It is important to emphasise that paper is not the main cause of deforestation: only 17% of the trees cut down are used for cardboard and paper production.

Through its Environmental Policy, the Mondadori Group promotes the sustainable procurement and use of resources, specifically fostering the purchase of paper certified according to international standards (PEFC and FSC). Sustainable forest management ensures that young trees are planted when old ones are felled.

PEFC is an international certification system that guarantees that timber comes from sustainably managed forests. PEFC certification is more widespread at the local level and aims to support small-scale forestry by ensuring compliance with environmental, social and economic criteria, such as: protection of the regenerative capacity of forests, balance between the removal of resources and their regeneration, protection of animal and plant species, as well as soil, protection of water resources and regulation of the water cycle, and respect for the rights of workers and local communities.

The FSC is an independent, non-governmental, non-profit organisation that promotes responsible forest management. FSC certification ensures that wood and wood products come from forests that are managed in an environmentally, socially and economically sustainable manner. The standard calls for strict adherence to certain criteria, including:

- i. respect for workers' rights, ensuring job security, decent conditions and fair contracts;
- ii. promoting the efficient use of forest resources, to maintain their long-term benefits, through practices such as maximising the use of timber, optimising production waste, using non-wood products (such as resins), combating massive deforestation through the use of selective logging, and others.
- iii. fostering monitoring and planning processes with a view to continuous improvement.

In this way, FSC certification ensures that the origin of the paper raw material respects the biodiversity of forests, with a view to the responsible use of water resources, soil and ecosystems, while minimising environmental impact.

Sourcing more than 99% from suppliers who meet these standards enables the Mondadori Group to guarantee a transparent supply chain with a view to the responsible use of resources.

Both certifications are being updated in view of the requirements of the new **EU Deforestation Regulation 2023/1115 (EUDR)**; with the introduction of this regulation, the wood and paper supply chain will be able to rely on additional indices to verify the degree of sustainability.

Paper suppliers' waste management commitments

Below are the main safeguards implemented on waste management in the production process by the key strategic paper suppliers from which the Group procures:

Focus: the Group's strategic suppliers
i. Adoption of circular economy models aimed at reducing the amount of waste produced and promoting the recovery of waste (such as paper and wood), including through the use of targets and metrics for monitoring. ii. Re-use of process residues to produce bioenergy, electricity and heat in production plants. iii. Minimisation of waste through efficient management of resources and input materials.

Resource inflows

The raw material: printing paper

The consumption of paper and the lifecycle of paper materials play a significant role for a publishing group like Mondadori in assessing environmental impacts, especially considering the strategic focus implemented by the company in recent years on the book business.

The life cycle of paper products starts in paper mills, where paper is manufactured and then sent to the printing companies that print the products. Printed paper products are stored in warehouses and dispatched, through a logistics network, for delivery to distributors and end consumers.

Around paper, its production and use, a highly complex supply chain develops, with important impacts on the environment as well. For many years, the production industry, the paper mills, have been at the forefront of transforming the production cycle in a sustainable manner, also thanks to supranational bodies whose mission is the protection of forests such as FSC, PEFC.

More details on the Group's 2024 paper consumption can be found under "Metrics".

Resource outflows

Logistics and the end of life of editorial products

After being stored in warehouses, the finished product is delivered, through dedicated logistics systems, to distributors and end customers. Once a book or magazine is in the hands of a reader, the life cycle of paper products can take one of three turns:

- the book or magazine remains in the reader's home and may be re-used (e.g., re-read, given as a gift, donated to schools and/or libraries);
- the book or magazine is collected for recycling, thus becoming valuable raw material that can be reused as pulp by paper mills;
- the book or magazine is collected as general waste.

Where applicable, the following is a description of the yield and waste management methods relating to the impact of the possible improper management of waste produced along the Mondadori Group's downstream value chain.

Trade Books

2024 continued as for previous years in regard to logistics, which concern the management of launches of new items and supplies of texts for a total of approximately 45 million copies distributed.

For the distribution of trade books, packaging created from corrugated cardboard was used, containing 100% recycled paper obtained from national pulping collections. This packaging can then, in turn, be 100% recycled.

In 2024 too, by way of material for packaging volumes for transport, a "bubble packaging" system was used, rather than polystyrene.

Education Books

In 2024, the business of school textbooks publishing of the Mondadori Group companies was concentrated on the logistics pole of Isola Rizza.

The logistics pole handled the volumes – approximately 16 million copies – of the three publishing houses Mondadori Education, Rizzoli Education, D Scuola.

The logistics of the product are linked to the specific school needs – promotion, adoption and sale of books – which are planned over various periods of the year:

- a. promotion and adoption (from January to May): the school textbooks are presented to the teachers through a network of promoters with the aim of obtaining adoption. Logistics therefore delivers the volumes from the central warehouse to the promoters, reaching just under 210 different destinations. Finally, the promoters proceed to deliver or dispatch test copies to the teaching staff. Mention should be made of the progressive introduction of digital sample books (connected with the development of multi-device digital school books), which will lead to a reduction in the production and shipment of print sample books;
- b. sale of books (from May to end October): the Group's publishing houses supply the retail distribution points for the sales campaign, reaching approximately 400 destinations. In addition, starting September when the schools reopen, the promoters are equipped with volumes and guides to be distributed to teachers as "trial versions". In addition to shipments to peripheral distribution, the central warehouse in Verona directly supplies certain customers, including universities.

Although returns are less frequent for school textbooks, total returns in this segment came to approximately 1,200,000 copies in 2024, out of a total of around 16 million copies distributed.

Retail: bookclub

For products distributed through the bookclub channel, logistics (warehousing and preparation of orders) and all business support processes are managed at the Verona logistics hub.

Orders are shipped by mail. The cardboard boxes used for shipments are the same type used for Trade Books. Materials returned by post are subject to recycling.

Retail: e-commerce

With regard to products sold on the website www.mondadoristore.it, B2C logistics activities include product management (for both Mondadori books and third-party publishers) at the Verona logistics centre; products are prepared according to customer orders and shipments are made by express courier directly to the end customer's address. In this channel there are practically no returns.

At a contractual level, the Mondadori Group requires the following documents for all business areas in order to verify the contributory and social security regularity of contractors and subcontractors:

- DURC (Consolidated document attesting to the correct payment of contributions);
- F24 payment forms;
- DM10 model (reporting the regularity of contributions to INPS);
- analytical statement of subjects used in the provision of services.

The table below shows consumption figures for materials used in the transport of Trade Books, Retail and school textbooks as of 31.12.2024.

Consumption of materials for shipping trade, retail and school books, by type

Raw material (t.)	Detail	2024
Wood	Pallets	319
Cardboard	Cardboard boxes and packaging materials	525
	Film	5
Polyethylene	Package filling	24
	Pallet covers	2
Polypropylene	Tape	4
	Strapping	22
Expanded polystyrene foam	Filling of packages with polystyrene	—

The figures presented in the table (weight year in tonnes) were calculated from the unit weight (measured in kilograms) and the volumes for copy shipments in 2024.

Media: Magazines

The logistics of the Media area are entrusted to the company Press-di Distribuzione Stampa e Multimedia S.r.l., which until 2022 was a Group company and is currently held for 20%. Press-di manages the distribution on national territory of the Mondadori Group's magazines and newspapers of other publishers for the news-stands channel and subscribers.

Press-di's logistics processes, including transport management, are all outsourced to select suppliers.

In 2024, the reporting refers only to periodicals or books considered as newsstand products and includes only the companies wholly owned by the Group.

The total weight transported is about 7,761 tonnes, entirely by road. The magazines logistics process in Italy involves the following steps:

- possible industrial cellophane wrapping;
- preparation of shipments;
- primary transport: the transport service takes place from distribution logistics centres to local distributors (33 local distributors in 2024);
- last mile (delivery to the point of sale): local distributors deliver copies to newsstands and carry out the "last mile" transport service to the point of sale.

- unsold product: local distributors have the task of collecting unsold products from news stands and processing returned products for local pulping or redelivery by the national returns centre of Press-di for products to be disposed of through separate collection (e.g. CDs or DVDs to be destroyed) or selective recovery (e.g. books and/or series of books to be reused);
- transport of returned products: unsold products subject to return to the publisher are transported to the national returns centre of Bregnano (Como) through the Press-di primary transport network.

With regard to the management of returns, the Mondadori Group has a high local pulping rate: Press-di (in agreement with the Group and third-party publishers distributed) has, in fact, encourages the widespread take-up of certified returns processes by local distributors, with a clear reduction in costs and related environmental impacts (including indirect emissions related to logistics). Today, all 33 local distributors used by Press-di guarantee certified returns.

The table below shows consumption figures for materials used in the transport of magazines to newsstands as of 31.12.2024.

Consumption of materials for the transport of magazines to newsstands, by type

Raw material (t.)	Detail	2024
Wood	Pallets	80
Polyethylene	Film	40

In 2024, the cellophaning process involved approximately 8.1 million copies, for which 34 tonnes of cellophaning material and 6 tonnes of stretch film were used; the shipment preparation process involved 11,578 pallets, equivalent to approximately 80 tonnes of wood.

The figures presented in the table (weight year in tonnes) were calculated from the unit weight (measured in kilograms) and the volumes for newspaper shipments in 2024.

Status of targets as at 31.12.2024

Below is the status as at 31 December 2024 of the 2024-2026 Sustainability Plan target in relation to the impacts, risks and opportunities that emerged from the resource use and circular economy double materiality analysis.

Target (Sustainability)	Status as of 31.12.2024	Target	Metrics	Related IROs	Type
E5 – Resource use and circular economy					
Fulfilment of ≈100% purchase of PEFC/FSC certified paper for Mondadori Group products.	The target was also achieved in 2024 (≈100% in the baseline year 31 December 2023). More details can be	Upstream	Percentage of PEFC/FSC certified paper purchased	Reduced availability of raw materials due to the intensive use of wood and wood-based products along the Mondadori Group's	Actual negative impact

	found in the comments to this table.	Own operations	Reduced availability of raw materials due to the intensive use of wood derivatives and inks in the Mondadori Group's own activities and operations (typography at Grafiche Bovini)	Actual negative impact

Formalisation of a Code of Conduct governing responsible procurement throughout the supply chain.	- The formalisation of the Supplier Code of Conduct will take place in 2025.	Downstream	Tonnes of materials used for shipments	Reduced availability of raw materials due to the intensive use of wood and wood-derived products (packaging) used during outbound	Actual negative impact
		Upstream	<i>Future definition</i>	Environmental damage due to improper management of waste produced along the Mondadori Group's upstream value chain	Potential negative impact

		Downstream	<i>Future definition</i>	Environmental damage due to improper management of waste produced along the Mondadori Group's downstream value chain	Potential negative impact

At present, the Group does not have targets for managing the risk linked to increased costs, difficulties in sourcing and loss of supply of raw materials, particularly specific types of paper, due to their increasing scarcity as a result of intensive deforestation in production areas, land-use changes and/or environmental degradation.

Note that the above targets do not relate to mandatory targets under applicable laws or regulations.

Since 2010, the Mondadori Group has been committed to using certified paper in all its production; this choice is dictated not so much by a legal obligation as by a specific desire to compete in the market as an environmentally responsible publisher. Since 2020, the Mondadori Group has achieved a purchase quota of more than 99% certified paper, maintaining this standard also for 2024 with more than 99% of the paper used: of this, more than 90% is PEFC certified, the remainder FSC.

Note that the KPI refers to both purchases for upstream operations (over 97% of the total tons of paper purchased) and the remaining 3% of purchases for Grafiche Bovini's own operations. In actual fact, it purchases 100% certified paper.

Rizzoli International Publications purchases its raw materials indirectly through printers, based primarily in China and, to a lesser degree, in Italy. Focus on the use of certified papers has increased since 2018, in line with the commitment already undertaken in this area in Italy.

Metrics

E5-4 - Resource inflows

The following table shows paper consumption by type of paper (certified, traditional and recycled) as at 31.12.2024.

Resource inflows	31-12-2024	
	Tonnes	%
Total printing paper	52,402	100%
of which certified paper	51,666	99 %
of which recycled paper	730	1 %
of which classic paper	6	— %

Note that the paper consumption figures for Rizzoli International Publications are estimated from the total volume of prints for 2024 and assuming an average weight per print. These specifically amount to 3,603 tonnes.

In 2024, the total amount of paper purchased for the printing of editorial products in the scope of continuing operations (Italy and the United States) amounted to approximately 52,402 tonnes.

The table below gives details of books from third-party publishers and other products (stationery, consumer electronics, multimedia, audio-visual product, digital product, non-sector product, game) coming in as at 31 December 2024:

Resource inflows	31-12-2024
	Number of pieces
Products of third-party publishers	9,144,612
Stationery shop	4,876,365
Consumer electronics (audio, video, imaging, computer and telephone products)	2,537
Multimedia (video games)	27
Audiovisual product (music products and films)	186,848
Digital product (e-reader)	6,710
Non-sector product (consumer products and retail packaging)	4,472,218
Game product	337,828

Social Information

ESRS S1 - Own Workforce

Cross-reference table related to own workforce

ESRS Standards	Paragraph of the Sustainability Statement	Notes
Strategy		
ESRS 2 SBM-2 – Interests and views of stakeholders	Interests and views of stakeholders (Chapter 1 - General Information)	
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	List of material impacts, risks and opportunities (Chapter 1 - General Information) Material impacts, risks and opportunities	In view of its typical business activities and the geographical areas in which it operates (Italy, United States, Spain) – the Mondadori Group has not identified any of its own operations at serious risk of forced or compulsory labour or child labour.
Management of impacts, risks and opportunities		
S1-1 – Policies related to own workforce	Policies on own workforce	The disclosures required in paragraphs 20, 21, 22 are not applicable as the Mondadori Group has not identified any material impacts related to human rights for its own workforce, except as described in relation to non-discrimination, the right to health, privacy, fair working conditions, freedom of association and collective bargaining. More details on the principles by which the Group is guided in its conduct can be found in the section "Corporate culture" in the chapter Governance Information. Further information on own workforce policies is also presented in tabular format in the section "Material impacts, risks and opportunities".
S1-2 – Processes for engaging with own workforce and workers' representatives about	Processes for engaging with own workforce and workers' representatives about impacts	The disclosures required in paragraph 27d and 27e are not applicable as these forms of agreements do not exist in the Mondadori Group.
S1-3 – Processes to remediate negative impacts and channels for own workforce to raise concerns	Processes to remediate negative impacts and channels for value chain workers to raise concerns	The information required in paragraph 34 is not applicable as the Mondadori Group has implemented remedial processes and channels through which to express concerns.
S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, as well as	Actions for impact management	
Metrics and targets		
S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and	Status of targets as at 31.12.2024	

S1-6 – Characteristics of the company's employees	Metrics	
S1-8 – Coverage of collective bargaining and social dialogue	Metrics	The disclosures required in paragraph 63b) are not applicable as these types of agreements do not exist in the Mondadori Group.
S1-9 – Diversity metrics	Metrics	
S1-12 – Persons with disabilities	Metrics	
S1-13 – Training and skills development metrics	Metrics	The information required in paragraph 83a) is phase-in for the first year of reporting.
S1-14 – Health and safety metrics	Metrics	For the first year of reporting, the Mondadori Group omits the required information on non-employee workers.
S1-15 – Work-life balance metrics	Metrics	

S1-16 – Remuneration metrics (pay gap and total remuneration)	Metrics	
S1-17 – Incidents, complaints and severe human rights impacts	Metrics	The information required in paragraph 104 is not applicable because the Group has not identified any material human rights IROs for its own

Material impacts, risks and opportunities

The results of the double materiality analysis on its own workforce have revealed the following significant impacts for the Group, described in tabular form by linking them to the main safeguards in place and the commitments outlined therein.

No significant risks and opportunities were identified in connection with this topic (SBM-3 14 d, 16).

Type	Description of IROs	Existing controls	Main commitments	Scope of the value
S1 – Own workforce				
Actual positive impact	Enhancement of workers' well-being through job stability, quality of work activities, and protection of work-life balance	Sustainability Policy	Creating a safe workplace for our employees and associates that provides equal opportunities for personal and professional achievement and expression.	Own operations
Potential negative impact	Negative impact on the well-being and health of the Group's employees and collaborators resulting from the failure or malfunctioning of health and safety procedures and controls	Sustainability Policy	Creating a safe workplace for our employees and associates that provides equal opportunities for personal and professional achievement and expression.	
		Code of Ethics	The Group complies with all legal, regulatory and technical standards applicable over time with regard to the protection of workers' health and safety and adopts management systems suitable for this purpose. In any case, the fundamental principles and criteria on the basis of which decisions, of all types and at all levels, are taken on health and safety at work within the framework of the organisation, management and control model are avoiding risks; assessing risks that cannot be avoided; combating risks at source; adapting work to the individual, particularly with regard to the design of workplaces and the choice of work equipment and work and production methods, in order to mitigate monotonous work and repetitive work and to reduce the effects of such work on health; plan	

Actual positive impact	Employment and professional growth through the generation of job opportunities and meritocratic growth paths	Sustainability Policy D&I Policy for gender equality	Investing in the professional development of our people, enhancing their talent and Adoption of gender-sensitive career paths.	Own operations
Actual positive impact	Developing employees' skills through training programmes and sharing best practices	Sustainability Policy	Investing in the professional development of our people, enhancing their talent and	
		Code of Ethics	The Group values the skills, potential and commitment of each individual: to do this, it adopts clear and uniform evaluation criteria and	

Actual positive impact	Positive impact due to a fair and inclusive working environment through the dissemination of an inclusive internal culture and the enhancement of individual talent	D&I Policy for gender equality	- The Group is committed to ensuring that staff searches are not influenced by gender bias, through the use of "blind CVs", and are attractive to all without distinction. When identifying candidates for recruitment and promotion, the Group ensures that 30% of them belong to the least represented gender - The Group is committed to redefining the leadership model by	

Actual positive impact	Positive impact in terms of DEI due to increased awareness of diversity, equity and inclusion and combating all forms of discrimination	D&I Policy for gender equality	ensuring a female presence in strategic positions of no less than 30%, a constant reduction of the equal pay gap, on-the-job training open to all, and a caring culture based on sharing and free from
Potential negative impact	Failure to protect privacy due to ineffective data protection systems, including events resulting from cyber attacks and security breaches	Privacy policy	<i>More details can be found in the section "Material impacts, risks and opportunities and their interaction with strategy and business model" and "Privacy and personal data protection" of the chapter "Social</i>

The Group is committed to generating employment stability, quality and safety in its work and to guaranteeing equal opportunities of fulfilment and expression for every person it comes into contact with in its activities, whether they are employees, collaborators or other types of workers who serve in the Group's offices.

Some areas of impact relate to specific categories of Group employees; specifically, in relation to equal opportunity and pay equity targets in the LTI plan:

- for pay equity aspects, women in management and executive positions (S1-1, 14b);
- for equal opportunities in corporate positions, women in management roles (S1-1, 14b).

Apart from this specificity, all other impacts are considered to affect every employee of the Mondadori Group, from creating a fair and inclusive work environment, to increasing awareness in terms of DEI, to developing employees' skills.

Note that potential negative impacts – associated with a possible failure of safeguards in the area of health and safety and information privacy – may occur in a generalised manner in the context of the Mondadori Group's business activities within its own operations. Although these areas are limited and mitigated with the safeguards described above, should they occur, these impacts would affect all workers engaged in the Group's business activities (SBM-3 14b).

The Group therefore does not believe that there are any workers with particular characteristics who may be more exposed to the negative effects of privacy breaches. On the other hand, with regard to the effects of a possible failure of health and safety controls, the Mondadori Group considers that this impact may be more significant for workers at the Grafiche Bovini printing plant than for workers in the Group's offices and stores (SBM-3 15).

Furthermore, at present, there are no material impacts on the own workforce that may result from transition plans to reduce negative environmental impacts and to implement greener and climate-neutral operations. Following the definition of a climate change transition plan, which is currently being drawn up in the future according to the methods described in the "Sustainability Strategy" section of Chapter 1 "General Disclosures", the Mondadori Group reserves the right to update this disclosure if any factors should arise that may alter its contents (SBM-3 14e).

Finally, it should be noted that – in view of its typical business activities and the geographical areas in which it operates (Italy, United States, Spain) – the Mondadori Group has not identified any of its own operations at serious risk of forced or compulsory labour or child labour (SBM-3 14, f, g).

Processes for engaging with own workers and workers' representatives about impacts

The Mondadori Group implements a structured and constant involvement of workers for all matters that have a direct impact on them, also in order to identify and manage, where necessary, the potential negative impacts arising from the Group's activities [S1-2 25-27], or to facilitate the enhancement of positive impacts. More specifically, the Human Resources Department, in the person of the Head of Human Resources and the Head of Industrial Relations [S1-2 27c] meets several times a year [S1-2 27b] with workers' representatives and national trade unions for discussion and negotiation of second-level agreements. The frequency of the meetings varies depending on the deadlines of the contractual agreements and existing critical issues [S1-2 27b].

Involvement takes place both directly with the company's own workforce, in the manner described above under "Interests and views of stakeholders", and through workers' representatives [S1-2 27, a, b].

Dialogue with trade union representatives [S1-2 27a] is also essential, which includes – as better described in the chapter "General Information" – their involvement in the context of the double materiality analysis, with a focus on the most significant aspects for the workforce (including, among others, the impacts found to be material by this analysis).

As illustrated in the same chapter "General Information", an important tool to foster the active engagement of employees are regular satisfaction surveys. Indeed, these surveys enable valuable feedback to be gathered from employees, helping to identify strengths and areas for improvement in the work experience.

The data collected forms an essential basis for preparing action plans in line with corporate strategy and employee expectations. The Group's Human Resources Department [S1-2 27c] closely monitors participation rate and survey results, assessing the level of staff involvement and the effectiveness of the initiatives taken.

The Mondadori Group is actively committed to understanding and responding to the needs of particularly vulnerable categories of workers [ESRS S1-2 28]. To take into account, in particular, the needs of vulnerable groups and better understand their perspectives, the Mondadori Group adopts various listening and analysis measures [ESRS S1-2 28], including:

- Focus groups and dedicated meetings to deepen the perspectives of groups with specific needs, ensuring a structured dialogue space.
- Monitoring of inclusion and well-being data, through the analysis of key indicators related to wage equity, growth opportunities and working conditions.
- Collaboration with associations and experts to gain a broader and more up-to-date understanding of the challenges faced by these workers and to integrate best practices into the business context.

Processes to remediate negative impacts and channels for own workers to raise concerns

Should the potential negative impacts described above occur, the Mondadori Group has a structured approach in place to manage their effects based on the following steps:

- i) Providing accessible, fair and transparent means for its workers to make reports **[S1-3, 33]**.

The Group has implemented a structured mechanism for handling reports of personnel issues, ensuring confidentiality, impartiality and timeliness in the handling of reports **[S1-3 32a, c, d, e]**.

For more details on this, refer to the chapter "Governance Information" under "Protection of whistleblowers", where the Whistleblowing reporting channels (EU Directive 2019/1937) and the "Ethics Line" platform [S1-3 32b], operational since January 2025, for reporting incidents of harassment, bullying and discrimination by employees are described. The possibility of accessing this reporting mechanism was disseminated to the workforce via the company intranet and through appropriate training activities **[S1-3 32d]**.

In particular, the Whistleblowing channel is also made available to operators outside the own workforce, such as workers along the value chain as well as consumers and end-users; therefore, it represents an important tool for reporting and sharing concerns by these players. It is made publicly available on the company website and through appropriate communication. [S1-3, 30, 33]

- ii) In the event of actual impacts, carrying out stakeholder consultation activities in order to manage the issues raised, as well as to define a corrective action plan where applicable.

- iii) Continuous monitoring and evaluation of the effectiveness of measures (S1-3 32a), conducted by the Departments responsible for managing this area (e.g. the Prevention and Protection Service Manager – RSPP – for H&S issues, the Data Protection Officer for privacy matters).

The effectiveness of the interventions is evaluated by means of follow-up surveys, including any checks on employee satisfaction **(S1-3, 32e)** following the interventions and further periodic analyses where necessary **(S1-3, 32a)**. The extent of corrective measures and the definition of interventions deemed appropriate is assessed on the basis of the severity of the impact itself, ensuring that different cases are handled consistently with their significance.

Policies related to own workforce

Gender Equality Policy

The Mondadori Group recognises gender equality as a strategic element for corporate competitiveness and for the creation of a fair, inclusive and respectful workplace. Through the 2024 adoption of a **Gender Equality Policy**, the Group is actively committed to removing all forms of discrimination and ensuring equal opportunities for all persons, regardless of gender, age, sexual orientation, gender identity, ethnicity, colour, disability, religion, political opinion, national ancestry or social background, in accordance with European and national legislation [S1-1 24, a]

The following Mondadori Group companies in Italy have obtained this certificate: Arnoldo Mondadori Editore (parent company), Mondadori Libri, AdKaora, D Scuola, De Agostini Libri, Direct Channel, Electa, Giulio Einaudi Editore, Hej!, Libromania, Mondadori Education, Mondadori Libri, Mondadori Media, Mondadori Retail, Mondadori Scienza, Rizzoli Education.

The Group firmly believes that fostering an inclusive environment is not only ethically right, but also essential as a lever for attraction and retention, and thus crucial for the long-term sustainability of the business. A workplace that values differences fosters creativity, innovation and the well-being of employees, thus providing a competitive advantage and thus creating a solid basis for sustainable and responsible growth.

The scope of the policy extends to include all areas of the company, ensuring that inclusion and equal opportunities practices are embedded at every stage of the career path. This policy refers, in particular, to the following actual positive impacts:

- fair and inclusive working environment through the dissemination of an inclusive internal culture and the enhancement of individual talent;
- employment and professional growth through the generation of job opportunities and meritocratic growth paths, specifically with regard to the adoption of gender-sensitive career paths;
- increased awareness of diversity, equity and inclusion and combating all forms of gender discrimination.

The Human Resources Department is responsible for its implementation.

To ensure fair and bias-free selection processes, the Mondadori Group uses tools such as blind CVs, which eliminate potentially discriminatory personal information, and ensures that at least 30% of applications for recruitment and promotion belong to the least represented gender. The Company actively promotes a working environment where talent is recognised regardless of personal and social characteristics [S1-1 24, b].

The commitment to gender equality also takes the form of targeted actions to support particularly vulnerable groups in the workforce. The Group actively works to reduce the Gender Pay Gap by ensuring regular pay reviews and implementing pay equity policies. Furthermore, the Group is committed to facilitating women's access to management and strategic positions, with the aim of ensuring at least 30% female presence in leadership roles. Mentoring programmes, management training and structured growth paths are an integral part of the inclusion strategy.

The Group adopts a zero-tolerance policy towards harassment and discrimination, with a structured system of prevention and management of reported cases. Anonymous reporting procedures through the Ethics Line allow employees to report incidents of discrimination in complete safety. The Mondadori Group organises regular webinars, company panels and working groups to raise employee awareness of diversity and inclusion issues and provides ongoing training for management on how to prevent and address situations of discrimination or inequality [S1-1 24, d].

The Parenthood manifesto and the Mondadori Care project (Parental Book and counselling for new parents, Mind atelier and psychological support) outline the guidelines for working well-being. These initiatives go hand in hand with the promotion of a cooperative leadership model that overcomes gender stereotypes and fosters a fair and inclusive corporate culture [S1-1 24, d].

Health and safety in the workplace

Ensuring safety in the workplace and safeguarding the health of all workers is a top priority for the Mondadori Group, as described in the Group's Code of Ethics and Sustainability Policy. In compliance with Legislative Decree no. 81/08 – Consolidation Act on Safety in the Workplace and subsequent amendments and additions, the Group is committed to implementing preventive measures, continuous training and promoting a corporate safety culture, with the aim of ensuring safe working environments that comply with current regulations. [S1-1 23]. More details on the actions implemented in 2024 on H&S can be found in the following section.

Privacy and data protection

For more details on the data privacy safeguards in place, refer to the section "ESRS S4 – Consumers and end-users" of this chapter, under the same heading "Privacy and data protection", where the initiatives aimed at mitigating the risk of privacy breaches in the handling of personal data of each individual, whether they are members of the Group's own workforce or consumers, are further described.

Actions for impact management

Description of IROs	Paragraph for more details on actions and resources
Negative impact on the well-being and health of the Group's employees and collaborators resulting from the failure or malfunctioning of health and safety procedures and controls	Health & Safety
Failure to protect privacy due to ineffective data protection systems, including events resulting from cyber attacks and security breaches	Privacy and data protection
Positive impact due to a fair and inclusive working environment through the dissemination of an inclusive internal culture and the enhancement of individual talent	D&I initiatives
Positive impact in terms of DEI due to increased awareness of diversity, equity and inclusion and combating all forms of discrimination	
Developing employees' skills through training programmes and sharing best practices	Training and development
Employment and professional growth through the generation of job opportunities and meritocratic growth paths	D&I initiatives Training and development
Enhancement of workers' well-being through job stability, quality of work activities, and protection of work-life balance	Welfare and benefits Organisational developments and industrial relations

Note that for 2024, the Mondadori Group did not identify any significant operating expenses (OpEx) and/or capital expenditures (CapEx) in this topic. Although these values were not significant, the Group implements safeguards to manage impacts, which involve both incurring costs and making investments. Future operating and capital expenditures are being assessed in the context of the update of the 2025-2027 Sustainability Plan.

Health & Safety

Group Safety Coordination

Since 2016, the parent company has set up the Group Safety Coordination, a body dedicated to defining unambiguous guidelines for safety contact persons identified in all company locations. This body coordinates prevention and protection activities, monitors regulatory compliance and their correct application, supports subsidiaries in the continuous improvement of occupational safety and implements standardised safety procedures, verifying their effectiveness. For newly acquired companies, the Group carries out preventive inspections (pre-closing) in order to verify the compliance of the sites and define any necessary actions to adapt to the required standards, ensuring the harmonisation of the company's security policies by liaising with the prevention and protection service of the same.

Regulatory compliance and activities 2024

Below are the initiatives carried out by the Group in 2024 with the aim of overseeing – even though there is no formalised target (and therefore specific actions to achieve it) – aspects related to H&S issues for Group companies operating in Italy.

Regular safety meetings

During 2024, regular safety meetings were organised and minuted, involving all key figures in the management of accident prevention and protection. These meetings were attended by the affiliates' Employers (or their representatives), Prevention and Protection Service Managers (RSPP) and operators (ASPP), Appointed Physicians (MC) and Workers' Safety Representatives (RLS). During these meetings, topics such as regulatory updates, revision of DVRs (Risk Assessment Documents), training and the definition of improvement measures were addressed.

Workplace inspections

The Appointed Physicians, together with the RSPPs, carried out inspections at all company sites to verify the compliance of the working environments with occupational health and safety regulations. Particular attention was paid to the locations affected by the specific risk related to the use of video display terminals (VDTs), the evaluation of workstation ergonomics and the control of microclimatic and lighting conditions.

Evacuation drills and emergency management

Annual evacuation drills were coordinated and carried out, both in Mondadori Retail outlets and in institutional locations. Activities included fire and emergency management simulations with in-house teams, analysis of evacuation timings and identification of any critical issues, verification of safety signs and the effectiveness of emergency plans.

Safety training

The Group intensified its safety training and refresher programme in line with the new State-Regions Agreement on training in 2024. Training activities included basic courses and classroom refresher courses for first aid and fire-fighting officers, compulsory training for RLS, Supervisors, ASPPs and RSPPs, and specific training refresher programmes for workers, which always included learning tests to assess the effectiveness of the training activities.

Health surveillance

The Appointed Physicians ensured the occupational medicine service, carrying out scheduled health examinations for workers subject to mandatory health surveillance. In particular, attention was paid to workers exposed to the risk of video display screens (more than 20 hours per week).

Health and safety information

Worker information on safety is ensured through the "Prevention and Safety" area of the Company intranet. This dedicated space allows everyone in the Group to keep abreast of procedures, initiatives and regulations aimed at improving safety and security in the workplace. This channel is also a point of reference for communication, allowing workers to report any safety concerns or problems in a direct and effective way: employees can consult the safety organisation chart and find the contact details of the figures in the prevention and protection service. In addition, the Risk Assessment Documents (DVR), emergency plans and the composition of the emergency teams of each location are available in the dedicated space. Finally, in the safety area, the "Work-related stress distress reporting procedure" is always available, which regulates employee reports of personal stress situations related to their work.

Prevention campaigns

Although not required by current legislation, during 2024, the Mondadori Group promoted and financed several prevention campaigns for its workers, with the aim of guaranteeing easier access to important health services and raising awareness of the importance of prevention for health and well-being.

Special attention was paid to cancer prevention: through cooperation with the Italian League for the Fight against Tumours (LILT), 144 dermatological screenings for moles were carried out, 96 urological examinations for the early detection of prostate and testicular cancer, and 160 mammography examinations for the prevention of breast cancer. To protect bone health, 153 check-ups were performed for the early diagnosis of osteoporosis. In addition, the Group organised screenings for Raynaud's syndrome and systemic sclerosis, metabolic syndrome evaluations, cardiology checks and venous efficiency tests, reaching a total of 398 health services provided.

In the context of corporate safety and first aid, the Group has planned to update specific training on the use of the Automatic External Defibrillator (AED) and cardiopulmonary massage (CPR) techniques, involving 40 volunteers between the Milan and Turin offices.

Finally, the Group confirmed its commitment to the annual flu and anti-pneumococcal vaccination campaign, administering 679 doses to its employees. In addition, it supported 430 gynaecological examinations with Pap tests for female staff.

These prevention campaigns testify to the Mondadori Group's constant commitment to promoting the well-being and health of its workers, reinforcing the culture of prevention as a fundamental element of safety.

Privacy and data protection

For more details on the data privacy safeguards in place, refer to the section "ESRS S4 – Consumers and end-users" of this chapter, under the heading "Actions for impact management", where the initiatives aimed at mitigating the risk of privacy breaches in the handling of personal data of each individual, whether they are members of the Group's own workforce or consumers, are further described.

D&I initiatives

Below are the main initiatives (at all Italian Group companies) in the area of D&I for 2024 related to the positive impacts of a fair and inclusive working environment (through the dissemination of an inclusive internal culture and the enhancement of individual talent) and to increasing awareness of diversity, fairness and inclusion and combating all forms of discrimination.

1. Obtaining gender equality certification

The UNI/PdR 125:2022 certification defines guidelines on the management system for gender equality that foresees the adoption of specific KPIs (Key Performance Indicators) related to gender equality policies in organisations.

The achievement of UNI/PdR 125:2022 certification confirms the Mondadori Group's commitment to creating an increasingly fair and inclusive working environment. The award, which is valid for three years, was issued by Bureau Veritas, an accredited certification body, following an audit that attested to the value of the initiatives implemented to enhance diversity and foster inclusion processes.

This achievement represents a further step along the strategic path started in 2021 with the establishment of the Diversity & Inclusion function, aimed at ensuring fair and transparent opportunities for all people working within the Group, encouraging the expression of their abilities and strengthening their sense of belonging.

Certification was obtained following a process of measuring, reporting and evaluating qualitative and quantitative indicators aimed at driving change in corporate gender equality policies. The key performance indicators (KPIs) are divided into six areas: culture and strategy, governance, HR processes, growth opportunities and inclusion of women, gender pay equity, parental protection and work-life balance.

Specific actions particularly appreciated during certification were: the use of blind CVs within the books area, training programmes through thematic courses and webinars, and the construction of a monitoring system for key gender KPIs such as gender balance and equal pay gap.

In 2024, a project on parenting was launched for the Italian companies of the Mondadori Group with the aim of promoting a real change in culture and approach to the subject. The initiative offers new parents concrete tools, such as the parental kit and the counselling service, to support them in their professional and personal transition.

Of great importance among the company's policies is the assignment of a three-year ESG target to top management, focusing on key gender equality indicators, including the percentage of women in management roles and the reduction of the gender pay gap. For more details, see Chapter 1 General Information, under "Sustainability metrics in performance evaluation systems".

2. Webinar on diversity and inclusion

In November 2024, a webinar was organised for all company staff, aimed at disseminating a corporate culture of Diversity & Inclusion. The meeting, entitled "Beliefs and assaults – bias and artificial intelligence", delved into the neuroscientific dynamics of personal convictions and the cognitive biases that trigger micro-assaults, phenomena that are often invisible but have a significant impact in the workplace and in everyday life.

With the participation of experts in neuroscience, anthropology, psychiatry, psychoanalysis and political economy, it was possible to analyse the brain mechanisms that regulate emotions and interpersonal relationships, as well as discriminatory or inclusive behaviour in organisations and society.

3. Psychological well-being and employee support

Among Mondadori Care's initiatives, a new service dedicated to psychological well-being was introduced in cooperation with Mindwork, offering confidential counselling for stress management and improving personal well-being. To further raise awareness on these topics, two webinars were organised in May 2024:

- "The ABC of Psychological Health" with Biancamaria Cavallini, Occupational Psychologist, focusing on the main dimensions of psychological well-being and practical strategies for its maintenance.

- "In search of personal well-being: managing stress and finding balance" with Lorenza Pastore, Senior Training Manager at Mindwork, dedicated to analysing stress dynamics and their impact on working life.

4. Well-being at work

To support a proper work-life balance, the Group concluded a second-level agreement with the trade unions on parental protection aspects (additional smart working days, full participation in performance bonuses, extended periods of part-time work). To impact the equal pay gap and gender balance effectively, numerical reduction targets were included in the LTI assigned to top management. In addition, managerial populations were grouped into grades according to their responsibilities in order to more easily monitor the development of the equal pay gap.

Welfare and benefits

Below are the initiatives carried out by the Group in 2024 with the aim of overseeing – even though there is no formalised target (and therefore specific actions to achieve it) – aspects related to employee welfare and benefits at the Group's Italian companies.

The company agreement covering employees under the graphics publishing collective labour contract, signed in 2018 for employees in Italy, introduced effective work-life balance tools, such as smart working - which switched from the experimental stage in 2019 to the mainstream tool in the following years as well - and measures to support households, with the aim of providing more favourable conditions to combine work and family needs.

Also in 2024, the Group and the trade unions agreed on the advisability of continuing the experimental phase of using smart-working as a supplement to, and not a substitute for, working on site. Workers whose activities were deemed compatible with the hybrid work model have adopted this approach.

Following the change management training activities for managers, to support the substantial cultural and paradigm shift in the working method, in 2024, too, e-learning training content was made available to employees to support the hybrid model implemented, while creating a community of smart leaders as ambassadors of the new model, also for the benefit of new recruits.

Special attention was paid to maternity protection, with the reduction of working hours in the six months following return and the anticipation of full pay for periods with reduced remuneration. For new fathers, however, paid leave was increased to 10 days by law. In cases of serious illness too, the period of respite is suspended with a view to job retention.

The agreement also provides for the establishment of an annual variable performance bonus common to all Group companies, part of it made available through a corporate welfare system that provides employees with a series of services and initiatives to facilitate the well-being of workers and their family.

As of 31 December 2024, those eligible for the performance bonus, paid in June 2024, represented 73% of the employees of Italian companies not included in individual variable incentive plans (MBO). 46% of those entitled converted the bonus into welfare (this percentage also includes those who chose to convert part of the bonus) and 41% of the total performance bonus was thus converted into welfare.

Additional income support measures in 2024 included the provision of an extraordinary financial contribution of € 1,000 to employees with an annual gross salary of up to € 35,000.

During the year, the Group's Mobility Manager continued implementing the intervention measures provided for in the Home-Work Travel Plan (Law 77 of 17/07/2020), which are most significant in terms of reducing the environmental impact resulting from vehicular traffic in urban and metropolitan areas:

- continuous adaptation of the shuttle service to the actual rate of use by beneficiaries and to changes introduced in local public transport (e.g. the entry into service of the entire section of the M4 line);
- promotion of conventions for the use of "micro-mobility" (including electric) and non-electric means of transport;
- promotion of agreements for local and regional public transport season tickets.

As regards the Group's headquarters, in December, the Home-Work Travel Plan for 2025 was submitted to the Area Mobility Manager of the Municipality of Segrate, with actions consistent with those included in previous Plans.

Organizational development and industrial relations

In 2024, the relationship between the Mondadori Group and the Trade Union Organisations and Unitary Trade Union Representatives (RSU) for all companies in Italy was intense and focused on implementing the provisions of the Industrial Relations model, a dialogue coordinated by the central Industrial Relations Department (part of the Human Resources Department) [ESRS S1-8, 63].

In view of the Group's organisational complexity, the Parties have established periodic meetings with the trade union secretariats, both at territorial and national level, for all the divisions covered, to share economic and production trends, the extent and type of investments made or for topics deemed relevant.

In January 2024, the RSUs for the Segrate site, formally elected by the workers, took office. Thematic commissions have been set up among the elected members with the aim of investigating subjects deemed worthy of discussion and monitoring. Currently, these committees focus on canteen, transport, smart working and training, ensuring a system of active employee participation in company decisions [ESRS S1-8, 63a].

To ensure continuous monitoring of smart working, the company introduced monthly reporting with timely and progressive data, made available to all company management. This facilitated an ongoing dialogue with trade unions, improving transparency and the involvement of workers' representatives [ESRS S1-8, 63].

Also in the area of vocational training, the Parties have engaged in constant dialogue both with a view to designing training courses deemed to be professionalising and to the use of contributions from the Training Funds provided by European and regional calls for tenders.

In a context of consolidation of industrial relations, in July 2024, the parties agreed to extend until 2025 the various institutes provided for in the Group's supplementary agreement, as well as the provisions relating to the productivity bonus, ensuring contractual continuity and employment stability [ESRS S1-8, 60b].

During the year, some employees benefited from early retirement (pursuant to Article 37 of Law 416/1981), applied to the eligible journalistic population. The company ensured the proper implementation of the applications, in compliance with regulations and union agreements [ESRS S1-8, 60].

In all cases of transfer of business units and/or organisational changes, the Mondadori Group has strictly complied with the criteria set out in national collective agreements, guaranteeing a 30-day notice period for the Graphic Design and Publishing sector and 70 days for the Retail sector. Moreover, negotiations with the social partners were initiated several months in advance, ensuring the protection of workers and consistency with collective bargaining rules [ESRS S1-8, 58].

Training and development

In 2024, the Mondadori Group strengthened its commitment to corporate training, focusing on the development of digital skills and the integration of Artificial Intelligence (AI) in production and publishing processes for the Group's Italian companies. Technological innovation and the continuous changes in the publishing industry have made it necessary to constantly update professional skills, with the aim of ensuring competitiveness and sustainable growth.

The adoption of new technologies was supported by an extensive training programme aimed at enhancing employees' digital skills, improving content management and optimising workflows. The courses focused on generative AI, Prompt Engineering and Digital Transformation, providing advanced tools for editorial production, marketing and data analysis.

Through theoretical sessions and practical workshops, employees were able to learn more about the use of innovative technologies such as ChatGPT, Midjourney, Gamma, Elevenlabs and Descript, applied to editorial, advertising and strategic contexts. The training thus made it possible to explore new approaches to content creation and management, with a specific focus on automating editorial processes and optimising productivity in newsrooms.

A central element of the training strategy was also the enhancement of the use of AI in predictive analysis, enabling business teams to extract strategic insights from data and apply these insights to improve business decisions. In particular, specific workshops were held on business development and innovation management, encouraging the adoption of an increasingly data-driven approach to publishing strategies.

To support this transformation, the Group has collaborated with leading academic institutions and technology partners, including Google and the AIE, accessing high-level specialised courses and ensuring constant alignment with the latest developments in the field of AI and digitisation.

Alongside its investment in digital technologies, the Mondadori Group has consolidated its commitment to Diversity & Inclusion (D&I) and the psychological well-being of employees. Creating an inclusive and mental health-conscious working environment remains a top corporate priority, with initiatives aimed at promoting awareness, support and personal growth.

The most relevant activities include the webinar! Beliefs and assaults – bias and artificial intelligence" addressed the topic of cognitive biases and their impact on the work context, helping to develop a greater sensitivity to the dynamics of inclusion. In addition, the Mondadori Care project was expanded, offering employees concrete tools to take care of their psychological well-being. Two webinars dedicated to mental health and stress management were organised, together with the activation of an anonymous online psychological support service, which provided free sessions with qualified specialists.

For the future, the Group plans appropriate training measures on digitisation issues; these will be implemented taking into account actual training needs and what has already been achieved in previous years.

Impact and results of training

In 2024, the Mondadori Group delivered more than 9,500 hours of training on AI and Prompt Engineering, contributing to the adoption of innovative solutions in publishing and marketing processes. This activity was complemented by language training, with 2,300 hours of courses delivered in traditional and blended learning modes. The use of advanced digital platforms has made learning more interactive, with innovative tools for enhancing language skills through virtual workshops, personalised tutoring and practical simulations.

Commitment to human resources training and development also took the form of individual coaching courses for managers, aimed at enhancing leadership, communication and change management skills.

Participation in the Nudge Global Impact Challenge also enabled young internal talents to develop sustainability projects at an international level, strengthening managerial skills and promoting a culture of innovation.

The Group also updated its Job System, a tool for mapping skills and company roles, with the aim of improving internal mobility processes and supporting the professional growth of employees. The implementation of this system has enabled a more effective management of human resources, fostering development paths that are targeted and consistent with the company's needs.

As part of its strategies to support professional growth, the Group strengthened its outplacement and retraining paths, offering customised accompaniment programmes to employees in transition. Training vouchers were introduced for access to specialised courses at business schools and universities, as well as the possibility to participate in internal courses for skills upgrading.

The company also provided early retirement plans based on ministerial and union criteria, offering eligible employees the possibility of early retirement.

Status of targets as at 31.12.2024

Below is the status as at 31 December 2024 of the 2024-2026 Sustainability Plan target in relation to the impacts, risks and opportunities that emerged from the own workers double materiality analysis:

Target (Sustainability Plan)	Status as of 31.12.2024	Target	Metrics	Related IROs	Type
S1 – Own workforce					
- Completion of the “Care” project for all Group people and their families with specific initiatives.	The project was completed; specifically, the caring actions described in the Mindwork psychological support	Own operations	Project Completion	Enhancement of workers' well-being through job stability, quality of work activities, and protection of work-life	Actual positive impact
Extension of training in digitalisation/new forms of work to all Group employees.	In 2024, extensive training initiatives on digitisation and AI were carried out for all Group employees (over 9,500 hours);		Training hours in digitisation and AI	Developing employees' skills through training programmes and sharing best practices	Actual positive impact

- Dissemination of the D&I culture	All targets were achieved, in particular: the pay gap for managerial positions was reduced in line with the frontline target (target: 3% improvement over the targets set as at 31 December 2023), the percentage of 38% of women in managerial positions was reached (target: 35%) and obtained UNI/PdR 125/2022 certification
- Pay equity:	
a) reduction of the Gender Pay Gap.	
b) Equal opportunities: increase in women in managerial positions (baseline as of 31.12.2023: 38% female executives).	

- Percentage of women by professional classification - Gender pay gap	Positive impact due to a fair and inclusive working environment through the dissemination of an inclusive internal	Actual positive impact
	Employment and professional growth through meritocratic growth paths	Actual positive impact
	Positive impact in terms of DEI due to increased awareness of diversity, equity and inclusion and	Actual positive impact

Strengthening of the set of procedures and coverage of the areas of Privacy, Information Management and Cyber Security.	Just as in 2023, the target for continuous improvement was also achieved in 2024. More details can be found in the "Privacy and data protection"		Qualitative monitoring of existing measures	Failure to protect privacy due to ineffective data protection systems, including events resulting from cyber attacks and security	Potential negative impact

Project Care encompasses all initiatives aimed at the well-being of employees, such as parenting activities, psychological support initiatives and support for families with cognitively impaired people; depending on the specifics, there may be confidential and free use of experts from outside the organisation or practical tools designed specifically by the Group for the needs of its people (e.g. a parental book with a summary of parenting laws).

To date, the Mondadori Group does not have a specific target for managing the potential impact on the well-being and health of the Group's employees and collaborators as a result of a failure to implement health and safety procedures and controls. The Group has put in place the relevant safeguards in this area described above (under "Material impacts, risks and opportunities" and "Actions for impact management" in this chapter), which it closely monitors in managing its activities.

Lastly, it should be noted that the impact related to employment and professional growth through the generation of job opportunities, although not associated with a specific target of the Sustainability Plan, is overseen in the human resources management processes by Group Management, as well as in the definition of the Business Plan.

Metrics

The figures in the following tables refer to the Group's global employees, i.e. they take into account all locations in Italy, the United States and Spain. No estimates are given for the calculation of subject metrics.

S1-6 - Characteristics of the company's employees

As at 31 December 2024, the Mondadori Group had 2,133 employees in Italy, the United States and Spain (indicated in headcount); this is equal to the total number of Mondadori Group employees available in the "Personnel" section of the Annual Report. Employees include the following categories: direct employees, trainees and apprentices, excluding temporary and self-employed workers.

Below is a breakdown of the total number of Mondadori Group employees by geographical area, by gender (men/women) and, in the table below, by contract type (permanent/indefinite, full-time/part-time, variable hours).

Characteristics of Group employees	31-12-2024
Total number of employees (no.)	2,133
By geographical area (no.)	
-Italy (no.)	2,038
-Foreign consolidated companies (no.)	95
By gender (no.)	
-Men (no.)	809
-Women (no.)	1,324
Incoming employee turnover (%)	9 %
Incoming employee turnover (no.)	201
Outgoing employee turnover (%)	8 %
Outgoing employee turnover (no.)	162

Type of contract for Group employees	31-12-2024		
	Men	Women	Total
-Number of permanent employees	785	1,286	2,071
-Number of fixed-term employees	38	24	62
-Number of variable-hour employees	0	0	0
-Number of full-time employees	760	1,121	1,881
-Number of part-time employees	49	203	252

In percentage terms, as at 31 December 2024, the Group's workforce consisted of 62 % women and 38 % men, with predominantly permanent (97 %) and full-time (88 %) contracts. The total number of outgoing people in 2024 was 162.

Note that the Mondadori Group does not operate in countries where the number of employees, even if higher than 50 in absolute numbers (as is the case for Rizzoli International Publications), represents at least 10% of the Group's total number of employees, and therefore no country breakdowns have been reported.

The categories "Other" and "Not disclosed" are not applicable in view of the legal registration methods of the registers in the countries in which the Group operates. Out of respect for its people and the importance they have for the company's success, the Mondadori Group does not resort to employment contracts whereby it uses the services of its employees "as and when needed", through forms of variable hours contracts. All employees are guaranteed a fixed number of working hours per day, week or month.

To calculate incoming and outgoing turnover rates in, the number of persons as at 31 December 2024 was taken as the denominator, and the number of entries and exits as the numerator. Exits take into account all types of terminations, whether from a voluntary basis due to dismissal, retirement or other reasons. The number of terminations does not include any employees seconded to other companies not part of the Group. As this is a secondment with a clearing entry for costs, these employees are not included in the total headcount at 31 December.

S1-8 - Coverage of collective bargaining and social dialogue

Coverage ratio as at 31 December 2024	Collective bargaining coverage		Social dialogue
	Employees – European Economic Area (EEA)	Employees – Non-EEA	Workplace Representation – EEA
0-19%		USA	
20-39%			
40-59%			
60-79%			
80-100%	Italy, Spain		Italy

As far as social dialogue is concerned, this metric was calculated only for countries where the Group has a significant level of employment, i.e. only for Italy. In the definition of workplace representation, all offices and locations where there is a Unitary Trade Union Representative (RSU) or trade union protection outside the company have been considered for the Group's locations in Italy.

Collective bargaining and social dialogue	31-12-2024
Total employees covered by collective bargaining agreements (%) in Italy and foreign consolidations	96 %
Employees covered by collective labour agreements (%) in Italy	100%
-CCNL Graphic Designers (%)	66 %
-CCNL Commerce (%)	24 %
-CCNL Journalists (%)	4 %
-CCNL Multiservice (%)	1 %
-CCNL Executives (%)	5 %

All employees in Italy are covered by collective bargaining agreements: the National Collective Agreement for Editorial Graphics (CCNL Grafici Editoriali), which covers 66 % of employees; the Executive Contract, which covers 5 % of employees; the Journalists' Contract (covering 4 % of the workforce); the National Collective Agreement for Commerce (CCNL Commercio), applied to 24 % of employees; and the Multiservices Collective Agreement, applied to 1 %. All Adgag employees are covered by collective bargaining agreements, in particular relative to the industry of communication and advertising services.

In the United States, sectoral trade union agreements are not as common as in Europe; the general protection provided by federal laws obviously applies to all workers. Workers, in these cases, although not covered by collective agreements, are contractualised and managed through individual negotiation, taking into account the rights and protections deriving from the regulations in force.

At Group level, the total number of employees covered by employment contracts is 96%.

S1-9 - Diversity Metrics

Diversity indicators	31-12-2024	
	no.	%
Gender distribution at senior management level	23	-
Women	3	13 %
Men	20	87 %

The definition of senior management includes directors, key management personnel and managers with significant responsibilities (who have positions with a potentially significant impact on the achievement of the Company's results).

Diversity of employees by age bracket	31-12-2024	
	no.	%
<30	204	10 %
30-50	1,072	50 %
>50	857	40 %
Total	2,133	100%

Professional grading	31-12-2024		
	Total	of whom women	of whom men
Executives	5 %	38 %	62 %
Middle Managers	13%	50 %	50 %
Office workers	73 %	68 %	32 %
Journalists	3 %	64 %	36 %
Manual workers	6 %	36 %	64 %

Professional grading	31-12-2024			
	Total	Of which < 30 years old	Of which 30-50 years old	Of which > 50 years old
Executives	5%	— %	32%	68%
Middle Managers	13%	— %	42%	58%
Office workers	73%	9%	55%	36%
Journalists	3%	1%	28%	71%
Manual workers	6%	44%	44%	12%

As at 31 December 2024, the Group's workforce consisted mainly of employees in the age brackets 30-50 years (50%) and over 50 years (40%); only a residual 10% belonged to the <30 age bracket.

When obtaining UNI PdR 125 certification, the diversity KPIs defined within this standard were certified. However, the scope of the aforementioned certificate does not refer to the same perimeter as this Report, but is limited to certain companies in Italy, as described in more detail in the "Gender Equality Policy" section.

S1-12 – Persons with disabilities

Distribution of employees with disabilities (%)	31-12-2024
Percentage of total employees	3 %
-Women (%)	3 %
-Men (%)	5 %

Note that the data shown in the table refer only to employees hired by the Mondadori Group, in accordance with ESRS standards; in addition to these, in compliance with current legal obligations, in 2024 the Group hired a further 4 people with disabilities through temporary agencies and 5 through cooperative companies, for a total of 9 people. Including these categories of workers, the percentages of employees with disabilities are the same as shown in the table.

S1-13- Training and skills development metrics

Hours of training provided to employees	31-12-2024
Average number of training hours by professional category	
- Executives	14
- Middle Managers	15
- Office workers	14
- Journalists	11
- Blue collars	5
Average number of training hours by gender	
- Women	14
- Men	13

Training hours include all consolidated Group companies and cover a variety of topics, more details can be found in the "Training and development" section of this chapter. At a consolidated level, the total training hours *per capita* in relation to the number of employees as at 31 December 2024 is 14.

S1-14 - Health and Safety

Accident rates	31-12-2024
Number of own workforce deaths	0
- due to accidents at work	0
- due to occupational diseases	0
Number of deaths of other value chain workers working at Mondadori Group sites	0
- due to accidents at work	0
- due to occupational diseases	0
Number of occupational diseases of employees	0
Number of employee workplace injuries	5
Hours worked by employees	3,515,462
Number of employee days lost	130
- due to accidents at work	130
- due to occupational diseases	0
Rate of employee workplace injuries	0.3
Percentage of employees covered by a health and safety management system (%)	100 %

Owing to the nature of the activities carried out at the premises (offices and bookstores), the risk profile for accidents in the workplace for the Group is low. During the period, no cases of occupational illness or deaths resulting from injuries were reported: the relating rates are therefore equal to zero. Similarly, there were no deaths of other workers working at Mondadori Group sites. No injuries were reported at the Grafiche Bovini printing works.

At the Group's Italian companies, 5 work-related accidents occurred in 2024, plus 4 commuting accidents; the latter were excluded from the calculation of accident rates because they were not work-related. This rate for 2024 is 0.30, against more than 3,515,462 hours worked by employees.

The total number of days lost as a result of these injuries is 130. All the Group's own employees are covered by a health and safety management system, so this percentage is 100 % in 2024.

S1-15 - Work-life balance metrics

Work-life balance metrics	31-12-2024
Employees entitled to parental leave(%)	100%
Employees who took parental leave (%)	4 %
of which women (%)	6 %
of which men (%)	2 %

Family leave, a right that affects all staff regardless of contract type, was used by almost 4 % of employees in 2024. The percentages shown in the table were calculated considering the number of maternity, paternity and parental leaves taken during the year out of the total number of women and men, respectively, at 31 December 2024. The total percentage takes these leaves into account and relates them to the total number of employees as at 31 December 2024.

S1-16 - Remuneration metrics (pay gap and total remuneration)

Employee remuneration indexes	31-12-2024
Gender pay gap	29 %
Total remuneration ratio	45.46

To calculate the **gender pay gap**, remuneration takes into account, in addition to the average gross annual salary, any MBO bonuses, awards and other incentives paid for specific employee classifications as at 31 December. Additionally, in order to calculate the ratio, employees falling in the "part-time" professional category have been brought back to "full time". The values used to calculate the ratio take into account the theoretical remuneration for the reference year and exclude the Chief Executive Officer's remuneration. In order to correctly compare price levels between the different countries in which the Group operates, the purchasing power parity (PPP) index was used for the currencies of the salaries of foreign companies.

This ratio is 29% globally. The Group has also monitored the ratio of the remuneration of the highest paid individual and the annual median remuneration of all employees of the Mondadori Group's companies. For 2024, it stands at 45.46.

S1-17 – Incidents, complaints and severe human rights impacts

Human rights incidents and complaints	31-12-2024
Number of incidents of discrimination, including harassment, reported in the reporting period	6
Number of complaints filed through the Group's own workforce reporting channels	0
Number of complaints submitted to OECD National Contact Points for Multinational Enterprises	0
Total amount of fines, penalties and compensation for damages resulting from incidents and complaints relating to incidents of discrimination, including harassment	0

The incidents of discrimination reported above refer to the number of reports received through the Whistleblowing channel; the outcome of the assessment of these reports was the filing of all the cases in question.

ESRS S2 - Workers in the value chain

Cross-reference table related to own workforce

ESRS Standards	Paragraph of the Sustainability Statement	Notes
<i>Strategy</i>		
ESRS 2 SBM-2 – Interests and views of stakeholders	Interests and views of stakeholders (Chapter 1 - General Information)	
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and	List of material impacts, risks and opportunities (Chapter 1 - General Information)	
<i>Management of impacts, risks and opportunities</i>		

S2-1 – Policies related to value chain workers	Policies related to value chain workers	Further information on policies related to workers in the value chain is also presented in tabular format in the section "Material Impacts, Risks, and Opportunities".
S2-2 – Processes for engaging workers in the value chain regarding impacts	Processes for engaging workers in the value chain regarding impacts	The information required in paragraph 22d is not applicable as the Group does not have any global framework agreements or agreements between the company and global trade unions in relation to the respect of the human rights of workers in the value chain. In 2025, the Group will assess the appropriate
S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns	Processes to remediate negative impacts and channels for value chain workers to raise concerns	The information required in paragraph 29 is not applicable as the Mondadori Group has remedial processes and channels through which to raise concerns.
S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of	Actions for impact management	Further information on actions for managing impacts is also presented in tabular format in the section "Material Impacts, Risks, and Opportunities".
Metrics and targets		
S2-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Status of targets as at 31.12.2024	

Material impacts, risks and opportunities

Taking into consideration the characteristics of the value chain described in the "General Information" chapter, the types of workers involved in the upstream and downstream activities of the Mondadori Group are mainly the employees of the companies that provide services in the company's offices and sites (such as, by way of example, the companies involved in maintenance services, cleaning, management of company canteens), the workers employed upstream in the companies involved in paper production, logistics management and printing, and, downstream, all those involved in the sale of products in the indirect shops of the Group's franchise network in Italy [S2 SBM-3 11 a, i, ii, iii].

The results of the double materiality analysis value chain workers have revealed the following significant impacts for the Group, described in tabular form by linking them to the main safeguards in place and the commitments outlined therein.

Material impacts, risks and opportunities

Type	Description of IROs	Existing controls	Main commitments	Scope of the value chain
S2 – Workers in the value chain				

Actual positive impact	Positive impact in terms of DEI due to the fight against all forms of discrimination along the Mondadori Group's upstream value chain		The Group undertakes to require acknowledgement and acceptance of the contents of the gender equality policy on all new supply contracts; this commitment will also be extended to the contents of the human rights policy, which will be formalised in 2025. For the future, the Group is committed to extending appropriate reporting channels that allow workers along the value chain (suppliers) to report instances of discrimination and harassment.	Upstream
Actual positive impact	Positive impact in terms of DEI due to the fight against all forms of discrimination along the Mondadori Group's downstream value chain	Code of Ethics	The Group repudiates, first and foremost internally, any form of discrimination between employees and collaborators based on gender, ethnicity, language, religious and political beliefs and social and personal conditions. It fosters a working environment where the dignity of each individual is guaranteed and relations between people are conducted on a basis of respect, fairness and cooperation. The Group also takes care to avoid stress and, in general, work-related discomfort, including by means of controls and communication tools. For the future, the Group is committed to extending appropriate reporting channels that allow	Downstream
Potential negative impact	Human rights violations (e.g., exploitation, unfair working conditions) along the upstream value chain of the Mondadori Group	Code of Ethics	Respect for inviolable human rights is essential. Therefore, the Group promotes and defends these rights in all circumstances and repudiates any discrimination based on gender, ethnicity, language, religious and political beliefs and social and personal conditions. The Group embraces the principles laid down in the Universal Declaration of Human Rights, the UN Convention on the Rights of the Child, the International Labour Organisation and the OECD Guidelines for Multinational Enterprises. The Group is committed to preserving the health and safety of suppliers and their employees and collaborators by means of appropriate preventive actions in accordance with current regulations. In turn, in addition to accepting the principles of this Code, the Group's suppliers must ensure respect for workers' rights and the protection of child labour in all	Upstream

Social responsibility and the promotion of an inclusive environment are principles that guide not only the daily work within the Group, but also its interactions with upstream suppliers and downstream

business partners. In this sense, the positive impact in terms of Diversity, Equity and Inclusion due to the fight against all forms of discrimination along the value chain is generalised and refers to those workers with whom the Group interacts in its business relations and, specifically, those who work in paper mills, printing plants, companies dealing with inbound and outbound distribution and logistics, and employees of the Mondadori Group's network of indirect retail stores.

The areas of impact related to a potential human rights violation are linked to a specific segment of the value chain, which concerns subcontracting contracts in inbound and outbound logistics services (and, to a lesser extent, in the paper production process and printing services); as far as downstream relations are concerned, it concerns the employees of franchise shops.

For the former, these cases concern potential risks of forced or compulsory labour and are limited to the Italian perimeter. The Mondadori Group is aware that such situations may arise in connection with possible incidents that may occur in cooperatives that may find themselves managing the service under subcontract (S2 SBM-3 11 c). These, in the management of labour in logistics operations, may implement gangmastering working conditions, with precarious working hours and conditions, in order to reduce costs. The Mondadori Group is actively committed to reducing this risk, specifically through the adoption of a Supplier Code of Conduct. The Group will assess the need to identify the geographical areas or commodities for which such risks are most likely to arise (S2 SBM-3 11 b). This analysis will be instrumental in subsequently addressing these critical issues in a structured manner, by promoting social responsibility safeguards along this segment of the value chain in order to reduce the likelihood of such impacts occurring as much as possible.

For the latter, the risk is due to those situations where the visibility of working conditions in indirect shops is limited; however, it is considered to be limited, both in view of the monitoring and awareness-raising tools implemented by the Group at the store network; among these, the acknowledgement and approval of the Code of Ethics (with the clauses contained in it in relation to respect for human rights) the regulations on working conditions in force in Italy for retail activities, which are applied indiscriminately both in the Mondadori Group's own stores and in franchising activities, as well as the training and onboarding activities for store managers also in relation to these aspects.

No significant risks and opportunities were instead identified in connection with this topic.

Processes for engaging with value chain workers about impacts

The Mondadori Group is committed to disseminating its values on responsible conduct also in its relations with suppliers, business partners and external collaborators. In addition to the regular sharing opportunities and relationships that corporate departments (S2-22 c) enjoy with suppliers and their representatives, the Group will evaluate in the course of 2025 possible further ways of involving workers along the value chain. Among these, it is the Group's intention, in formulating the Supplier Code of Conduct, to try to define clear standards for the involvement of key strategic suppliers with a view to collaboration in the control and monitoring of value chain impacts (S2-2 23).

Processes to remediate negative impacts and channels for value chain workers to raise concerns

The Mondadori Group is committed to ensuring official means by which workers in the value chain can make their concerns and needs known directly to the organisation. These channels include the Whistleblowing reporting mechanism (EU Directive 2019/1937), made publicly available to all stakeholders, including employees of suppliers with which the Group works, by 2024. For more details on this, refer to the chapter "Governance Information" under the heading "Protection of whistleblowers" [S2-3 27, 28].

It provides a platform where such workers can, among other things, report human rights incidents (such as cases of forced labour or gangmastering). It should be noted, however, that no such cases were received for 2024.

Policies related to value chain workers

To date, the Group has not defined a policy for mitigating the negative impacts described above. It will be carefully evaluated in the coming reporting years.

The Code of Ethics – better described in the chapter "Governance information" – describes the commitments in managing relations with suppliers. In particular, among other aspects, it requires compliance with social obligations and safety protection. Indeed, the Group is committed to preserving the health and safety of suppliers and their employees and collaborators by means of appropriate preventive actions in accordance with current regulations. In turn, in addition to accepting the principles of the Code, the Group's suppliers must ensure respect for workers' rights and the protection of child labour in all circumstances.

Actions for impact management

This paragraph describes the actions and resources for managing the negative impact of possible human rights violations along the Mondadori Group's value chain.

The Mondadori Group, aware of the possible scenarios related to the violation of human rights in logistics chains, has invested in the following safeguards to mitigate the likelihood of such effects occurring:

- i. adoption of a Supplier Code of Conduct, outlining the Group's human rights standards to be adhered to by each supplier; as better described in the "Statement on due diligence" section, it will be formalised in 2025;
- ii. sharing the Group's principles and values, outlined in the Code of Ethics, to all suppliers. The application of these contents is supervised by the competent functions;
- iii. implementation of reporting systems for workers along the value chain (whistleblowing system).
- iv. preference for direct procurement contracts, paying particular attention to the reputation of suppliers;

The actions described in points iii) to iv) are implemented on a recurring basis by the relevant corporate departments in the performance of their activities. No serious human rights problems and incidents were reported.

Regarding the positive impact in terms of DEI along the value chain, the Group, amongst others:

- in the relationship with selection companies spreads a selection culture free of bias by requiring blind CVs and gender quotas in the presentation of the short list;
- with regard to the franchise network outlets, is currently evaluating training courses to help employees recognise micro assaults and gender bias;
- in logistics, works with partners who are predominantly employed except during seasonal peaks.

Note that for 2024, the Mondadori Group did not identify any significant operating expenses (OpEx) and/or capital expenditures (CapEx) in this topic. Although these values were not significant, the Group implements safeguards to manage impacts, which involve both incurring costs and making investments. Future operating and capital expenditures are being assessed in the context of the update of the 2025-2027 Sustainability Plan.

Status of targets as at 31.12.2024

Below is the status as at 31 December 2024 of the 2024-2026 Sustainability Plan target in relation to the impacts, risks and opportunities that emerged from the value chain workers double materiality analysis:

Target (Sustainability Plan)	Status as of 31.12.2024	Target	Metrics	Related IROs	Type
S2 – Workers in the value chain					
Formalisation of a Code of Conduct governing responsible procurement throughout the supply chain.	The formalisation of the Supplier Code of Conduct will take place in 2025. More details can be found in the "Statement on due diligence" section of the "General information" chapter.	Upstream/downstream	<i>Future definition</i>	Positive impact in terms of DEI due to the fight against all forms of discrimination along the	Actual positive impact
				Violation of human rights (e.g. gangmastering, unfair working conditions, etc.) involving workers along the upstream/downstream value chain of the Mondadori Group.	Potential negative impact

ESRS S4 - Consumers and End-user

Reconciliation table for consumers and end-users

ESRS Standards	Paragraph of the Sustainability Statement	Notes
Strategy		
ESRS 2 SBM-2 – Interests and views of stakeholders	Interests and views of stakeholders (Chapter 1 - General Information)	
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	List of material impacts, risks and opportunities (Chapter 1 - General Information)	
Management of impacts, risks and opportunities		
S4-1 – Policies related to consumers and end-users	Policies related to consumers and end-users	The disclosures required in paragraphs 16 and 17 are not applicable because the Mondadori Group has not identified a relevant IROs with respect to respect for human rights relevant to consumers and end users. <u>Further information on policies related to</u>
S4-2 – Processes for engaging consumers and end users regarding impacts	Processes for engaging consumers and end users regarding impacts	The information required in paragraph 22 is not applicable as the Mondadori Group has consumer engagement processes.
S4-3 – Processes to remediate negative impacts and channels for consumers and end users to raise concerns	Processes to remediate negative impacts and channels for consumers and end users to raise concerns	The information required in paragraph 27 is not applicable as the Mondadori Group has remedial processes and channels through which to raise concerns
S4-4 – Actions on material impacts for consumers and end users and approaches for mitigating material risks and achieving material opportunities related to	Actions for impact management	The disclosures required in paragraph 35 are not applicable because the Mondadori Group has not identified any material IROs with respect to respect for human rights relevant to consumers and end users.
Metrics and targets		
S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Status of targets as at 31.12.2024	

Material impacts, risks and opportunities

The results of the double materiality analysis on consumers and end-users have revealed the following significant impacts and risks for the Group, described in tabular form by linking them to the main safeguards in place and the commitments outlined therein.

Type	Description of IROs	Existing controls	Main commitments	Scope of the value chain
S4 - Consumers and end-users				

Actual positive impact	Positive impact in terms of DEI due to increased awareness of diversity, equity and inclusion and combating all forms of discrimination	Sustainability Policy	Giving voice to different points of view, rewarding originality and the diversity of thought, and ensuring respect for freedom of expression in the process of developing publishing products.	Own operations
Actual positive impact	Development of STEM skills and digital literacy through editorial and multimedia content, as well as supporting initiatives		Providing our customers with the possibility of benefiting from innovative and quality products.	
Actual positive impact	Developing and updating the skills of teaching staff through training tools and dedicated digital platforms			
Actual positive impact	Socio-cultural growth of the country through reading promotion initiatives			
Actual positive impact	Accessibility to education for all social groups and backgrounds through educational tools that also take into account learning difficulties		Actively promoting a culture that is accessible to everyone, knowing that the right to quality information and education is a crucial element in the development and growth of a Country.	
Actual positive impact	Positive impact in terms of combating school dropout by publishing programmes that stimulate interest in school			
Actual positive impact	Social inclusion of consumers and/or end-users through accessible content in different formats (including e-books, audiobooks)			

Actual positive impact	Ensuring freedom of expression through editorial independence and multiplicity of viewpoints	Sustainability Policy	Giving voice to different points of view, rewarding originality and the diversity of thought, and ensuring respect for freedom of expression in the process of developing publishing products.	Own operations
		Code of Ethics	Freedom of information and expression is the foundation of the very existence and activity of the Group. For this reason, the Group protects and encourages editorial and journalistic autonomy and pluralism in the collection of editorial content and information, as well as in its dissemination, in order to ensure the public is provided with correct, complete and impartial information. Content responsibility is ensured by the organizational structure of editorial offices and the hierarchy of text approval, as well as by the Charter of Duties of Journalists.	
Potential negative impact	Failure to protect intellectual property and copyright due to the malfunctioning of the dedicated protection system	Code of Ethics	As an operator in the publishing and new media sector, the Group is particularly aware of the importance of intellectual property and therefore respects and protects the content of all forms of its own and other people's intellectual property, whether copyrights, patents, trademarks, trade secrets or other intangible assets.	
Potential negative impact	Failure to protect privacy due to ineffective data protection systems, including events resulting from cyber attacks and security breaches	Code of Ethics	Customers often make personal data and information available to them for commercial purposes. The Group shall take all necessary measures to ensure compliance of the processing with the legal or regulatory provisions applicable over time and, in any case, the confidentiality of those data and information according to customers' legitimate expectations.	Own operations
		Privacy policy	The Mondadori Group has a well-established system for regulating privacy obligations and, therefore, aimed at guaranteeing adequate	

			protection and safeguarding of personal data. Each Mondadori Group company carries out multiple personal data processing activities that may involve different categories of Data Subjects, in compliance with the legislation on personal data protection, including Regulation (EU) 2016/679 ("GDPR"), as well as with the indications and measures issued by the Italian Data Protection Authority (the "Authority").	
Risk	Risk that regulatory changes in schools may affect the market as: - the experimentation in 2024-2025 concerning technical-professional institutes with consequent revision of the guidelines, for all technical institutes - the European Accessibility Act (EAA) establishing minimum requirements for accessibility, amongst others, in digital educational content	<i>As of the current date, there is no formalised control measure in place on this matter.</i>	The Group continues to produce its accessible eBooks, in line with the new regulations on the matter and in particular the European Accessibility act and certified by the LIA Foundation. Thanks to the new guidelines for the conversion of eBooks, the Group has improved its use of HTML5 semantic tags and introduced ARIA roles to assure a better application of the ePub format, which has now reached version 3.3, on assistive technologies used by users with visual disabilities affecting their ability to read. Again under the scope of EAA regulations, a test project continued with one of the key digital customers for the display and recognition of accessible contents in a user-friendly format.	Own operations

The scenarios in which regulatory changes in the school sector may affect the market, and specifically in relation to technical schools and minimum accessibility requirements for school content (European Accessibility Act A EAA), represent a risk closely linked to the Group's strategy and business model in its business area. It is related not to the entire spectrum of consumers and end-users, but rather to those who gravitate to the school world in Italy, from the teaching staff to students and families. This risk, by its very nature, has commercial relevance; for more details on how the Mondadori Group is working to manage it, refer to what is described later in the paragraphs "Accessibility of school textbooks" and "Accessibility of digital formats (e-books, audio books)".

In order to understand the perspective of stakeholders on this risk area, the Mondadori Group has interacted and is in active dialogue with the Italian Publishers Association (AIE), which is involved at the country level in the analysis of the impact of the European EAA Directive in Italy and interfaces with people with disabilities in order to gather their opinions and interests in the implementation of the Directive's requirements in the market.

The areas of impact, both positive and negative, presented in the table are strongly connected to the way the Mondadori Group positions itself on the market across its business areas. These impacts (specifically the positive ones) represent the ways in which the role of responsible publisher manifests itself where the Group operates, especially with its strong presence in Italy, through publishing programmes and tools that (SBM-3 S4 10c):

- i. counteract school drop-outs and stimulate interest in school subjects;
- ii. ensure accessibility to education for all social categories and all geographical backgrounds;
- iii. increase the social inclusion of consumers through accessible content in different formats (including e-books, audio books);
- iv. raise awareness among all stakeholders on diversity, equity and inclusion and on combating all forms of discrimination;
- v. promote reading and the socio-cultural growth of the country;
- vi. ensure freedom of expression and the plurality of viewpoints;
- vii. support the skills development of all end users and, specifically, of teaching staff, on topics such as digital literacy, STEM disciplines and sustainability issues.

No opportunities above the materiality threshold were identified for this reporting year.

Processes for engaging consumers and end users regarding impacts

The Mondadori Group integrates the views of consumers and end users into its decision-making processes in order to manage and monitor areas of impact deemed strategic. This commitment is translated into several structured initiatives of **direct involvement of consumers**, including the stakeholder engagement activities carried out in the context of the dual relevance analysis and definition of the 2024-2026 Sustainability Plan.

In actual fact, the Group collects direct feedback from these subjects (S4-2, 20, a) through various channels, including surveys, social channel analysis and reviews, and customer care. More details can be found in the following paragraph.

These activities are conducted on a regular basis (S4-2, 20, b), through digital tools and through physical interactions in stores. Responsibility for consumer involvement lies with the relevant corporate departments, including the marketing department, editorial management and customer care (S4-2, 20, c).

The evaluation of the effectiveness of involvement (S4-2, 20, d) is carried out through specific KPIs, including:

- Consumer satisfaction and loyalty indices;
- Analysis of market trends and reviews;
- Impacts on sales and content performance;

Processes to remediate negative impacts and channels for consumers and end users to raise concerns

The Mondadori Group is committed to ensuring official means by which consumers and end-users can make their concerns and needs known directly to the organisation. These channels include the Whistleblowing reporting mechanism (EU Directive 2019/1937), made publicly available to all stakeholders, including consumers and end-users, by 2024. It is a tool with which concerns can be expressed in relation to the potential lack of protection of intellectual property and copyright. For more details on the reporting instrument, refer to the chapter "Governance Information" under the heading "Protection of whistleblowers".

Listening to the customer about their experience in the physical and on-line channels goes through the collection of reviews in push (customer service) and pull (listening to the customer) modes and social channels. These additional channels made available to consumers and end-users are described below (S4-2, 20b; S4-3 25a), through which the Group engages in dialogue in order to understand their opinions and interests and to receive reports of concerns and needs.

Customer service

The Mondadori Group pays close attention to the quality of service offered to its customers, adopting a policy of **customer care** based on efficiency, accessibility and personalisation of assistance. Through a structured, multi-channel system, the Group guarantees timely support for every need, from subscription management to requests for the purchase of publishing products, to the reporting of problems such as service-related complaints at physical and digital stores.

In the Retail area, the Group has invested significantly in digital innovation in order to improve the customer experience and ensure an increasingly efficient and autonomous service. The on-line platforms have been designed to allow simple and immediate order management, with sections dedicated to frequently asked questions, restricted areas for monitoring purchases and interactive chatbots capable of providing quick and relevant answers.

This approach complements traditional in-store assistance, providing effective support for those who prefer direct contact as well as for those who wish to resolve their needs independently.

A central aspect of Mondadori's customer care policy is transparency and the protection of privacy, in line with current data protection regulations. As described above in the "Privacy and data protection" section of this chapter, the company operates in compliance with the General Data Protection Regulation (GDPR), ensuring high standards of security in on-line transactions and the handling of sensitive information. Customers can access the company policy at any time to obtain clarification of how their data is processed and what rights they have.

The Mondadori Group's objective is not limited to simply solving problems reported by customers, but rather extends to creating a relationship of trust based on the quality of service and the continuous search for improvement. The company constantly monitors user feedback and invests in optimising its platforms and procedures to ensure an increasingly smooth, intuitive and personalised shopping and service experience.

Listening to the customer

In the Retail area, reviews collected through Google my Business cards for bookshops and Feeday for the on-line channel are constantly monitored and managed where there are problematic situations of dissatisfaction.

The survey is administered by means of a questionnaire sent to customers who make purchases in Mondadori Stores with a PAYBACK card. The aim is to measure experience satisfaction in Mondadori Store bookshops. The indices measured are customer satisfaction and net promoter score (NPS).

Dialogue with consumers and end users: dialogue via social media

Social channels are also an important tool for the Mondadori Group to receive customer reports; the Marketing Management of the different business areas carefully monitor interactions from these channels in order to identify and correctly manage any issues that may arise.

Interaction through social networks continues to experience significant growth in 2024, both in terms of the number of contacts and the endless possibilities of creating content and events, often cross-media, transversal, and collaborative. In total, the Mondadori Group is present on social networks with over 200 profiles (most of which are linked to individual product brands). This makes it possible to measure a broad spectrum of potential communications from end consumers regarding their concerns or needs.

Dialogue with consumers and end users: ongoing dialogue with teachers

In order to ensure that the development of teaching provision meets the real needs of the teaching staff, in **2024**, listening to the target audience, with surveys and focus groups with lecturers, continued throughout the country. This made it possible to collect data useful for understanding teachers' needs regarding **teaching tools, sustainability and methodological innovation**.

Policies related to consumers and end-users

The companies Mondadori Education, Rizzoli Education, D Scuola and Electa are ISO 9001 certified and outline in their Quality Policy the commitments to fulfil customer requirements and expectations according to the logic of the process approach and continuous improvement. This supports the ability to generate the positive impacts related to consumers and end-users described above, in particular those linked to the world of education:

- i. positive impact in terms of combating school dropout by publishing programmes that stimulate interest in school;
- ii. accessibility to education for all social groups and backgrounds through educational tools that also take into account learning difficulties;
- iii. developing and updating the skills of teaching staff through training tools and dedicated digital platforms;
- iv. development of STEM skills and digital literacy through editorial and multimedia content, as well as supporting initiatives.

More specifically, the Quality Policy among other aspects takes the form of:

- paying constant attention to customer expectations with the desire to maintain a high level of service;
- having the strategic ability to be able to provide a competitive product adapted to the needs of the market, optimising quality and price, in full compliance with compulsory regulations, with quality products and attentive to scientific rigour;
- ensuring the company's ability to manage its activities while maintaining characteristics of excellence, through a dynamic process of continuous improvement;
- a willingness to stand out in relations with stakeholders (internal and external) and in forms of communication, translating expectations into measurable, shared and monitored objectives;
- attention to all aspects of sustainability, as defined within the 2030 Agenda for Sustainable Development;
- taking an approach based on the assessment of risks and opportunities related to business processes, defining where necessary the appropriate actions for their mitigation;

The alignment of the Management System to the requirements of ISO 9001 reflects the desire to work with a view to improving results, controlling costs and correcting and preventing inefficiency and ineffectiveness within the organisation.

Responsibility for the implementation of these policies lies with the publishing house management.

The Code of Ethics – better described in the chapter "Governance information" – also contains commitments in customer relationship management. In particular, among other aspects, it requires compliance with the following principles:

- **Impartiality:** the Group guarantees equal treatment of its existing and potential customers. To this end, the Group does not discriminate between customers without objective and verifiable reasons.
- **Style of conduct:** the Group imprints its relations with customers on listening, helpfulness, courtesy, honesty, loyalty, professionalism and, in any case, compliance with the general principles of this

Code: human rights, financial integrity, protection of intellectual property, independent information and responsibility, competition.

- Customer satisfaction: the Group puts in place measures and procedures to check and assess that customers are satisfied with the products and services offered, so as to continuously improve the level of its commercial offerings and to be able to quickly and effectively remedy cases of possible dissatisfaction.
- Product safety: the Group guarantees the safety of the products it markets; to do so, it ensures scrupulous compliance with all legal, regulatory and technical standards applicable over time and puts in place adequate control procedures.

In addition, the Group takes particular care to ensure the safety of the youngest children and to adapt its products and services for children and adolescents to their educational needs: to this end, the Group scrupulously observes all legal, regulatory and technical standards specifically designed to protect them

- Correctness of information: The Group shall refrain, in any way, from any deceptive, aggressive or otherwise unfair practices, this in advertising as well as in other commercial communications with customers.

Privacy and data protection

The Mondadori Group has for years considered the protection of the personal data of its customers, users, employees, collaborators, candidates and suppliers ("Data Subjects") to be of fundamental importance.

Each Mondadori Group company carries out multiple personal data processing activities that may involve different categories of Data Subjects, in compliance with the legislation on personal data protection, including Regulation (EU) 2016/679 ("GDPR"), as well as with the indications and measures issued by the Italian Data Protection Authority (the "Authority").

The Mondadori Group has a well-established system for regulating privacy obligations and, therefore, aimed at guaranteeing adequate protection and safeguarding of personal data. This Mondadori Group personal data management policy applies to the following Group companies: Arnoldo Mondadori Editore, Mondadori Libri, Mondadori Education, Rizzoli Education, Giulio Einaudi Editore, Electa, Mondadori Media, Mondadori Retail, Mondadori Scienza, Direct Channel, Adkaora.

Actions for impact management

Description of IROs	Paragraph for more details on actions and resources
Positive impact in terms of DEI due to increased awareness of diversity, equity and inclusion and combating all forms of discrimination	Promotion of reading and socio-cultural growth Education and the school environment
Socio-cultural growth of the country through reading promotion initiatives	Promotion of reading and socio-cultural growth
Accessibility to education for all social groups and backgrounds through educational tools that also take into account learning difficulties	Education and the School Environment Accessibility of school textbooks
Development of STEM skills and digital literacy through editorial and multimedia content, as well as supporting initiatives	Education and the school world
Developing and updating the skills of teaching staff through training tools and dedicated digital platforms	
Positive impact in terms of combating school dropout by publishing programmes that stimulate interest in school	
Social inclusion of consumers and/or end-users through accessible content in different formats (including e-books, audiobooks)	Accessibility of digital formats (e-books, audio books)
Ensuring freedom of expression through editorial independence and multiplicity of viewpoints	Intellectual property and copyright protection
Failure to protect intellectual property and copyright due to the malfunctioning of the dedicated protection system	
Failure to protect privacy due to ineffective data protection systems, including events resulting from cyber attacks and security breaches	Privacy and data protection
Risk that regulatory changes in schools may affect the market, such as the European Accessibility Act (EAA) establishing minimum requirements for accessibility, amongst others, in digital educational content	Accessibility of school textbooks

Privacy and data protection

For the year 2024, the Mondadori Group has identified a potential impact related to the failure to protect privacy due to the ineffective functioning of data protection systems, including incidents resulting from cyber attacks and security breaches. With regard to actions to mitigate these potential effects, the Mondadori Group specifies that:

- i. The Mondadori Group companies have adopted a register of processing activities as data controllers and, where necessary, as data processors, containing all the mandatory information required by law (Article 30 of the GDPR). Furthermore, each company takes specific technical and organisational security measures to protect the personal data processed (Article 32 GDPR).
- ii. The companies evaluate each new initiative taking into account the principles of privacy by default/by design (Article 25 of the GDPR) and, when the requirements of Article 35 of the GDPR are met, carry out the Data Protection Impact Assessment (DPIA) for the processing operations concerned. Companies manage data breaches by following a specific procedure that also involves the Group Systems Management and the Data Protection Officer (hereinafter, "DPO") (Articles 33 and 34 of the GDPR).
- iii. The companies have adopted a procedure for identifying and assessing the suitability of the controller and/or authorised processors before starting to process personal data on behalf of the company (Articles 28 and 29 GDPR);
- iv. The companies have adopted a specific procedure concerning the exercise of data subjects' rights (Chapter III of the GDPR). Specifically, the Mondadori Group has set up e-mail accounts for the receipt of requests to exercise the right or for the transmission of further requests relating to personal data by Data Subjects.

The Data Subjects are made aware of these channels by means of the information on the processing of personal data delivered to them at the time of data collection by the data controller. These channels, in the specific case of employees and collaborators, are also brought to the attention of the Data Subjects by means of the procedure concerning the exercise of the rights of the Data Subjects made available within the company intranet.

Moreover, as stated in the privacy notices, Data Subjects may always contact the data controller either by writing to or telephoning the Mondadori Group's privacy office and/or, where appointed, also contacting the DPO.

The Mondadori Group, in fact, has identified and appointed a DPO with the task, among others, of supervising the data controller's compliance with data protection regulations (Articles 37, 38 and 39 of the GDPR). The management of Data Subjects' requests is entrusted to the Customer Relationship Management (hereinafter, "CRM") Department in concentration with the Legal Affairs Department and the DPO.

The CRM controls and monitors the channels used to receive enquiries from Data Subjects and also extracts reports if necessary. Amongst others, the Mondadori Group:

- through the Legal Affairs Department and in consultation with the DPO:
 - sets up internal awareness-raising actions on privacy issues;
 - offers privacy consulting to business functions;
 - updates the templates and formats of privacy notices, the acts of appointment as data controller, and the privacy section of the Mondadori Group's websites,

- drafts accountability documentation;
- through the Legal Affairs Department, the Group Systems Department and in consultation with the DPO:
 - monitors the IT authorisations assigned;
 - checks the security measures;
 - checks the security posture of suppliers;
 - analyses the risks of applications supporting personal data processing;
 - oversees and updates technological, computer and information tools;
 - controls and monitors the assignment of relevant IT privileges.

To further strengthen and improve the confidentiality of information, several initiatives were implemented in 2024, including the implementation of the Multi Factor Authentication (MFA) mechanism to protect access to Mondadori Group systems. This mechanism will be progressively extended to all corporate devices.

Intellectual property and copyright protection

As outlined in the Group's Code of Ethics, as an operator in the publishing and new media sector, the Group is particularly aware of the importance of intellectual property and therefore respects and protects the content of all forms of its own and other people's intellectual property, whether copyrights, patents, trademarks, trade secrets or other intangible assets.

The publisher acts as a vehicle for the authors, the only "owners" responsible for the work published. They are given the widest possible freedom of expression, save, where necessary, for the need to intervene on contents that may become defamatory in nature. Content auditing and conformity is, instead, paramount in school textbooks production, which must remain faithful to ministerial guidelines on curricula and didactics too.

The Mondadori Group's commitment to protecting the rights attached to intangible assets that are the result of creative and inventive activity – regulated primarily by Law no. 633 of 22 April 1941 – is considered an essential prerequisite and the foundation of the Group's publishing activities.

In this context, the Mondadori Group actively collaborates with national and international trade associations (FIEG – Federazione Italiana Editori Giornali, AIE – Associazione Italiana Editori, and EMMA – European Magazine Media Association), among others, in the following areas:

- implementation of the European Directive on Copyright in the Digital Single Market (Directive 2019/790) while respecting the rights of the parties;
- adoption of programmes to monitor and prevent on-line piracy and the unlawful use of information protected by copyright.

Furthermore, in order to create a secure and reliable digital environment, also with regard to the interests of users, the Mondadori Group endeavours to keep the conditions of use of its websites clear, up-to-date and compliant with current regulations. In particular, in 2024 the Mondadori Group took steps to adopt, where necessary, the measures required by Regulation (EU) Digital service Act no. 2022/2065, aimed at facilitating procedures for the removal of illegal content and ensuring the transparency of information. Just like in 2024, these activities will also take place in 2025.

The Mondadori Group carries on business in compliance with all applicable laws and regulations. However, in the performance of its activities, contestable cases may arise for various reasons. Specifically, typical of publishing activities are the risks associated with the libel offence, as these are risks inherent in the drafting of books and/or articles. Libel consists, in fact, in offending the reputation of others. The idea each one of us has of the events and circumstances of a particular case is subjective, so the concept of "offensive" may vary from person to person.

That said, the Mondadori Group performs stringent audits before publishing books and/or articles; nevertheless, disputes and libel suits are bound to materialize. In order to provide greater transparency to stakeholders, the Company set up a filing system for non-monetary penalties in 2012. Non-monetary sanctions refer to cases such as the publication of court rulings in newspapers or other media.

Accessibility of school textbooks

In the Education Books area, the Mondadori Group has undertaken a project to adhere to the new European regulations (European Accessibility Act – EAA), which provides for the adaptation to the new accessibility standards of on-line platforms (Hub Scuola), e-commerce sites and digital books. The EAA will come into force in June 2025 and aims to ensure that digital resources are fully usable by all, including users with disabilities.

The project was initiated two years ago and consists of several operational phases. During the initial phase, the governance of the project was defined through the creation of a structured team, consisting of key figures from Digital Operations, R&D, Multimedia Coordination and Prepress Coordination, and additional support figures, including graphic designers and multimedia specialists to delve into vertical topics. The monitoring of activities was ensured through weekly updates and meetings of the Coordination Committee or Steering Committee, which also included the Publishing Departments.

The Mondadori Group, in the Education Books area, conducted a gap analysis with the collaboration of the LIA Foundation, a reference in Italy for accessibility for over twenty years, to identify accessibility gaps in its digital platforms and digital books, in order to define the most appropriate solutions.

With the support of experts, an audit was conducted on a selection of school books to identify any critical issues with the new legislation. In a parallel fashion, scouting for new suppliers and technologies was initiated, including the use of artificial intelligence for the generation of alternative text for images. The test phase made it possible to refine the solutions identified, verifying the quality of the generation of the alternative text for the images and the production of the liquid book (accessible digital format).

On a strategic level, the Mondadori Group took part in round tables with the Italian Publishers' Association (AIE) to examine the most critical aspects of the regulations and collect data on the presence of different disabilities in the school context. Following these analyses, possible development scenarios were outlined and priorities for the coming years were defined.

Unlike in the Trade area (described in the following paragraph), the contents of school textbooks will not be certified by the LIA Foundation and included in the relevant catalogue, but will be subject to internal checks after random audits by the LIA Foundation. The regulations also envisage the publication of accessibility statements on websites and digital platforms as well as the publication of accessibility metadata with reference to digital books.

In the course of 2024, all preparatory activities were completed for the start of the implementation phase scheduled for 2025, laying the foundations for the further refinement of production flows by 2026.

Demonstrating the Group's commitment to inclusion, for years the Mondadori Group has been publishing books aimed at students with special educational needs (SENs). For example, in 2024 a total of 43 accessible volumes with 5,852 pages were published for Mondadori Education, 38 accessible volumes with 5,544 pages for DScuola and 36 accessible volumes with 5,500 pages for Rizzoli Education.

The Mondadori Group's commitment to digital accessibility and inclusivity is a fundamental part of its long-term sustainability strategy, on which the Group is working with a substantial budget that is considered in line with the resources required to develop new technological solutions and to strengthen the team dedicated to the project. The company will continue to work to continuously improve production flows and ensure that all students, without distinction, can benefit from a quality education, without barriers to access.

A dedicated team worked intensively in 2024 to bring the project to the final pre-production stage, with the active involvement of the Italian Publishers' Association (AIE) to facilitate a comparison based

on market data and a shared interpretation of the regulations. The project, which is currently in the final production phase, is expected to be completed in time for the use of accessible books for the new school year.

More details can be found in the sub-paragraph "Accessibility and digital innovation", which is dealt with in the paragraph "Education and the school world" that follows in this chapter.

Accessibility of digital formats (e-books, audio books)

The Group recognises that consumer needs and expectations, particularly in the publishing sector, are constantly evolving due to social changes and technological innovation that remove language and territorial barriers. In this context, the ability to offer quality content that is easily accessible to an increasingly wide and diverse audience has become a priority.

With this in mind, the Group continued the production of accessible eBooks, which are in full compliance with accessibility regulations, including the European Accessibility Act.

Indeed, the Mondadori Group has chosen to continue its collaboration with the LIA Foundation, maintaining the accessibility certification of its e-books and integrating the alternative description of images into the existing catalogue.

In a parallel fashion, the Group undertook experimentation with key digital partners to optimise the display and use of accessible content, ensuring an inclusive and intuitive user experience. The project aims to ensure that all readers, regardless of their abilities, can enjoy reading digitally, improving access to information in a universal manner.

Another significant step in this commitment was the launch of the "Audio books in the Dark" project, an initiative to raise awareness of the importance of universal access to reading. The immersive path highlighted how audio books, by their very nature accessible, can represent an inclusive alternative for those with reading difficulties in traditional formats. The Group thus reaffirmed its commitment to offering tools that make reading accessible to all, highlighting the fundamental role of audio books in the panorama of inclusive publishing.

The Mondadori Group's journey to ensure inclusive and accessible education is only just beginning, and the company will continue to work on the continuous improvement of production flows, the experimentation of new technologies and the involvement of the main associations and stakeholders in the sector to promote digital inclusion, always focusing on the quality and accessibility of educational and cultural resources.

Regulatory context: from the Marrakesh Treaty to the European Accessibility Act

Adopted in 2013 and entering into force in 2016, the Marrakesh Treaty was a key step in ensuring access to published works for people with visual impairments or reading difficulties, such as the blind, visually impaired and dyslexic. The treaty introduces exceptions to copyright law to allow the cross-border reproduction, distribution and sharing of works in accessible formats, including Braille, audio books and e-text, without the need for authorisation by the right holders.

The European Accessibility Act (EAA), passed in 2019, introduces stringent accessibility requirements for digital products and services, including e-books, reading software and on-line platforms. The aim is to eliminate barriers for people with disabilities, ensuring that all content is accessible in an inclusive manner. As of June 2025, the new rules will significantly impact the publishing sector, with specific obligations for the declaration of accessible functionalities on sites and platforms.

Promotion of reading and socio-cultural growth

Closely linked to the products and services supplied, the spread of the culture and promotion of reading underlie the Mondadori Group's mission. These objectives not only guide the company's academic activity but also pervade the very logics of creating the offer. As a result, they give shape to a great many initiatives, either sector-specific or specific to the Group, which aim to bring a wider and wider audience closer to reading and information. More than 2,400 new book presentation events were held in the Mondadori Group's store network in 2024, consolidating Mondadori Retail's role in disseminating culture.

Ever since the first edition in 2015, the Company has taken part, with its chain of local bookstores and its publishing houses, in **#ioleggoperché**, the major national event for the promotion of reading organized by AIE (Italian Publishers' Association). In 2024, the ninth edition yielded the following results: 650 thousand donated books (over 500 thousand from readers and over 100 thousand from publishers), 3,939 participating bookshops and 28,285 registered schools throughout Italy. Additionally, the Group regularly donates books to school and municipal libraries.

Mondadori Store takes part every year with over 450 participating bookshops. In 2024, 80 thousand books were donated by Mondadori Group bookshops.

The **"La Lettura al centro" project**, launched in 2020 through the synergy between educational publishing houses and the children's sector within the Trade area, continued throughout 2024 with the aim of placing reading at the heart of daily teaching activities. Intended for students of all ages, the project is based on the assumption that reading is a key moment in individual training and is characterised by specific initiatives, designed for each age bracket. The initiatives provides teachers with ideas, materials and proposals of ways by which to encourage students to approach reading, getting them interested and engaged, and it is closely integrated into everyday teaching and the textbooks, because it proposes a close correlation between the volumes adopted and narrative.

School year 2023-2024 saw a continuation of the strand of the **Reading recommendations** short videos, which the teachers of the various school orders can suggest to their students, as an in-depth study and as a stimulus on this activity.

The initiatives proposed under the scope of the project for the 2023-2024 school year include the **"Gli scrittori fanno scuola"** (The writers do school) offers primary and middle school students video meetings with the authors, thanks to the collaboration with Il Battello a Vapore and the Mondadori Group – Libri per Ragazzi. The project envisages the development of reading material, established autonomously by the individual Institutes, on the thematic areas connected with one of the narrative texts proposed, which will need to be read in full by the class in order to access the meeting with the author.

In 2024, the Focus Junior, Focus, and Focus Storia Academies within the Media area continued to expand, engaging hundreds of classes and thousands of students each year. The Focus Junior Journalism Academy, aimed at young students from primary and lower secondary schools - with 248 classes and over 7,000 students participating last year - included a series of three lessons dedicated to media education and environmental education.

Percorsi

"Percorsi" (Routes) is the free training project dedicated to booksellers, customers and franchises of the Mondadori Group network. The project started in October 2021 and continues in 2024/2025 with the 4th edition. The course is structured into a series of meetings dedicated to different topics with the aim of providing stimuli, tools and supporting booksellers in their daily work in the bookshop by reflecting on the role of the bookseller in his relationship with the product and the customer.

Scrittori in classe

"Scrittori in classe" (Writers in the classroom) is a project dedicated to the Mondadori Group's children's bookshops in partnership with the Mondadori Group's publishing houses with the aim of emphasising the importance of reading, critical analysis of the text and in-depth study of this topic of the book. Moreover, it represents an educational pathway that gives young people the opportunity, through the meeting with the author, to participate in an important moment of confrontation and cultural enrichment. The Mondadori Group's children's book brands Rizzoli, Fabbri, Piemme make a selection of authors available for meetings in primary and secondary schools: on-line and in-presence.

D&I awareness-raising events

In 2024, collaboration continued with Group publishers and brands to develop internal and external initiatives to promote diversity and gender equality.

The Mondadori Group's bookshops in the area organise book presentations to raise awareness of important topics related to diversity, gender equality and violence against women. Through meetings with authors, debates and testimonies, these events offer a space for discussion and reflection. This includes 65 events organised by bookshops with the aim of promoting awareness and dialogue. Culture thus becomes a powerful tool for change and collective growth. The "CI PIACCIONO TUTTE LE STORIE D'AMORE" (WE LIKE ALL LOVE STORIES) campaign (June 2024) raised LGBTQ+ awareness among customers and others through social content, educational texts, meetings, thematic showcases and digital visibility.

The most relevant activities include "Audiolibri al buio" (Audio books in the dark), a sensory path created with the Institute of the Blind Foundation, aimed at raising awareness of the accessibility and inclusiveness of reading in audio format.

Campaign against gender-based violence

On the occasion of the International Day for the Elimination of Violence against Women (#25November), the Mondadori Group promoted the #InPiediControLaViolenza initiative, characterised by an art installation made up of 100 red chairs, only one of which is open and standing, symbolising resistance and awareness on the issue of gender violence. This initiative is part of a more extensive path of social responsibility, involving the Group's publishers, digital media, magazines and bookshops, with the aim of actively promoting equality and opposing all forms of gender-based violence.

Alunni in libreria and book donation to schools

"Alunni in libreria" (Students in the bookshop) is an exclusive Mondadori Retail initiative, active for more than 25 years, aimed at fostering collaboration between bookshops and schools to bring young people closer to reading and consolidate the relationship with teachers and families [ESRS S4-4, 29b]. The programme includes meetings dedicated to pre-school, primary and secondary school classes, offering them the opportunity to experience the library as a place of discovery and culture [ESRS S4-4, 29b].

The digital platform alunniinlibreria.it allows schools and participating Mondadori Group bookshops to get in touch, initiate twinning and organise meetings directly in the stores. The aim is to stimulate interest in reading among the younger generation, contributing to the formation of future avid readers [ESRS S4-4, 29b].

Education and the school world

Mondadori Education, Rizzoli Education and D Scuola, the Mondadori Group's three publishing houses active in school and university education, consolidated in 2024 their commitment to an increasingly **sustainable, inclusive and innovative**. This pathway was developed in line with the **Sustainable Development Goals (SDGs) of the 2030 Agenda** and with the European guidelines

on **ESG (Environmental, Social, Governance)** through initiatives aimed at strengthening environmental awareness, ensuring accessibility and promoting digital innovation in education.

The three publishing houses promoted educational courses aimed at raising students and teachers' awareness of environmental and social sustainability issues, providing tools and resources to form aware and responsible citizens.

Oxfam Italy and Mondadori Store

Ensuring inclusive education for all: this is the goal that, again in 2024, for the 4th consecutive year, sees Oxfam together with Mondadori Store in the Christmas project "Incarta un libro, regala un futuro" (Wrap a book, give a future). This initiative is part of a partnership aimed at helping and supporting the most vulnerable part of society, offering a concrete commitment to promote the education of children and young people in socially difficult contexts.

In 2024, the initiative raised more than € 121 thousand for projects to ensure equity and equal access and educational success for the most vulnerable students in Italy.

Sustainability and civic education as a central element in education too

In recent years, the topics of sustainability, civic education and inclusion have gained an increasingly central role in ministerial programmes. In 2024, the three publishers further integrated these topics within their publications, continuing to strengthen the integration of sustainability aspects as a guiding principle guiding publishing strategies, technological innovation and school community involvement.

This choice resulted in:

- the presence and extension of content dedicated to sustainability; by 31 December 2024, 90% of new publications include specific insights into the SDGs, with recurring topic sheets in each discipline;
- increased digitisation of educational offerings to reduce environmental impact and provide students with more effective learning tools;
- fostering an interdisciplinary approach: sustainability is covered not only in the environmental sciences, but also in history, geography, economics and, above all, in the STEM disciplines, to offer students a comprehensive and applied view;
- initiatives and collaborations to create an educational ecosystem capable of shaping citizens who are aware of and prepared for global challenges; in addition to the theoretical treatment, students are involved in project activities and practical experiences related to sustainability, active citizenship and social responsibility.

The topics covered range from **circular economy** to the **protection of biodiversity**, from **gender equality to combating school drop-outs** and the **promotion of reading and responsibility**, in the production and dissemination of content.

Education is the engine of change and, thanks to these initiatives, Mondadori Education, Rizzoli Education and D Scuola confirm their role as protagonists of an increasingly **aware, responsible and innovative**.

Teacher engagement: continuous training

The **stakeholder engagement** activities led to the realisation of:

- tailor-made teaching materials with support tools for every school level, including compensatory tools and interactive digital content.

- teacher training courses, with a focus on ecological transition, inclusion and new teaching methodologies.
- thematic events and webinars on different areas of sustainability to raise awareness of environmental and social challenges in schools.

The two teacher training programmes "**Formazione su Misura**" (Tailored Training) by Mondadori Education and Rizzoli Education and "**DeaScuola Formazione**" (DeaSchool Training) by D Scuola have intensified their commitment to sustainability through a series of projects and collaborations aimed at raising awareness and training teachers and students on environmental and social topics. Their training proposal was geared to offer courses for schools and individual teachers, focusing on topics such as the introduction of new technologies in teaching, the conscious use of artificial intelligence in education to promote educational practices, sustainability and STEM.

Ongoing teacher training is a fundamental pillar of the Mondadori Group's educational strategy, which is developed through two distinct models: B2B, aimed at educational institutions, and B2C, aimed directly at teachers. In 2024, both models underwent a major evolution to respond to the new needs of the education sector and the funding modalities defined by the Ministry of Education.

The B2B model involves direct dialogue with schools and school leaders, who are offered structured and customised training courses, financed through ministerial resources. The thematic priorities identified for 2024 include the digitisation of teaching, school inclusion and the development of soft skills. The Italian National Recovery and Resilience Plan introduced new funding criteria, making it necessary to adapt the training offerings to ensure more targeted and effective pathways.

At the same time, the B2C model offers teachers the opportunity to independently access refresher courses via an e-commerce platform, with the possibility of taking advantage of the teacher bonus. The offer for 2024 has been expanded with new courses dedicated to digital didactics, the use of artificial intelligence in teaching and English language learning with innovative methodologies.

The integration of the two models makes it possible to offer tailor-made solutions for schools and, at the same time, to provide teachers with flexible and accessible update tools. The Mondadori Group thus confirms its commitment to promoting innovative, inclusive and future-oriented education, in line with the strategic priorities of the national education system.

Accessibility and digital innovation

/ BUSINESS

HUB Scuola:
the digital platform
for everyday
teaching

MONDADORI
EDUCATION

Rizzoli
EDUCATION

DEASCUOLA

mondo.hubscuola.it

hub
SCUOLA

Technology, designed and integrated in a conscious logic, was a key element in enhancing the educational experience. During the year Mondadori Education, Rizzoli Education and D Scuola completed a major project to revise and redesign the **HUB School** platform, which pays particular attention to issues of inclusion and accessibility, also to support differentiated teaching approaches and learning styles. The project also envisaged the entry of the entire production of D Scuola into HUB Scuola, thus guaranteeing a single integrated service and a single platform for digital didactics for the benefit of users of the Mondadori Group's three educational publishing houses.

HUB Scuola is an integrated ecosystem offering all the resources necessary to teach and learn digitally:

- a mini-website dedicated to each work, with clearly organised and easily accessible materials,
- the Teacher Areas, tools that simplify the preparation of lessons that can be customised according to subject, school level and specific learning needs,
- a test and verification environment, dedicated to creating and managing exercises quickly and effectively, taking into account the different specificities of the class group.

In the new design, the user experience has been totally rethought to offer ease of use and browsing. Content is clearly structured and organised to ensure a smooth experience, with customisable browsing paths that allow teachers and students to quickly access the resources they need.

Inclusivity and accessibility are at the heart of the design: the platform is designed for a wide and heterogeneous audience. For this, a high-contrast colour palette was identified and adopted, and a clear organisation of content was defined. A reading-optimised typeface was also chosen, which, thanks to its character disambiguation features, ensures a smooth and accessible experience for all.

The range of **disciplinary tools** available to teachers and students is constantly being expanded and updated to enable more effective teaching and learning:

- HUB Art: a database containing more than 10,000 images of art in high definition with search and geolocalisation functions;
- HUB Maps: a digital atlas featuring hundreds of interactive maps with comparison and updating capabilities, covering three school levels and supplemented with specific maps for geo-history and economic geography;
- HUB Library: a digital library that allows for unprecedented thematic courses. It provides databases of Greek and Latin literature, Italian literature, history, and human sciences;
- HUB Music: a tutor for learning to play and sing.

Status of targets as at 31.12.2024

Below is the status as at 31 December 2024 of the 2024-2026 Sustainability Plan target in relation to the impacts, risks and opportunities that emerged from the consumers and end-users double materiality analysis:

Target (Sustainability Plan)	Status as of 31.12.2024	Target	Related IROs	Type
S4 - Consumers and end-users				
Maintenance of ESG training for the Group's school publications and those for teachers.	Just as in 2023, the target for maintenance was also achieved in 2024. More details can be found in the paragraph "Education and the school world" of the chapter "Social Information" (Consumers and end-users)	Own operations	Positive impact in terms of DEI due to increased awareness of diversity, equity and inclusion and combating all forms of discrimination	Actual positive impact
		Own operations	Development of STEM skills and digital literacy through editorial and multimedia content, as well as supporting initiatives	Actual positive impact
		Own operations	Developing and updating the skills of teaching staff through training tools and dedicated digital platforms	Actual positive impact
Extension to 100% of the school offer of contents/insights in Sustainability, 2030 Agenda for Sustainable Development, diversity, equity and inclusion and civic education.	At 31 December 2024, 90% of new publications include specific insights into the SDGs, with recurring topic sheets in each discipline.	Own operations	Accessibility to education for all social groups and backgrounds through educational tools that also take into account learning difficulties	Actual positive impact
Maintenance of the range of initiatives and services to promote reading.	Just as in 2023, the target for maintenance was also achieved in 2024. More details can be found in the paragraphs "Accessibility of school textbooks", "Accessibility of digital formats", "Responsibility for content", "Promotion of reading and socio-cultural growth" and "Education and the school world" of the chapter "Social Information"	Own operations	Positive impact in terms of combating school dropout by publishing programmes that stimulate interest in school	Actual positive impact
		Own operations	Socio-cultural growth of the country through reading promotion initiatives	Actual positive impact
		Own operations	Social inclusion of consumers and/or end-users through accessible content in different formats (including e-books, audiobooks)	Actual positive impact

	(Consumers and end-users)			
Strengthening of the programmes aiming to protect intellectual property/copyright.	In 2024, monitoring of this topic continued. More details can be found in the "Intellectual property and copyright protection" section of the "Social Information" chapter (Consumers and end-users)	Own operations	Failure to protect intellectual property and copyright due to the malfunctioning of the dedicated protection system	Potential negative impact
Strengthening of the set of procedures and coverage of the areas of Privacy, Information Management and Cyber Security.	In 2024, monitoring continued, which in 2025 will result in a strengthening in the areas of Privacy and Cyber Security. More details can be found in the "Privacy and data protection" section of the "Social information" chapter (Consumers and end-users)	Own operations	Failure to protect privacy due to ineffective data protection systems, including events resulting from cyber attacks and security breaches	Potential negative impact

Strengthening of the programmes aiming to protect intellectual property/copyright.	In 2024, monitoring of this topic continued. More details can be found in the "Intellectual property and copyright protection" section of the "Social Information" chapter	Own operations	Failure to protect intellectual property and copyright due to the malfunctioning of the dedicated protection system	Potential negative impact
Strengthening of the set of procedures and coverage of the areas of Privacy, Information Management and Cyber Security.	In 2024, monitoring continued, which in 2025 will result in a strengthening in the areas of Privacy and Cyber Security. More details can be found in the "Privacy and data protection"	Own operations	Failure to protect privacy due to ineffective data protection systems, including events resulting from cyber attacks and security breaches	Potential negative impact

To date, the Group has no target related to ensuring freedom of expression through editorial independence and multiplicity of viewpoints; however, this aspect is strongly monitored by the relevant functions in the performance of their activities, as described earlier in this chapter.

Moreover, it did not identify targets in the 2024-2026 Sustainability Plan for the management of risk related to regulatory changes in schools (such as EAA and experimentation concerning technical-professional institutes). This risk is also carefully monitored by the company management in the development of the business activities of the School Textbooks area.

When calculating the KPI of school textbooks with specific focus on the SDGs, all new publications in the year 2024 that contain a section or chapter devoted to the 2030 Agenda goals were considered.

Governance information

ESRS G1 - Business Conduct

Reconciliation table on business conduct

ESRS Standards	Paragraph of the Sustainability Statement	Notes
Governance		
GOV-1 – Role of the administrative, management and supervisory bodies	Policies on business conduct	More details can be found in the section "Governance Structure", in the paragraph "The corporate governance system of the Mondadori Group".
Management of impacts, risks and opportunities		
IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities	Material sustainability topics for the Mondadori Group, in the section "The process for identifying and assessing material impacts, risks, and opportunities"	
G1-1 – Policies on corporate culture and business conduct	Policies on business conduct	The information related to paragraphs 10 d) and 10 f) is not applicable to the Group. Further information on business conduct policies is also presented in tabular format in the section "Material Impacts, Risks, and Opportunities."
G1-2 – Management of relations with suppliers	Policies on business conduct, in the section "Management of relations with suppliers, including payment practices."	Further information on business conduct policies is also presented in tabular format in the section "Material Impacts, Risks, and Opportunities."
G1-3 – Prevention and detection of corruption and bribery	Policies on business conduct, under the paragraph "Corruption and bribery" Metrics	Further information on business conduct policies is also presented in tabular format in the section "Material Impacts, Risks, and Opportunities."
Metrics and targets		
G1-4 – Cases of corruption and bribery	Metrics	
G1-5 – Political influence and lobbying activities	Policies on business conduct, under the paragraph "Political engagement and lobbying activities" Metrics	The information relating to paragraph 29 b) under point ii. is not applicable for the Group, as no contribution (nor therefore in kind) has been made.
G1-6 - Payment Practices	Metrics	

Material impacts, risks and opportunities

The results of the double materiality analysis on business conduct have revealed the following significant negative impact for the Group, described in tabular form by linking them to the main safeguards in place and the commitments outlined therein.

No significant risks and opportunities were instead identified in connection with this topic. Finally, note that the Mondadori Group did not identify any significant operating expenses (OpEx) and/or capital expenditures (CapEx) in this topic.

Type of IROs	Description of IROs	Existing controls	Main commitments	Scope of the value
G1 – Business conduct				
Potential negative impact	Negative impact due to non-compliant conduct and lack of ethics and integrity safeguards (such as ESG criteria in supply chain management)	Code of Ethics	The Group rejects corruption as a means of conducting its business. It is therefore not permitted under any circumstances to bribe or even attempt to bribe elected public office holders, public officials or persons in charge of a public service, as well as private individuals. More	Own operations
			The Group recognises that fair and correct competition is a fundamental element for the pursuit of business activities. Therefore, the Group complies with the antitrust legislation applicable	
			The Group respects any law and, in general, any local, national or international regulation applicable in Italy and in any other country in which it operates. In order to ensure compliance with this principle, Group companies adopt, <i>inter alia</i> , organisation, management and control models aimed at preventing offences in general and the administrative liability of legal persons arising from offences. The Group carries out any economic	
			The Group does not finance any political party or	
		Whistleblower protection system	The Mondadori Group has formally adopted a Whistleblowing Procedure which regulates in particular the management of whistleblowing disclosures made through the available	
		Payment management practices	The Mondadori Group provides favourable payment terms for its suppliers: as a matter of practice, the Group pays for goods purchased and services received in about 20 days from the contractual due date. In particular, the Group pays special attention to the category of suppliers definable in Small and	
		Environment Policy	The Group is committed to influencing its suppliers through the use of environmental sustainability criteria within the selection and management process, so as to guide the chosen suppliers to act consistently with the Group's environmental policy.	

Policies on Business conduct

The following describes how the Group is committed to **promoting its corporate culture** and **managing the negative impacts** due to potential non-compliant conduct and failure of ethics and integrity safeguards. [G1-1, 7, 9]

The administration, management and control bodies contribute, each with their own roles and responsibilities (better detailed in the section "Governance structure", in the paragraph "The corporate governance system of the Mondadori Group") to the responsible management of the company, in compliance with corporate ethics and corporate culture, the protection of whistleblowers and the

management of relations with suppliers. Where relevant, they assign further specific responsibilities in this regard to identified corporate Departments. Through a targeted self-assessment process, the Board of Directors also carried out an assessment of the specific competences of the members of the Board itself and of the Board Committees, which revealed competences in line with the roles required to manage the topics described above [ESRS 2 GOV-1, 5a, b].

Corporate culture

The Organisation, Management and Control Model

With the adoption of the organisation, management and control model (hereinafter also referred to as "Model 231") by Arnoldo Mondadori Editore and by some of the consolidated companies, the Mondadori Group aims to provide itself with a document which, in addition to the system of assignment of functions and delegation of powers, together with other organisational and internal control tools, provides an adequate system for the prevention of offences and administrative violations as provided for by Legislative Decree 231/2001, and develops awareness among its employees and collaborators of the correct behaviours to be observed in the performance of their duties. Model 231 has been constantly updated to reflect regulatory developments in the matter.

Model 231 refers to a set of ethical standards defined by laws, regulations and codes of conduct which the company formally adopted in 2012 through the drafting of the new Code of Ethics, extended to all the Group's companies.

The Code of Ethics

The company's Code of Ethics ("Code") sets out general ethical principles (respect for human rights and laws, transparency, protection of intellectual property and independence of information) and specific principles for stakeholders, ranging from customers to suppliers, from human resources to investors, from communities and institutions to the environment.

The Code of Ethics, therefore, outlines the set of principles and rules of conduct to be followed by the directors, employees and associates of Group companies within the scope of their respective roles and duties. The provisions of the Code of Ethics are **qualified as an integral part of the contractual obligations assumed by the contracting parties**, whose violation constitutes a breach of contractual obligations with all legal consequences, including the termination of the contract or assignment and the possible compensation for damages. In this sense, compliance with the principles set out in the Code of Ethics and in Model 231, where adopted, is required not only of employees and associates, but **is also incorporated into supply agreements**, together with the obligation to comply with Community legislation and minimum working age laws.

The Supervisory and Control Board, in coordination with the Control, Risk and Sustainability Committee, monitors the application of the Code of Ethics, as well as the functioning of the 231 Model, thanks also to the data and information gathered by the relevant corporate Departments.

Respect for local, national and international principles

The Mondadori Group operates in compliance with all local, national and international regulations of the countries in which it does business. Specifically, the Group is inspired by four fundamental documents:

I. Universal Declaration of Human Rights

Respect for inviolable human rights is essential. Therefore, the Group promotes and defends these rights in all circumstances and repudiates any discrimination based on gender, ethnicity, language, religious and political beliefs and social and personal conditions.

II. UN Convention on the Rights of the Child and Adolescent

The UN Convention on the Rights of the Child enshrines the obligations of states and the international community towards children, codifies and significantly develops international child protection standards.

III. Principles enshrined in the International Labour Organisation

The International Labour Organisation formulates international minimum standards for working conditions and fundamental workers' rights, including: freedom of association, right to organise, collective bargaining, abolition of forced labour, equal opportunities and treatment and other standards governing the entire spectrum of labour rights.

IV. OECD Guidelines for Multinational Enterprises

The OECD Guidelines, adhered to by 44 governments representing all regions of the world and 85% of foreign direct investment, are recommendations for responsible business conduct wherever they operate.

Protection of whistleblowers

The Mondadori Group is actively committed to ensuring a corporate environment marked by the principles of integrity, transparency and accountability, promoting the reporting of any unlawful behaviour or behaviour that does not comply with ethical and regulatory standards. Following the entry into force of Italian Legislative Decree no. 24/2023, which transposes Directive (EU) 2019/1937 on the protection of persons who report breaches of Union and national law, the Group has strengthened its Whistleblowing system, adopting a new corporate procedure aimed at ensuring greater protection for whistleblowers and more effective monitoring of the reports received. The update of the system introduced a clear and structured framework for reporting, managing and verifying violations, allowing stakeholders to report, also anonymously, unlawful conduct or practices that do not comply with current regulations.

The Mondadori Group has set up several reporting channels to ensure confidentiality, protection and accessibility. The channel, which is considered preferential, provides a dedicated IT platform, continuously active and accessible from the company website, which allows reports to be submitted in written or oral form, with the possibility of requesting a confidential meeting with the Whistleblower Manager. In addition to this procedure, a further channel, managed by the National Anti-Corruption Authority (ANAC), has been provided. Moreover, in exceptional circumstances and only where there is an imminent danger to the public interest or where the whistleblower has reasonable grounds to believe that the internal or external report will not be adequately followed up, there is provision for public disclosure through the media.

The management of reports is entrusted to a Whistleblower Manager, an internal committee made up of the Head of the Group Internal Audit Department, the Group General Counsel and the Chairman of the Supervisory Board. This body operates in accordance with the criteria of independence, impartiality and confidentiality, assessing each report received and activating, where necessary, internal verification procedures. The outcome of the investigation is communicated to the whistleblower within three months of receipt of the report, thus ensuring a timely and transparent response.

Where the Whistleblower Manager has a conflict of interest with regard to a specific report (e.g. as a reported person or as a person wishing to qualify as a whistleblower), one of the conditions for access to the External Reporting Channels to ANAC is deemed to be met, as it cannot be ensured that the report is effectively followed up.

This ANAC channel allows reports to be made – either in writing through the IT platform or orally through telephone lines or the voice messaging system or through a direct meeting with an official – and guarantees in all cases the confidentiality of the whistleblower, the person reported, the person mentioned in the report, the content of the report and the documentation produced, including through the use of encryption tools.

The Mondadori Group adopts a zero-tolerance policy towards any form of retaliation against the whistleblower and anyone involved in the reporting process. The safeguards provided for ensure the confidentiality of the identity of the whistleblower, the reported person and all persons involved in the report. Moreover, protection is also extended to facilitators, colleagues and family members of the whistleblower, as well as to entities or organisations with which the whistleblower cooperates. In order to prevent any negative consequences for those who decide to report wrongdoing, discriminatory actions such as dismissal, demotion, discrimination in the workplace or any other retaliatory measures, direct or indirect, are prohibited. In addition to these guarantees, whistleblowers can access support measures offered by specialised whistleblower assistance bodies [G1-1 10c, ii].

To ensure the effectiveness and credibility of the system, the Mondadori Group has set up a strict disciplinary system that provides for sanctions against those who obstruct reports or engage in retaliatory behaviour. Consequences are also foreseen for those who make unfounded reports with malice or gross negligence, as well as for those who breach confidentiality rules in the handling of reports.

The Mondadori Group has provided for specific training and awareness-raising activities on the Whistleblowing system, in compliance with the provisions of Legislative Decree no. 24/2023 and the ANAC Guidelines. The training is aimed at all company staff and is designed to raise awareness of internal reporting channels, how they can be used and the protection guarantees for whistleblowers. These training activities are delivered through periodic sessions via dedicated on-line courses, with continuous updates according to regulatory and organisational developments. [G1-1, 10, c, g]. Specifically, the training was delivered following the implementation of this decree and covered in depth the contents of the new procedure and reporting system, with particular reference to how to use the platform. Personnel management monitored the completion of the training module.

Moreover, the staff in charge of handling reports – in particular the members of the Whistleblower Manager – receive specific and in-depth training to ensure timely, impartial and compliant handling. This training includes the analysis of practical cases, the application of whistleblower protection measures, data confidentiality and the correct interpretation of reports according to the corporate context.

All information on whistleblowing channels is widely disseminated through the corporate intranet, the Group's website and dedicated information materials, ensuring that every worker is aware of the operation of the whistleblowing system and the safeguards in place to protect corporate integrity [G1-1, 10c, i].

In addition to employees, also collaborators, suppliers, consultants and third parties working for the Mondadori Group can make reports concerning the lines of conduct through the channels described above. Reports are made through the official channels described above.

In this respect, reports are classified in the following areas:

- 1. Illegal conduct relevant under Legislative Decree no. 231/2001 or violations of Model 231.** This area includes reports of unlawful conduct or acts that violate the provisions of Legislative Decree no. 231/2001 and the rules of the Organisational Model adopted by the entity; these reports are aimed at highlighting any improper practices that could compromise the transparency and integrity of the company.
- 2. Offences under EU or national acts.** In this case, offences are reported that refer to areas of European or national legislation, as set out in the Annex to the Whistleblowing Decree or in internal legislation implementing EU acts (Directive (EU) 2019/1937); the aim is to ensure compliance in specific regulated areas.
- 3. Acts or omissions detrimental to the interests of the European Union.** This includes conduct or omissions that, while not constituting a specific offence, damage the collective and strategic

interests of the European Union. These alerts help to protect the common heritage and ensure an economic and social environment in line with European principles.

4. **Acts or omissions relating to the internal market.** These cases focus on conduct that distorts the proper functioning of the internal market, e.g. by undermining fair competition, transparency and economic balance; alerts in this category therefore aim to protect the proper functioning of the national economic system.
5. **Acts or conduct that frustrate the object or purpose of EU provisions.** These cases are capable of detecting conduct that, although it may also fall into other categories, nullifies the objectives or purpose of the European regulations applicable in the areas indicated in points 2), 3) and 4), with the possibility of reporting acts that may undermine the effectiveness of the regulatory provisions aimed at ensuring transparency and legality.
6. **Other.** This category is intended for all other alerts that cannot be allocated to the previous categories, and is designed to signal significant behaviour or anomalies, thus making it possible to intercept situations not explicitly covered by the other headings.
7. **Unclassifiable/unidentifiable by the whistleblower.** Finally, if the whistleblower is not able to attribute the fact to a specific category, or if the information available does not allow for a correct classification, a report can still be submitted by classifying it under this category, with the aim of leaving it to the management to carry out a more in-depth analysis.

Reports are processed in full compliance with Regulation (EU) 2016/679 – GDPR, with advanced protective measures taken to ensure data security and confidentiality. The personal data collected is stored for a maximum period of five years and access to the information is only allowed to authorised personnel bound by an obligation of confidentiality.

The introduction of the new Whistleblowing Procedure represents a further step in the Mondadori Group's commitment to an increasingly ethical, safe and transparent workplace. The Group will continue to monitor the effectiveness of the system through periodic reviews and to promote a corporate culture of legality and social responsibility, ensuring that any violations are handled promptly, impartially and in compliance with applicable regulations.

Ethical line

The Mondadori Group rejects, in express terms, any behaviour constituting physical or psychological violence, coercion, harassment or attitudes referable to mobbing practices.

As evidence of this commitment, an "Ethical line" policy was drawn up in 2024, formalised at the beginning of 2025, and a dedicated channel made available for reporting incidents of violence, moral harassment, sexual harassment, mobbing (or harassment at work) and bullying (including cyberbullying). This tool is available to all employees via a dedicated platform, accessible from the company website and anonymously.

Reports are received, examined and classified by a specific internal cross-departmental body, the Ethics Committee, made up of the following offices: Chief Sustainability Officer, Head of the Compliance Office, Head of the Central Human Resources and Organisation Department and an external consultant with expertise in the field.

It assesses whether the initial suspected violation is well-founded and, if so, calls for an investigation, subsequently assessing its status and results. It is also responsible for taking any corrective or disciplinary action to remedy such reported violations or allegations. All reports are recorded and analysed in order to identify systemic critical issues and continuously improve the prevention system.

The Group protects the reporting person by guaranteeing confidentiality and expressly prohibiting retaliatory acts. Dismissal, demotion, discrimination, demerit notes or any other retaliatory act against whistleblowers is strictly prohibited. Violations of this prohibition lead to disciplinary proceedings against those responsible.

The Ethical line policy was disseminated internally to the Group's personnel, both through communication activities and by training people. The adoption of the Policy is part of the Mondadori Group's broader commitment to creating a fair and safe working environment, promoting a working environment that protects the rights and dignity of all employees.

Corruption and bribery

As mentioned above, the Parent Company Arnoldo Mondadori Editore and its main subsidiaries adopt, among other things, as relevant elements of their organisational structures, organisation, management and control models aimed at preventing offences in general and the administrative liability of legal entities deriving from offences. [G1-3, 18.a]

These models are therefore also instrumental in preventing corruptive phenomena as a means of conducting the Group's business, through the provision of suitable operating and control methods aimed at precluding conduct aimed at the offer, promise or giving of money or other advantages to obtain undue services for the Group or for oneself.

According to international conventions, the term "bribery" refers to any act of offering, promising, giving, paying, requesting, soliciting, inducing, accepting or receiving advantages, economic or otherwise, directly or indirectly, whether in the public or private sector, with the aim of obtaining or retaining an unfair benefit or of inappropriately influencing the achievement of a specific purpose.

Corruption comprises two main types of behaviour: active corruption, which relates to the act of bribing, and passive corruption, which relates to the act of being bribed. Benefits from acts of corruption are not limited to money, but may also include other forms of advantage, such as:

- Gifts, presents and donations;
- Payments for entertainment expenses, meals and travel, hospitality in general, outside the limits set by company policies;
- Contributions and sponsorships;
- Provision of services, professional assignments, business or investment opportunities, such as reputational damage, loss of trust by customers and partners, and the imposition of significant legal and financial penalties.
- Award of a contract or grant of compensation that may influence a commercial or institutional party;
- Other benefits or advantages.

Within the Mondadori Group's management and control system, the Model 231 (where adopted), in the various versions prepared for each company and constantly updated, represents a safeguard considered reasonably effective in ensuring business integrity and combating corruption in all activities and sectors of the Group.

Although the risk is considered managed and reasonably contained, the Group is nevertheless aware of the potential for this threat. In this regard, a project is under way to further strengthen the resulting safeguards through the adoption of a new anti-corruption policy during FY 2025, a project entrusted to the Compliance Department. [G1-3, 20]

This Anti-Corruption Policy aims, among others, to:

- identify the main areas where the Mondadori Group is exposed to corruption risk;
- illustrate the measures adopted for the prevention and combating of corruption;
- provide all personnel and all those working for or on behalf of the Mondadori Group with the principles and rules to be followed in order to ensure compliance with anti-corruption laws;
- communicate the action to be taken in the event of any Anti-Corruption violations;

- apply, in the event of violations, the sanctions provided for in the Anti-Corruption Act;
- encourage reports of any suspected, attempted, alleged corrupt acts through the appropriate channels.

The drafting of this document will take into account the UN Convention against Corruption.

As described in the paragraph "Protection of Whistleblowers", by means of the Whistleblowing system implemented and the continuous monitoring by a special Committee dealing with the management of whistleblowing, the Group is given the opportunity to carry out monitoring and investigation with reference to the occurrence of possible corruption.

In addition to the possibility of making reports in the event of contact with possible corruptive phenomena, the company population is periodically subjected to mandatory training concerning Legislative Decree no. 231/2001, which includes, among the various areas of relevance, training on both active and passive corruption offences, including both a theoretical part and examples of corruptive phenomena.

Participation in training activities – which is aimed at preventing the commission of offences and administrative offences by disseminating knowledge of Legislative Decree no. 231 and Model 231 – is mandatory at all company levels and properly documented. In this regard, the relevant training activities are envisaged and concretely carried out both at the time of recruitment, and following updates or amendments to the 231 Model, and with specific reference to those functions that are deemed to be at particular risk of corruption on account of their operational nature and level of interaction with external parties [G1-3, 21, a]. Members of governing bodies do not fall within the scope of this training.

Communication concerning the adoption of the 231 Model and its content, including its corruption aspects, is implemented through organisational tools suitable to ensure widespread, effective, authoritative (i.e., issued at an appropriate level), clear and detailed, periodically updated and repeated communication [G1-3, 20].

The documentation relating to the information and training activities is kept and available for consultation by the Supervisory Board and any person entitled to inspect it.

Group companies also promote knowledge of and compliance with the Code of Ethics and Model 231 among their business and financial partners, consultants, collaborators in various capacities, customers and suppliers, who are informed when entering into contracts that the aforementioned documents are available on the Group's website.

As part of the drafting of the Anti-Corruption Policy, the Mondadori Group will outline its commitment to the following in particular.

• *Relations with institutions, authorities and other such parties*

As outlined in its Code of Ethics, the Group maintains relations with national, European Union and international public institutions, with public officials or persons in charge of a public service, i.e. bodies, representatives, agents, members, employees, consultants, persons in charge of public functions or services, of public institutions, public administrations, public bodies, including economic ones, local, national or international public bodies or companies, in compliance with the laws in force and on the basis of the general principles of legality and integrity.

If a director, employee or collaborator receives from a public official explicit or implicit requests for benefits, other than gifts for commercial use and of modest value, he/she shall immediately inform his/her hierarchical superior or the person to whom he/she is required to report for appropriate action.

In the context of relations with Public Administration Officials, the following are specifically prohibited:

- to make promises or give undue gifts of money or other benefits of any kind (except gifts of modest value and on particular occasions of the year) to Public Officials or Public Servants or to persons indicated by them;
- to accept gifts, gratuities or other benefits from Public Officials or Public Servants, or giving in to recommendations or pressure from them.

These requirements may not be circumvented by resorting to different forms of contributions that, in the form of the awarding of professional, consultancy, advertising or other services, serve the same purposes as those prohibited above.

When it deems it appropriate, the Group may support programmes of public entities aimed at realising utilities and benefits for the community, as well as the activities of foundations and associations, always in compliance with applicable regulations and the principles of the Code. In each case, it follows a specific procedure.

• *Relations with third parties*

The document will go into detail on how the Mondadori Group intends to promote compliance by third parties – parties with whom the company has business relations such as service providers, customers and collaborators – with conduct in line with the commitments that the Group will adopt on anti-corruption matters.

• *Gifts and gratuities*

This document shall describe the procedures by which the Mondadori Group intends to accept gifts and gratuities in those cases where such gestures may be construed as conduct aimed at encouraging corruption and/or conflicts of interest.

• *Hospitality, travel and representation expenses*

Similarly, the modalities for authorising payments of these expenses in compliance with the requirements of the Anti-Corruption Policy will be explored.

• *Selection and recruitment*

This document will formalise the checks related to compliance with anti-corruption principles in the selection and recruitment process.

Management of relations with suppliers, including payment practices

Responsible supply chain management is one aspect to which the Group pays close attention. Correct management in fact guarantees business continuity and fosters the involvement of suppliers aligned with the Group's approach and operations, both in terms of compliance with current regulations and sustainable development. Compliance with the principles set out in the Group's Code of Ethics is required not only of employees and associates, but is also incorporated into supply agreements, together with the obligation to comply with Community legislation and minimum working age laws.

The Code and its provisions are incorporated into the contractual obligations undertaken by the suppliers. Any infringement of such, therefore, constitutes a breach, entailing the consequences of law, including termination of the contract or engagement and claims for damages.

The Group is committed to defining and preparing a Code of Conduct on responsible sourcing throughout the supply chain by 2025, which will formalise the social and environmental criteria to be implemented for the selection of its suppliers [G1-2, 15, a]. More details on the objectives and areas that will be covered by this document can also be found in the section "Statement on due diligence" in Chapter 1 "General Information".

In organisational terms, the supply chain is managed for matters relating to the purchase of paper, printing and logistics services by the dedicated structures within the Books division, whilst the Group Services Procurement and Real Estate Department within the HR and Organisation Department, manages procurement of the various goods for the whole Group.

Within the supplier screening process, selection is based on multiple criteria, such as the technical suitability of the proposed products or services, their quality, and the cost-effectiveness of the offer. [G1-2, 15, b]

With particular reference to paper suppliers, a category of particular importance for the Mondadori Group due to the nature of the business, their selection and evaluation are based, as previously described, not only on economic parameters but also on the presence of certifications according to international standards PEFC/FSC aimed at protecting and ensuring proper forest management (G1-2, 15b).

The other main types of supply on the basis of the criteria of economics and strategic relevance for the Group are tied to printing and logistics.

The Group provides favourable payment terms for its suppliers: as a matter of practice in place for year now, the Group pays for goods purchased and services received in about 20 days from the contractual due date.

Approximately 56% of the invoices paid by the Group (excluding operations in Spain and the US) during 2024 met the contractual terms, while overall the average payment days from the invoice date was 19 (compared to standard payment terms of approximately 80 days). [G1-6, 31,32,33,a, b]

In particular, the Group pays special attention to the category of suppliers definable in Small and Medium Enterprises (primarily agents, promoters, collaborators) for whom, also by virtue of the long-standing relationship, the payment deadline is met with extreme punctuality. [G1-2, 14]

Considering all spending categories in 2024, 93% of purchases are attributable to Italian suppliers, while the remainder comes from foreign purchases operating in Europe. To the best of the company's knowledge, the Group does not cooperate with suppliers exposed to significant economic, environmental and social risks [GP-1 2, 15a].

Political engagement and lobbying activities

The Mondadori Group is committed to transparent conduct with regard to activities related to political engagement and lobbying.

With regard to political contributions, it should be noted that the Mondadori Group made no contributions of any kind to political parties or elected representatives or those aspiring to political office during the year in question, either through financial support or in kind. [G1-5, 29 b]

With regard to lobbying activities, the Mondadori Group rejects any kind of activity that could influence policies, political decisions, laws and other regulations, both at the drafting and subsequent implementation stage.

Please note that Mondadori Media has been registered with the Transparency Register since 1 February 2024 under the identification number "710588552404-80". This register is a public database listing interest representatives (organisations, formal or informal groups, associations or networks) carrying out activities aimed at influencing EU law or the decision-making process of the EU institutions. The aim is to show which interests are represented at EU level, by whom and on whose behalf, and the resources allocated to such interest representation activities (including financial support and sponsorship). [G1-5, 29, d]

In particular, Mondadori Media is interested in collaborating with the members of the European Food Forum, proposing itself as a digital media that through its GialloZafferano brand (web, social and magazine) will be able to actively support the optimisation of the Italian territory in the food and wine sector, and spread the growth of food and wine culture also in the area of environmental sustainability in the food sector. Mondadori Media was invited to participate in the conference "Digitisation in Food Environment" organised by the European Food Forum in the European Parliament building on 20 February 2024. Mondadori Media is available to realise and convey communication activities (events, campaigns, publications, etc.) in relation to the food-related policies promoted by the EU. [G1-5, 29. c] [G1-5, c]

Finally, it should be noted that the members of the administrative, management and supervisory bodies have not held comparable positions in public administration and regulatory authorities in the two years prior to appointment. "Comparable" has been understood to mean a position that can be considered to exercise sufficient decision-making power, such as a role as President in a Parliamentary Commission. [G1-5, 30]

Actions for impact management

Below are the paragraphs in the "Policies on Business Conduct" section of this chapter, where relevant actions and resources on business conduct can be consulted:

Description of IROs	Paragraph for more details on actions and
Negative impact due to non-compliant conduct and lack of ethics and integrity safeguards (such as ESG criteria in supply chain management)	Corporate culture Protection of whistleblowers Corruption and bribery Management of relationships with suppliers including payment practices Political engagement and lobbying activities

Note that for 2024, the Mondadori Group did not identify any significant operating expenses (OpEx) and/or capital expenditures (CapEx) in this topic. Although these values were not significant, the Group implements safeguards to manage impacts, which involve both incurring costs and making investments. Future operating and capital expenditures are being assessed in the context of the update of the 2025-2027 Sustainability Plan.

Status of targets as at 31.12.2024

Below is the status as at 31 December 2024 of the target of the 2024-2026 Sustainability Plan with regard to impacts related to potential non-compliant conduct and lack of ethics and integrity safeguards:

Target (Sustainability Plan)	Status as of 31.12.2024	Scope of the target	Metrics	Related IROs	Type
G1 – Business conduct					
- Formalisation of an Anti-Corruption Policy. - Development and implementation of a professional refresher plan for members of the Board of Directors and the Board of Statutory Auditors dedicated to specific ESG topics. Strengthening of the internal control and risk management system in ESG.	- The anti-corruption policy will be formalised in 2025. - Training on the requirements of the CSRD for members of the Board of Directors and Board of Statutory Auditors was delivered in 2024. - The process of defining the internal control system on Sustainability Statement was started, as better described in the section 'Risk management and internal control system' in Chapter 1 "General Information"; in this context, the procedure for drafting the Sustainability Statement, better described in the same section, was completed.	Own operations	<i>Future definition</i>	Negative impact due to non-compliant conduct and lack of ethics and integrity safeguards (such as ESG criteria in supply chain management)	Potential negative impact

Metrics

G1-3- Prevention and detection of corruption and bribery

Anti Corruption training programmes	31-12-2024
Total number of people who participated in anti-corruption training programmes	271
of which members of administrative, management and control bodies	0
of which executives	5
of which other own workers	266
Total hours of anti-corruption training	459
of which members of administrative, management and control bodies	0
of which executives	10
of which other own workers	449

Training activities for Departments at risk	31-12-2024
Percentage of Departments-at-risk covered by training programmes (%)	70 %

The Departments deemed to be at risk have been identified on the basis of the role they play and how this, potentially, may expose them to active corruption risk. They are 70% by 2024 and, specifically, represent the following corporate departments and roles: Administration, Communication, Human Resources, Logistics, Legal, Sales/Marketing, Store Manager, Procurement, Industrial Procurement, Treasury. All of these Departments (ten) received anti-corruption training in 2024, with the exception of the last three (Procurement, Industrial Procurement and Treasury), hence the ratio is 70% [G1-1, 10h; G1-3, 21b].

Other own workers' includes the number of persons and hours of anti-corruption training of the following occupational categories: white-collar workers, middle management, manual workers and journalists.

G1-4 - Incidents of corruption or bribery

Cases of corruption and bribery	31-12-2024
Number of convictions for violations of laws against corruption and bribery	0
Amount of fines imposed for violations of laws against corruption and bribery	0

G1-5- Political influence and lobbying activities

Lobbying Activities	31-12-2024
Total monetary value of financial political contributions (€)	— €
Total monetary value of political contributions in kind (€)	— €

G1-6 - Payment Practices

Payment practices	31-12-2024
Average invoice payment time (number of days)	19
Standard payment terms (number of days)	78
Percentage of payments meeting the Mondadori Group's standard payment terms (%)	56 %
Number of legal proceedings currently outstanding for late payments	0

All invoices paid to third parties in the expenditure cycle were taken into account. Payments to authors have therefore been excluded, as the management of remuneration to these persons does not fall under this heading; these are managed, in fact, through performance contracts. In calculating the number of days of standard payment terms, accruals were excluded.

These figures do not include payments made by foreign companies, which are residual in the Group's managed total, which will be integrated into Group practices in 2025.

For the Board of Directors

The Chairman
Marina Berlusconi



Explanatory notes to the Sustainability Statement

Reconciliation table

ESRS Standards	Paragraph	Notes
<i>Management of impacts, risks and opportunities</i>		
BP-2 17 – Use of phase-In provisions in accordance with Appendix C of ESRS 1	Annex II – Disclosure requirements for which the Mondadori Group will take advantage of the phase-in period	
IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities	Description of the process and results of the double materiality assessment	For more information on the Mondadori Group's risk assessment process, please refer to the section "Main risks and uncertainties to which the Mondadori Group is exposed" of the Annual Financial Report.
IRO-2 – Disclosure obligations of the ESRS covered by the Company's Sustainability Statement	Description of the process and results of the double materiality assessment	The information in paragraph 57) is not applicable as the Mondadori Group considered the sub-topics related to the topic "Climate Change" to be material
IRO-2 56 – List of disclosure requirements following the outcome of the double materiality analysis	Annex I - Overview of disclosure requirements related to relevant IROs	

Description of the process and results of the double materiality assessment

The CSRD Directive and the ESRS standards have introduced the principle of double materiality as the basis for reporting on material sustainability matters, thus requiring them to provide sustainability information both on the impact of their activities on people and the environment and on how sustainability factors affect them and their results. A sustainability issue is "material", therefore, if it meets the criteria for impact materiality or financial materiality or both.

In light of evolving sustainability statement guidelines, the analysis conducted in 2024 identified sustainability issues material for the Group for the first time based on the criteria for impact materiality and financial materiality, or both. This made it possible to update previous materiality analyses, extending their scope to the book value chain and the scope of analysis to financial relevance, according to each short, medium and long term time horizon, considering all sustainability risks and opportunities that may positively or negatively influence an organisation's development, performance and positioning and, therefore, create or erode its business value.

The process was coordinated by the Head of Investor Relations and ESG Reporting, jointly with the Chief Sustainability Officer and reporting to the Chief Finance Officer. Note that the latter has been identified as the "Financial Reporting Manager" in accordance with the provisions of Italian Legislative Decree no. 125/2024 implementing the CSRD Directive in Italy.

In conducting the double materiality analysis, the regulatory references considered include the provisions of "IG 1: Materiality Assessment Implementation Guidance", prepared by the European Financial Reporting Advisory Group (EFRAG) on the basis of Delegated Regulation (EU) 2023/2772, in accordance with the provisions of Articles 19a and 29a of Directive (EU) 2013/34, as amended by Directive (EU) 2022/2464 (CSRD).

The process of double materiality to this report involved several stages of analysis, namely

- a) the definition of the scope of analysis;
- b) an understanding of the internal and external context of sustainability, including value chain mapping;
- c) the identification of a long-list of impacts, risks and opportunities (IROs);
- d) the assessment of their relevance and, through the application of thresholds, the selection of a short-list of significant IROs.
- e) the identification of material topics and their approval.

As better described above in the "Material sustainability topics for the Mondadori Group" section of the "General Information" chapter, various company Departments and key strategic stakeholders were involved throughout the process.

a) Definition of the scope of analysis

The analyses focused on the same corporate perimeter indicated in the "Mondadori Group structure" section of the 2024 Half-Yearly Financial Report, including investee companies (such as associates, joint ventures, non-consolidated subsidiaries and joint operations).

The analysis considered the Mondadori Group's business model and strategy in its business areas, focusing in particular on the book value chain segment (which, as previously mentioned, accounts for over **85%** of Group revenue). Note that the Group's value chain is described in more detail in the chapter "General Information", under "The business model and value chain".

Specifically, it should be noted that the February 2024 acquisition of Star Shop Distribuzione S.r.l., the May 2024 acquisition of Chelsea Green Publishing Company and the October 2024 acquisition of Fatto in casa da Benedetta, as well as the start-up of the PLAI incubator were not included in the analysis; these exclusions are not considered relevant for the identification of IROs material to the book value chain.

b) Analysis of the internal and external sustainability context

The initial activity of analysing the Group's internal and external context made it possible to identify the company's business activities and relationships, with particular reference to its upstream and downstream value chain, and to map the relevant stakeholders, in order to understand the areas in which the Group can identify potentially material impacts, risks and opportunities.

The business relations analysed were identified by means of a materiality criterion and focused specifically on relations with suppliers of paper as raw material. In particular, of these entities, the publicly disclosed measures of sustainable working practices were explored, including how deforestation issues are managed and how affected communities are respected.

A benchmarking analysis was carried out on the public documents of the main peers and competitors, which made it possible to identify a list of potentially material sustainability topics and IROs in the industry. This was complemented by the perspective of external stakeholders, taking into account the outcomes of the stakeholder engagement and materiality analysis activities conducted in previous years.

In addition, in order to identify possible sustainability issues and IROs, sectoral sustainability guidelines and references were considered, such as the Global Reporting Initiative Standards (GRI), specifically for the media sector (G4 Media Disclosure). For the same purpose, the following were also considered:

a) EU Regulation 2023/1115 (European Union Deforestation Regulation), the main objective of which – once in force – is to reduce the impact of European consumption on global deforestation by promoting a market for more sustainable products;

b) in the social field and in relation to the Mondadori Group's role as a publisher of quality and inclusive content, the provisions of EU Directive 2019/882 (European Accessibility Act) and EU Directive 2017/1564 implementing the Marrakesh Treaty.

The above sources, together with interviews conducted internally with key management representatives, including members of the Control, Risk and Sustainability Committee, made it possible to identify a preliminary list of potential IROs and sustainability issues of particular interest to the industry and peers/competitors.

c) Identification of a long-list of IROs

In defining this mapping, all topics, sub-topics and sub-sub-topics defined by the ESRS standards were considered; each of these was examined and, where applicable, associated with a potentially relevant IROs in relation to the Group's own operations and in relation to the upstream and downstream value chain.

The Group's main geographic areas of influence considered for the analysis are equivalent to the Mondadori Group's own business areas on the European continent, specifically Italy and Spain, and on the American continent as far as the United States is concerned.

In order to align the double materiality activity with existing management processes, the guidelines and principles of Enterprise Risk Management and the contents of the 2024-2026 Business Plan were used to identify sustainability risks and opportunities. With this in mind, the process of identifying –

and subsequently assessing – sustainability risks and opportunities was initiated with a view to integrating them into the company's more extensive risk and opportunity management process.

In addition, the Group's dependencies on key natural resources were analysed, such as the availability of paper raw material, water scarcity for paper production and extreme weather events that can interrupt procurement processes and activities in its own operations. With regard to social aspects, on the other hand, the main dependencies considered are related to the accessibility of publishing content, the dissemination of school textbooks (such as through forms of loan-for-use), as well as, with regard to personnel, the attraction and retention of talent and human resources, skills development, sales force management and customer relations in shops and franchisees. Dependencies related to product-specific aspects were also considered, such as compliance with quality standards required of paper and print service providers, the development of new technologies related to artificial intelligence (AI) in relation to the generation of editorial content.

For each impact, risk and opportunity, the reasonably expected time horizon (long, medium and short term) and the segment of the value chain where the impact occurs or could occur (upstream, in own operations, downstream) were identified. For impacts in the inside-out perspective, the stakeholders involved were also identified.

d) Evaluation and prioritisation of the long-list of IROs

The definition of material impacts, risks and opportunities for the Group was made on the basis of a separate assessment of relevance from an impact and financial perspective and then aggregating the findings.

As required by the ESRS standards and EFRAG's Materiality Assessment Implementation Guidance, the variables by which IROs are assessed differ between impact and financial materiality, with different scales for severity and magnitude being adopted.

Current and potential impacts (positive and negative) were assessed by members of the company's management and the following external stakeholders: employees, customers and readers and teachers.

Once again this year, the participation of external stakeholders was fundamental in order to integrate their points of view, perspectives and needs in the definition of relevant issues, as better described in the section "Material sustainability topics for the Mondadori Group", under the heading "Stakeholder engagement".

Management conducted the assessment through one-to-one interviews, during which they were asked to rate each impact according to severity and likelihood criteria, defined on a scale of 1 to 5.

Specifically, severity was considered as the result of the average of the individual scores obtained from the criteria of magnitude, extent and, for negative impacts, irremediability. The final score was obtained as the multiplication of severity and probability, the latter being considered 5 in the case of actual impacts.

The evaluation of significance from the perspective of impact relevance was carried out with respect to the period in which it is defined (short, medium or long term); in addition, for each impact associated with the short or medium term, a second evaluation was carried out with respect to its significance in the long term.

The assessment was carried out with respect to the inherent impact, which in the case of negative impacts corresponds to the impact itself, i.e. without considering existing mitigation measures; in the case of positive impacts, it corresponds to the maximum possible benefit, without considering existing limitations or constraints.

With regard to stakeholders, who were involved through a survey using an on-line assessment tool, the assessment covered severity and likelihood, on the same scale of 1 to 5. Again, an assessment of the impact with respect to the period in which it is defined was required, as well as a second assessment with respect to its significance in the long term.

In contrast to management, stakeholders assessed severity through a single metric, which included the assessments made on the criteria of magnitude, scope and irremediability in a single score. In addition, while management assessed all identified potentially material impacts, stakeholders assessed a selection of these; this choice was made on the basis of the opportunity for stakeholders to comment on the impact in question, scoring the severity and likelihood, based on their own experience, knowledge, expertise and perspective on the matter.

In both management and external stakeholder assessments, in the case of a potential negative human rights impact, the severity of the impact outweighed its likelihood of occurrence.

The risk assessment included full adherence to risk analysis according to Enterprise Risk Assessment (ERM) criteria, through the evaluation on a scale of 1 to 5 of the probability of occurrence and magnitude; the latter is defined as the effects of the risk affecting the company's statements of financial position, results of operations and cash flows in the short, medium or long term.

Opportunities were assessed on the same scale from 1 to 5, with reference to probability and magnitude, the latter being considered as the effects of opportunities affecting the company's statements of financial position, results of operations and cash flows in the short, medium or long term.

The assessment of both risks and opportunities from the perspective of financial relevance was carried out over all short-, medium- and long-term time horizons.

The assessment carried out allowed the Group to complete the alignment, already started in the previous year, of the catalogue of risks and opportunities examined in the Risk Assessment process and in the corporate strategy, fully integrating the assessment, with the same level of priority, of sustainability-related risks and opportunities. In future years, the Mondadori Group will further integrate the profile of sustainability risks and opportunities within the Group's more extensive risk management process.

As described in the chapter "General Information", no sustainability-related opportunities relevant to the Group were identified for this reporting year.

e) identification of material topics and their approval

The consolidation of the results of the impact and financial relevance analysis allowed an initial prioritisation of the results obtained, in descending order from the highest to the lowest scores.

Following the aggregation and ordering of the valuations, it was deemed appropriate to make some qualitative adjustments, through the application of specific correction coefficients, in order to reflect the importance for some issues of the views of the internal and external stakeholders involved in the valuation and the specificities of the Group's business.

The impact and financial materiality threshold was defined according to qualitative and quantitative criteria that the Group deemed suitable for determining the short-list of material IROs and the material sustainability issues taking into account the perspective of double materiality. Specifically, the threshold for identifying material risks and opportunities was defined in adherence with the company's ERM process.

When a topic includes more than one IRO, the one associated with the highest rated IRO was considered as the overall score. The same principle was applied when considering the maximum score for each risk and opportunity along the three different time horizons.

The results of the double materiality analysis were presented by the Head of Investor Relations and ESG Reporting, jointly with the CSO, to the Group CFO and CEO, who reviewed the methodology adopted and approved the results for 2024.

The analysis was subsequently presented by the Head of Investor Relations and ESG Reporting with the Control, Risk and Sustainability Committee (CRSC) and the Board of Statutory Auditors (BoSA), during a joint meeting for the purpose of its evaluation.

Finally, the results were presented to the Board of Directors for approval on 13 February 2025.

The Company's management team reserves the right to update, on an annual basis, the double materiality analysis should significant changes emerge in the organisational, strategic and operational structure, as well as in aspects associated with external factors, including the value chain, that may give rise to or change the relevance of the impacts, risks and opportunities material to the Mondadori Group with respect to previous reference periods.

For more details on the final list of material sustainability issues from an impact and/or financial perspective, refer to the section "Material sustainability topics for the Mondadori Group" under "List of material impacts, risks and opportunities".

Of those listed in Application Requirement 16 (ESRS 1), the following topics, sub-topics and sub-sub-topics were found to be irrelevant according to the results of the significance analysis of the IROs:

Thematic ESRS	Topic	Sub-topic	Sub-sub-topic
ESRS E2	Pollution	– Pollution of air – Pollution of water – Pollution of soil – Pollution of living organisms and food resources – Substances of concern – Substances of very high concern – Microplastics	
ESRS E3	Water and marine resources	– Water	– Water consumption – Water withdrawals – Water discharges – Water discharges in the oceans – Extraction and use of marine resources
ESRS E4	Biodiversity and ecosystems	– Direct impact drivers of biodiversity loss	– Climate Change – Land-use change, fresh water-use change and sea-use change – Direct exploitation – Invasive alien species – Pollution – Others
		– Impacts on the state of species	– Species population size – Species global extinction risk
		– Impacts on the extent and condition of ecosystems	– Soil sealing
		– Impacts and dependencies on ecosystem services	

ESRS S1	Own workforce	– Working conditions	– Adequate Wages – Freedom of association, existence of works councils, and information, consultation, and participation rights of workers – Collective bargaining, including the rate of workers covered by collective agreements
		– Other work-related rights	– Child Labour – Forced labour – Adequate housing
ESRS S2	Workers in the value chain	– Working conditions	– Secure employment – Social dialogue – Work-life balance
		– Equal treatment and opportunity for all	– Training and skills development
		– Other work-related rights	– Adequate housing – Water and sanitation – Privacy
ESRS S3	Affected communities	– Communities' economic, social and cultural rights	– Adequate housing – Adequate food – Water and sanitation – Land-related impacts – Security-related impacts
		– Communities' civil and political rights	– Freedom of expression – Freedom of assembly – Impacts on human rights defenders
		– Rights of indigenous peoples	– Free, prior and informed consent – Self-determination – Cultural rights
ESRS S4	Consumers and end-users	– Personal safety of consumers and/or end-users	– Health & Safety – Security of a person – Protection of Children
ESRS G1	Business conduct	– Animal welfare	

Annex I - Overview of disclosure requirements related to relevant IROs

For more details on the list of disclosure requirements in relation to the relevant IROs, see the reconciliation tables at the start of each chapter.

Annex II - List of phased-in disclosure requirements

For the first year of reporting in alignment with CSRD, the Mondadori Group has decided to use the phase-in period for the following information:

ESRS	Reporting obligations	Full name of disclosure requirements
ESRS 2	SBM-1, par. 40 b), c)	Strategy, business model and value chain
ESRS E1	E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities
ESRS E4	E4-6	Anticipated financial effects from biodiversity and ecosystem-related impacts, risks and opportunities
ESRS E5	E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities
ESRS S1	S1-7	Characteristics of non-employee workers in the undertaking's own workforce
	S1-13, par. 83 a)	Training and skills development
	S1-14, par. 88 a), b) e c)	Health and safety
ESRS S4	SBM-3	All disclosure requirements

Annex III – Disclosure Requirements arising from other EU Legislation listed in Appendix B to ESRS 2

The table below includes disclosure requirements arising from other EU legislation listed in Appendix B of ESRS 2, indicating where information can be found within the Sustainability Statement for indicators that have been assessed as relevant following the DMA analysis.

Disclosure requirement and related datapoint	Material	Reference chapter in the Sustainability Statement	Notes
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Yes	"Chapter 1 – General Information" under "The corporate governance system of the Mondadori Group"	-
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)	Yes	"Chapter 1 – General Information" under "The corporate governance system of the Mondadori Group"	-
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Yes	"Chapter 1 – General Information" under "Statement on due diligence"	-
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	No	-	-
ESRS 2 SBM-1 Involvement in activities related to the production of chemicals, paragraph 40, letter d), point ii)	No	-	-
ESRS 2 SBM-1 Involvement in activities related to controversial weapons, paragraph 40, letter d), point iii)	No	-	-
ESRS 2 SBM-1 Involvement in activities related to tobacco growing and production, paragraph 40, letter d), point iv)	No	-	-
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Yes	Chapter "General Information", under "Sustainability Strategy" in "The new 2025-2027 Sustainability Plan"	To date, the Mondadori Group has not defined a climate change transition plan; it will be formalised in the coming years and will be subject to future disclosure.
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Yes	-	To date, the Mondadori Group has not defined a climate change transition plan, therefore the information required by paragraph 16 g) is not disclosed.

ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv	Yes	-	To date, the Mondadori Group has not defined a climate change transition plan; it will be formalised in the coming years and will be subject to future disclosure.
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14	Yes	Chapter "Environmental Information", under "Metrics"	-
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)	Yes	Chapter "Environmental Information", under "Metrics"	-
ESRS E1-4 GHG emission reduction targets paragraph 34	Yes	Chapter "Environmental Information", under "Metrics"	-
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Yes	Chapter "Environmental Information", under "Metrics"	-
ESRS E1-5 Energy consumption and mix paragraph 37	Yes	Chapter "Environmental Information", under "Metrics"	-
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	No	-	-
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Yes	-	The Mondadori Group makes use of the option indicated in Appendix C – "List of phased-in disclosure requirements", omitting the information required by ESRS E1-9 for the first year of reporting.
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Yes	-	-
ESRS E1-7 GHG removals and carbon credits paragraph 56	Yes	-	-
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66	Yes	-	-

ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)	Yes	-	-
ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).			
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).	No	-	-
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69	Yes	Chapter "Environmental Information", under "Policies on water resources"	-
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	No	-	The information required in paragraph 13 is not applicable as the Group has not identified any material sustainability issues in relation to the water consumption of its own operations.
ESRS E3-1 Water and marine resources paragraph 9	No	-	Similarly, the information required in paragraph 14 is not applicable since the sustainability of the oceans and seas is not a material sustainability issue for the Group.
ESRS E3-1 Dedicated policy paragraph 13	No	-	The information required in paragraph 13 is not applicable as the Group has not identified any material sustainability issues in relation to the water consumption of its own operations.
ESRS E3-1 Sustainable oceans and seas paragraph 14	No	-	-
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	No	-	The disclosures required in paragraph 16 a) are not applicable as the Mondadori Group has not identified any material sustainability issues in relation to its own operations.
ESRS E3-4 Total water consumption in m ³ per net revenue on own operations paragraph 29	Yes	Chapter "General Information", under the section "List of material impacts, risks and opportunities"	-

ESRS 2- IRO 1 - E4 paragraph 16 (a) i	No	-	The disclosures required in paragraph 16 a) are not applicable as the Mondadori Group has not identified any material sustainability issues in relation to its own operations.
ESRS 2- IRO 1 - E4 paragraph 16 (b)	No	-	The disclosures required in paragraph 24 b) are not applicable as the Mondadori Group has not identified any material sustainability issues in relation to sustainable agricultural practices/land use.
ESRS 2- IRO 1 - E4 paragraph 16 (c)	No	-	The disclosures required in paragraph 24 c) are not applicable as the Mondadori Group has not identified any material sustainability issues in relation to sustainable sea/ocean use.
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Yes	Chapter "Environmental Information", under "Policies on biodiversity and ecosystems"	-
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	No	-	The disclosures required are not applicable as the Mondadori Group has not identified any material sustainability issues in relation to waste generated in its own operations.
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	No	-	-
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Yes	Chapter "Social Information" under "Material impacts, risks and opportunities" in ESRS S1	In view of its typical business activities and the geographical areas in which it operates (Italy, United States, Spain) – the Mondadori Group has not identified any of its own operations at serious risk of forced or compulsory labour or child labour.
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Yes		

ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	No	-	The disclosures required in paragraphs 20, 21, 22 are not applicable as the Mondadori Group has not identified any material impacts related to human rights for its own workforce, except as described in relation to non-discrimination, the right to health, privacy, fair working conditions, freedom of association and collective bargaining.
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	No	-	-
ESRS S1-1 Human rights policy commitments paragraph 20	No	-	-
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21	Yes	Chapter "Social Information", under the section "Policies on own workforce" of ESRS S1	-
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Yes	Chapter "Social Information", under the section "Processes to remediate negative impacts" in ESRS S1 and the Chapter "Governance Information", under the section "Protection of Whistleblowers"	-
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Yes	Chapter "Social Information", under the "Metrics" section of ESRS S1	-
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Yes	Chapter "Social Information", under the "Metrics" section of ESRS S1	-
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Yes	Chapter "Social Information", under the "Metrics" section of ESRS S1	-
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Yes	Chapter "Social Information", under the "Metrics" section of ESRS S1	-
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Yes	Chapter "Social Information", under the "Metrics" section of ESRS S1	-

ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Yes	Chapter "Social Information", under the "Metrics" section of ESRS S1	-
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Yes	Chapter "General Information", under the section "List of material impacts, risks and opportunities"	-
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Yes	Chapter "Social Information", under "Material impacts, risks and opportunities" and "Policies related to value chain workers" of ESRS S2	-
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Yes	-	-
ESRS S2-1 Human rights policy commitments paragraph 17	Yes	-	-
ESRS S2-1 Policies related to value chain workers paragraph 18	Yes	-	-
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Yes	Chapter "Social Information", under the section "Actions for impact management" of ESRS S2	-
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19	No	-	-
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	No	-	-
ESRS S3-1 Human rights policy commitments paragraph 16	No	-	-
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	No	-	The disclosures required are not applicable because the Mondadori Group has not identified any material IROs with respect to respect for human rights relevant to consumers and end users.
ESRS S3-4 Human rights issues and incidents paragraph 36	No	-	-

ESRS S4-1 Policies related to consumers and end-users paragraph 16	No	-	-
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Yes	Chapter "Governance Information2, under "Corruption and bribery"	The information required in paragraph 24b) is not disclosed because the Group has not completed drafting its Anti-Corruption Policy to date. It will be formalised in 2025.
ESRS S4-4 Human rights issues and incidents paragraph 35	No	-	The information required in paragraph 24b) is not applicable since the Group has a policy on the protection of whistleblowers.
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Yes	Chapter "Governance Information", under "Metrics"	-
ESRS G1-1 Protection of whistle-blowers paragraph 10 (d)	Yes	Chapter "Governance Information2, under "Corruption and bribery"	The information required in paragraph 24b) is not disclosed because the Group has not completed drafting its Anti-Corruption Policy to date. It will be formalised in 2025.

CERTIFICATION IN SUSTAINABILITY STATEMENT PURSUANT TO ARTICLE 81- *TER*, SUBSECTION 1, OF THE CONSOB REGULATION NO. 11971 OF 14 MAY 1999 AS AMENDED AND SUPPLEMENTED

The undersigned Antonio Porro, in his capacity as Chief Executive Officer, and Alessandro Franzosi, in his capacity as Officer responsible for the preparation of corporate accounting documents of Arnoldo Mondadori Editore S.p.A., hereby certify, pursuant to Article 154-bis, paragraph 5-ter, of Legislative Decree No. 58 of 24 February 1998, that the Sustainability Statement included in the management report has been prepared:

- a) in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 and Legislative Decree no. 125 of 6 September 2024;
- b) with the specifications adopted pursuant to Article 8, subsection 4 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.

12 March 2025

CEO
Antonio Porro



The Financial Reporting Manager
Alessandro Franzosi





Our business initiatives

2024 was characterised by a rich calendar of initiatives and activities of our businesses. On this page, from left to top: the Group's publishing houses at the 36th edition of the **Turin Book Fair**; the acquisition of **Fatto in casa da Benedetta** with Benedetta Rossi, Marco Gentili and

**Mondadori Group
Consolidated
Financial Statements at
31 December 2024**

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Assets (Euro/thousands)	Notes	31/12/2024	31/12/2023
Intangible assets	12	399,944	385,116
Land and building		—	—
Plant and equipment		15,503	10,982
Other fixed assets		28,613	23,748
Property, plant and equipment	13	44,116	34,730
Assets from rights of use	14	76,445	68,762
Equity-accounted investees		14,402	13,340
Other investments		960	260
Total investments	15	15,362	13,600
Non-current financial assets	28	5,303	8,688
Deferred tax assets	16	59,851	65,788
Other non-current assets	17	2,511	1,726
Total non-current assets		603,533	578,410
Tax receivables	18	15,937	15,541
Other current assets	19	74,364	74,195
Inventory	20	156,645	149,940
Trade receivables	21	175,135	164,438
Other current financial assets	28	142	2,111
Cash and cash equivalents	28	111,289	49,724
Total current assets		533,513	455,949
Discontinued or discontinuing operations		—	1,685
Total Assets		1,137,046	1,036,044

Liabilities (Euro/thousands)	Notes	31/12/2024	31/12/2023
Share Capital		67,979	67,979
Treasury shares		(1,544)	(2,371)
Other reserves and profit/loss carried forward		189,419	160,064
Profit (Loss) for the year		60,211	62,411
Group equity	22	316,066	288,083
Share capital and reserves attributable to non-controlling interests		1,015	755
Total Equity		317,081	288,838
Provisions	24	29,044	40,839
Post-employment benefits	25	29,270	29,191
Non-current financial liabilities	28	144,270	95,638
Financial liabilities IFRS 16	28	67,562	59,275
Deferred tax liabilities	16	39,996	42,365
Other non-current liabilities		—	—
Total non-current liabilities		310,142	267,308
Income tax payables	18	13,965	12,972
Other current liabilities	26	144,855	145,651
Trade payables	27	273,141	257,069
Payables to banks and other financial liabilities	28	64,250	50,998
Financial liabilities IFRS 16	28	13,612	13,208
Total current liabilities		509,823	479,898
Liabilities disposed or being disposed of		—	—
Total liabilities		1,137,046	1,036,044

CONSOLIDATED INCOME STATEMENT

(Euro/thousands)	Notes	2024	2023
Revenue from sales and services	29	934,734	904,737
Decrease (increase) in inventory	20	(290)	2,760
Cost of raw and ancillary materials, consumables and goods	30	178,646	164,887
Cost of services	31	467,800	458,824
Cost of personnel	32	141,986	140,579
Sundry expense (income)	33	(8,346)	(11,208)
EBITDA		154,937	148,895
Amortisation and impairment loss on intangible assets	12	38,610	42,735
Depreciation and impairment loss on property, plant and equipment	13	8,412	7,011
Amortization/depreciation and impairment loss of assets from rights of use	14	15,913	14,966
Operating income (loss)		92,002	84,183
Financial expense (income)	34	8,312	7,838
Expense (income) from investments	15	(414)	(4,155)
Result before tax		84,104	80,500
Income tax	35	21,651	17,924
Result from continuing operations		62,453	62,576
Result from discontinued or discontinuing operations		—	—
Net profit		62,453	62,576
Attributable to:			
- Non-controlling interests		2,242	165
- Parent Company shareholders		60,211	62,411
Net earnings per share (in Euro units)	36	0.231	0.240
Diluted net profit per share (in Euro units)	36	0.230	0.239

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Euro/thousands)	2024	2023
Net profit	62,453	62,576
<i>Items reclassifiable to income statement</i>		
Profit and loss deriving from the conversion of currency denominated financial statements of foreign companies	1,588	(764)
Other profit (loss) from equity-accounted investees	(63)	(249)
Effective part of profit/(loss) on cash flow hedge instruments	(3,491)	(4,721)
Profit and loss deriving from held-for-sale assets (fair value)	—	—
Tax effect on other profit (loss) reclassifiable to income statement	838	1,133
<i>Items reclassified to income statement</i>		
Effective part of profit/(loss) on cash flow hedge instruments	—	—
Profit and loss deriving from held-for-sale assets (fair value)	—	—
<i>Tax effect on other profit (loss) reclassifiable to income statement</i>	—	—
Items not reclassifiable to income statement		
Actuarial profit (loss)	(46)	(366)
Tax effect on other profit (loss) not reclassifiable to income statement	14	83
Total other profit (loss) net of tax effect	(1,160)	(4,884)
Total net profit (loss)	61,293	57,692
Attributable to:		
- Non-controlling interests	2,242	147
- Parent Company shareholders	59,051	57,545

For the Board of Directors
The Chairman
Marina Berlusconi



STATEMENT OF CHANGES IN CONSOLIDATED EQUITY AT 31 DECEMBER 2023 AND 2024

Euro/thousands	Notes	Share Capital	Treasury shares	Performance share reserve	Reserve for cash flow hedge	Fair value reserve	Currency reserve	Post-employment TFR (employee severance indemnity)	Other reserves	Profit (loss) for the period	Total Group equity	Minority shareholders' equity	Total
Balance at 01/01/2023		67,979	(2,024)	1,731	9,072	—	1,739	699	128,300	52,067	259,562	1,263	260,826
- Allocation of result		—	—	—	—	—	—	—	52,067	(52,067)	—	—	—
- Dividends paid		—	—	—	—	—	—	—	(28,685)	—	(28,685)	(3)	(28,688)
- Change in consolidation scope		—	—	—	—	—	—	79	(79)	—	—	—	—
- Transactions on treasury shares		—	(347)	—	—	—	—	—	(813)	—	(1,160)	—	(1,160)
- Performance shares		—	—	600	—	—	—	—	591	—	1,191	—	1,191
- Other changes		—	—	—	—	—	—	—	(370)	—	(370)	(652)	(1,022)
- Comprehensive profit (loss)		—	—	—	(3,588)	—	(851)	(265)	(163)	62,411	57,545	147	57,692
Balance at 31/12/2023	22-23	67,979	(2,371)	2,331	5,484	—	888	513	150,848	62,411	288,083	755	288,838

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY AT 31 DECEMBER 2023 AND 2024

Euro/thousands	Notes	Share Capital	Treasury shares	Performance share reserve	Reserve for cash flow hedge	Fair value reserve	Currency reserve	Post-employment TFR (employee severance indemnity)	Other reserves	Profit (loss) for the period	Total Group equity	Minority shareholders' equity	Total
Balance at 01/01/2024		67,979	(2,371)	2,331	5,484	—	888	513	150,848	62,411	288,083	755	288,838
- Allocation of result		—	—	—	—	—	—	—	62,411	(62,411)	—	—	—
- Dividends paid		—	—	—	—	—	—	—	(31,309)	—	(31,309)	—	(31,309)
- Change in consolidation scope		—	—	—	—	—	—	14	(14)	—	—	—	—
- Transactions on treasury shares		—	827	—	—	—	—	—	—	—	827	—	827
- Performance shares		—	—	(71)	—	—	—	—	1,292	—	1,221	—	1,221
- Other changes		—	—	—	—	—	—	—	(1,807)	—	(1,807)	(1,982)	(3,789)
- Comprehensive profit (loss)		—	—	—	(2,654)	—	1,616	(32)	(91)	60,211	59,051	2,242	61,293
Balance at 31/12/2024	22-23	67,979	(1,544)	2,260	2,830	—	2,504	495	181,330	60,211	316,066	1,015	317,081

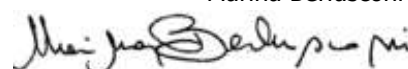
For the Board of Directors
The Chairman
Marina Berlusconi

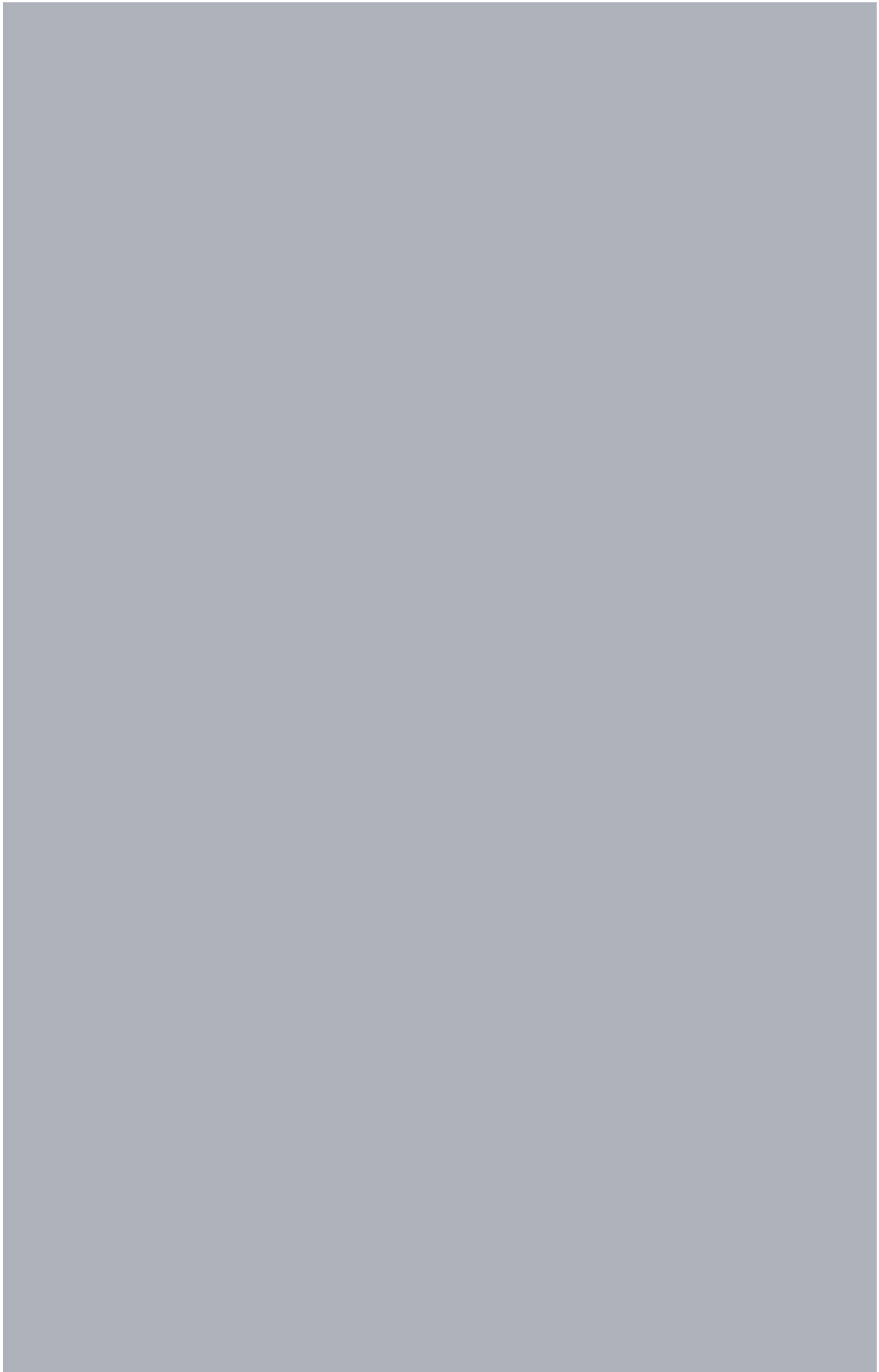


CONSOLIDATED STATEMENT OF CASH FLOWS

Euro/thousands	31/12/2024	31/12/2023
Net profit	62,453	62,576
<i>Adjustments</i>		
Depreciation and amortisation, and write-downs	62,935	64,712
Income taxes for the period	21,650	17,924
Performance Shares	1,232	1,191
Provisions (utilization) and post-employment benefits	(16,437)	(4,677)
Capital loss (gain) from the disposal of intangible assets, property, plant and equipment, investments	(89)	(1,158)
Capital loss (gain) from the measurement of financial assets	—	—
(Income) expense of equity-accounted investees	(414)	(2,964)
Net financial expense on loans, leases and derivative transactions	11,139	10,578
Other non-monetary adjustments to assets held for sale	—	(7,129)
Cash flow generated from operations	142,469	140,888
(Increase) decrease in trade receivables	(3,666)	19,593
(Increase) decrease in inventory	3,728	1,254
Increase (decrease) in trade payables	5,440	(22,057)
Income tax payments	(16,633)	(17,512)
Advances and post-employment benefits	(2,723)	(2,619)
Net change in other assets/liabilities	(2,795)	1,661
Cash flow generated from (absorbed by) assets held for sale	—	374
Cash flow generated from (absorbed by) operations	125,820	121,582
Price collected (paid) net of cash transferred/acquired from business combinations	(16,490)	8,528
(Purchase) disposal of intangible assets	(32,869)	(28,453)
(Purchase) disposal of property, plant and equipment	(15,483)	(12,008)
(Purchase) disposal of investments	975	1,380
(Purchase) disposal of financial assets	1,399	702
Cash flow generated from (absorbed by) assets held for sale	—	(1,685)
Cash flow generated from (absorbed by) investing activities	(62,468)	(31,536)
Net change in financial liabilities	53,418	(24,662)
Payment of net financial expense on loans and transactions with derivatives	(2,679)	(2,713)
Net refund leases	(18,145)	(16,718)
Interest on leases	(2,546)	(2,138)
(Purchase) disposal of treasury shares	(526)	(347)
Dividends distributed	(31,309)	(28,685)
Cash flow generated from (absorbed by) assets held for sale	—	—
Cash flow generated from (absorbed by) financing activities	(1,787)	(75,263)
Increase (decrease) in cash and cash equivalents	61,565	14,783
Cash and cash equivalents at beginning of the period	49,724	34,941
Cash and cash equivalents end of period	111,289	49,724

For the Board of Directors
The Chairman
Marina Berlusconi





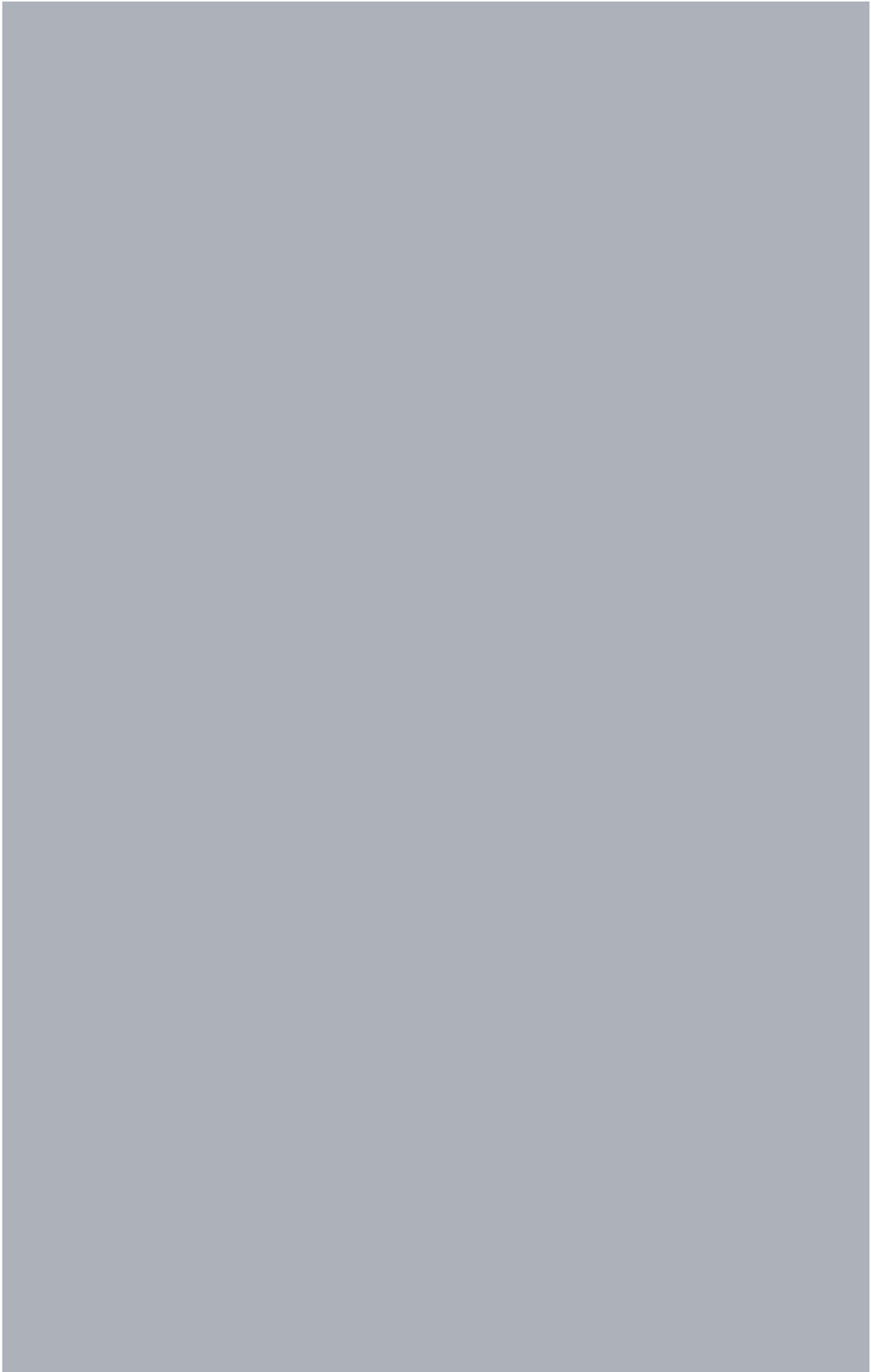
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION PURSUANT TO CONSOB REGULATION no. 15519 OF 27 JULY 2006

Assets (Euro/thousands)	Notes	31/12/2024	of which related parties (note 39)	31/12/2023	of which related parties (note 39)
Intangible assets	12	399,944	—	385,116	—
Land and building		—	—	—	—
Plant and equipment		15,503	—	10,982	—
Other fixed assets		28,613	—	23,748	—
Property, plant and equipment	13	44,116	—	34,730	—
Assets from rights of use	14	76,445	—	68,762	—
Equity-accounted investees		14,402	—	13,340	—
Other investments		960	—	260	—
Total investments	15	15,362	—	13,600	—
Non-current financial assets	28	5,303	2,950	8,688	2,950
Deferred tax assets	16	59,851	9,641	65,788	10,329
Other non-current assets	17	2,511	—	1,726	—
Total non-current assets		603,533	12,591	578,410	13,279
Tax receivables	18	15,937	1,104	15,541	3,458
Other current assets	19	74,364	139	74,195	408
Inventory	20	156,645	—	149,940	—
Trade receivables	21	175,135	16,998	164,438	16,585
Other current financial assets	28	142	—	2,111	—
Cash and cash equivalents	28	111,289	—	49,724	—
Total current assets		533,513	18,241	455,949	20,451
Discontinued or discontinuing operations		—	—	1,685	—
Total Assets		1,137,046	30,832	1,036,044	33,730

Liabilities (Euro/thousands)	Notes	31/12/2024	of which related parties (note 39)	31/12/2023	of which related parties (note 39)
Share Capital		67,979		67,979	
Treasury shares		(1,544)	—	(2,371)	—
Other reserves and profit/loss carried forward		189,419	—	160,064	—
Profit (Loss) for the year		60,211	—	62,411	—
Group equity	22	316,066	—	288,083	—
Share capital and reserves attributable to non-controlling interests		1,015	—	755	—
Total Equity	23	317,081	—	288,838	—
Provisions	24	29,044	—	40,839	—
Post-employment benefits	25	29,270	—	29,191	—
Non-current financial liabilities	28	144,270	—	95,638	—
Financial liabilities IFRS 16	28	67,562	—	59,275	—
Deferred tax liabilities	16	39,996	—	42,365	—
Other non-current liabilities		—	—	—	—
Total non-current liabilities		310,142	—	267,308	—
Income tax payables	18	13,965	11,336	12,972	12,052
Other current liabilities	26	144,855	79	145,651	67
Trade payables	27	273,141	6,403	257,069	5,005
Payables to banks and other financial liabilities	28	64,250	—	50,998	—
Financial liabilities IFRS 16	28	13,612	—	13,208	—
Total current liabilities		509,823	17,818	479,898	17,124
Liabilities disposed or being disposed of		—	—	—	—
Total liabilities		1,137,046	17,818	1,036,044	17,124

CONSOLIDATED INCOME STATEMENT PURSUANT TO CONSOB RESOLUTION NO. 15519 of 27 JULY 2006

(Euro/thousands)	Notes	2024	of which related parties (note 39)	of which non- recurring (income) expense (note 38)	2023	of which related parties (note 39)	of which non- recurring (income) expense (note 38)
Revenue from sales and services	29	934,734	65,670	—	904,737	75,770	—
Decrease (increase) in inventory	20	(290)	—	—	2,760	—	—
Cost of raw and ancillary materials, consumables and goods	30	178,646	273	—	164,887	273	—
Cost of services	31	467,800	15,520	—	458,824	18,484	—
Cost of personnel	32	141,986	(182)	—	140,579	(230)	—
Sundry expense (income)	33	(8,346)	78	—	(11,208)	124	(3,629)
EBITDA		154,937	49,981	—	148,895	57,119	3,629
Amortisation and impairment loss on intangible assets	12	38,610	—	—	42,735	—	—
Depreciation and impairment loss on property, plant and equipment	13	8,412	—	—	7,011	—	—
Amortization/depreciation and	14	15,913	—	—	14,966	—	—
Operating income (loss)		92,002	49,981	—	84,183	57,119	3,629
Financial expense (income)	34	8,312	(100)	—	7,838	(98)	—
Expense (income) from other investments	15	(414)	—	—	(4,155)	—	(2,431)
Result before tax		84,104	50,081	—	80,500	57,217	6,060
Income tax	35	21,651	(3,900)	—	17,924	(3,900)	(740)
Result from continuing operations		62,453	53,981	—	62,576	—	6,800
Result from discontinued or discontinuing operations		—	—	—	—	—	—
Net profit		62,453	53,981	—	62,576	61,117	6,800
Attributable to:							
- Non-controlling interests		2,242	—	—	165	—	—
- Parent Company shareholders		60,211	53,981	—	62,411	61,117	6,800



EXPLANATORY NOTES

1. General information

The core business of Arnoldo Mondadori Editore S.p.A. and of its directly or indirectly owned companies (hereinafter referred to as the "Mondadori Group" or the "Group") is the publishing of books and magazines.

The Group also carries out retailing activities through directly-owned and franchised stores located across Italy.

Mondadori's business areas offer products and services that harness cutting-edge digital technology, thus expanding the sales portfolio.

Arnoldo Mondadori Editore S.p.A., with registered office in Via Gian Battista Vico 42, Milan (Italy), and headquarters in Strada privata Mondadori, Segrate/Milan, is listed on the STAR segment of the Electronic Stock Market (MTA) of Borsa Italiana S.p.A..

The publication of the consolidated financial statements of the Mondadori Group for the period ended 31 December 2024 was authorized by the Board of Directors' resolution of 12 March 2025.

2. FORM AND CONTENT

The Group's consolidated financial statements at 31 December 2024 were drawn up on a going concern basis; the Directors assessed the Group's ability to fulfill future commitments and believe there are no significant uncertainties, as defined by IAS 1.25, concerning its ability to continue operations in the foreseeable future.

The risks and uncertainties the Group is exposed to from the business carried on and the risk mitigation measures adopted are explained in the appropriate section of the Report on Operations.

The financial statements were prepared in accordance with the International Accounting Standards (IAS/IFRS) issued by the International Accounting Standard Board (IASB) and endorsed by the EU, and with the International Financial Reporting Interpretations Committee (SIC/IFRIC).

The financial statements were drawn up in accordance with the accounting standards used for the preparation of the consolidated financial statements at 31 December 2023, considering the amendments and the new standards effective as from 1 January 2024, as per Note 6.23.

The following criteria were adopted in the drafting of these financial statements:

- in the consolidated statements of financial position, current and non-current assets and current and non-current liabilities are shown separately;
- in the consolidated income statement, the analysis of costs is performed on the basis of the nature of costs, since the Group deems this method more representative than a presentation by function;
- the consolidated comprehensive income statement contains revenue and cost items that are not recognized under income (loss) for the year as required or allowed by the IAS/IFRS accounting standards;
- the statement of cash flows was prepared using the indirect method.

Regarding the requirements of CONSOB Resolution no. 15519 of 27 July 2006, specific supplementary tables were prepared to highlight significant transactions with "Related parties" and "Non-recurring transactions".

The amounts shown in the tables and in these notes are expressed in Euro thousands unless otherwise stated.

3. CONSOLIDATION PRINCIPLES AND SCOPE

The financial statements of the consolidated companies were drawn up on the same balance sheet date of Arnoldo Mondadori Editore S.p.A., according to the IAS/IFRS standards.

In cases where the balance sheet date does not match the Parent Company's, adjustments are made to recognize the effects of any significant transactions or events that have occurred between that date and the Parent Company's date.

The Mondadori Group consolidated financial statements include:

- the financial statements of the Parent Company and the financial statements of Italian and foreign companies directly or indirectly owned by Arnoldo Mondadori Editore S.p.A., according to the provisions set out in IFRS 10. In these cases, the financial statements are consolidated on a line-by-line basis;
- the financial statements of Italian and foreign companies in which Arnoldo Mondadori Editore S.p.A. has joint control, either directly or indirectly, pursuant to IFRS 11. In these cases, investments are recognized in compliance at equity;
- the financial statements of Italian and foreign companies in which Arnoldo Mondadori Editore S.p.A. has a direct or indirect investment in an associate pursuant to IFRS 11. In these cases, in compliance with the same standard, investments are measured at equity.

The application of the abovementioned consolidation policies led to the following adjustments:

- the book value of investments in companies included in the consolidation scope is written off against the related equity at the date control is acquired;
- the difference between the cost incurred for the acquisition of the investment and the relevant share of equity is recognized on the date of purchase and allocated to the specific asset and liability items at fair value. Any positive difference is recognized under goodwill; any negative difference is recognized in the income statement;
- consolidated equity amounts, reserves and the financial result attributable to minorities are recognized under items in consolidated equity and income statement;
- in preparing the consolidated financial statements, receivables and payables, revenue and expense resulting from transactions between companies included in the consolidation area are written off as are any unrealized gains or losses on intercompany transactions.

During 2024, the Mondadori Group completed the following acquisitions:

- 51% of Star Shop Distribuzione S.r.l.;
- 100% of Chelsea Green Publishing Inc.;
- 51% of Fatto in casa da Benedetta S.r.l.;
- 100% of SE Studio Editoriale S.r.l..

For further information on transactions recognised in accordance with IFRS 3, see Note 8.

Further changes in the scope of consolidation are shown below:

- the acquisition of 51% of Bookrepublic Webnovels S.r.l., 22.52% of Meaningfool S.r.l. and a minority stake in start-ups operating in development activities related to artificial intelligence. The Group has no control over these companies, which are consolidated according to the equity method;
- the sale of the entire stake held in Mediamond S.p.A., which was finalised in December 2023, effective as of 1 January 2024.

Below are the companies included in the scope of the Group consolidated financial statements and relating consolidation method:

Company Name	Registered office	Business	Currency	Share capital expressed in foreign currency	Group shareholding in % 31/12/2024	Group shareholding in % 31/12/2023
Companies consolidated on a line-by-line basis						
Arnoldo Mondadori Editore S.p.A.	Milan	Publishing	Euro	67,979,168.00		
Italian subsidiaries						
Abscondita S.r.l.	Milan	Publishing	Euro	12,750	100.00	100.00
AdKaora S.r.l.	Milan	Trade	Euro	15,000	100.00	100.00
A.L.I. - Agenzia Libreria International S.r.l.	Cornaredo	Services	Euro	156,000	75.00	75.00
De Agostini Libri S.r.l.	Novara	Publishing	Euro	100,000	50.00	50.00
Direct Channel S.p.A.	Milan	Services	Euro	3,120,000	100.00	100.00
D Scuola S.p.A.	Milan	Publishing	Euro	5,000,000	100.00	100.00
Edizioni Star Comics S.r.l.	Perugia	Publishing	Euro	1,000,000	51.00	51.00
Electa S.p.A.	Milan	Publishing	Euro	1,593,735	100.00	100.00
Fatto in casa da Benedetta S.r.l.	Altidona	Digital / Publishing	Euro	119,048	51.00	
Giulio Einaudi Editore S.p.A.	Turin	Publishing	Euro	23,920,000	100.00	100.00
Grafiche Bovini S.r.l.	Perugia	Stampa	Euro	70,000	100.00	100.00
Hej! S.r.l.	Milan	Publishing	Euro	17,867	100.00	100.00
Il Castello S.r.l.	Cornaredo	Publishing	Euro	10,000	75.00	75.00
Libromania S.r.l.	Novara	Publishing	Euro	20,000	100.00	100.00
Mondadori Education S.p.A.	Milan	Publishing	Euro	10,608,000	100.00	100.00
Mondadori Libri S.p.A.	Milan	Publishing	Euro	30,050,000	100.00	100.00
Mondadori Media S.p.A.	Milan	Publishing	Euro	1,000,000	100.00	100.00
Mondadori Plai S.r.l.	Milan	Investments	Euro	100,000	100.00	

Company Name	Registered office	Business	Currency	Share capital expressed in foreign currency	Group shareholding in % 31/12/2024	Group shareholding in % 31/12/2023
Mondadori Retail S.p.A.	Milan	Trade	Euro	2,000,000	100.00	100.00
Mondadori Scienza S.p.A.	Milan	Publishing	Euro	2,600,000	100.00	100.00
Mondadori Scuola S.p.A.	Milan	Publishing	Euro	50,000	100.00	100.00
Power S.r.l.	Milan	Publishing	Euro	10,000	100.00	100.00
Rizzoli Education S.p.A.	Milan	Publishing	Euro	42,405,000	99.99	99.99
SE Studio Editoriale S.r.l.	Milan	Publishing	Euro	36,400	100.00	
Star Shop Distribuzione S.r.l.	Perugia	Commercial / Services	Euro	50,000	51.00	
Zenzero S.r.l.	Milan	Publishing	Euro	27,778	73.00	73.00
Webboh S.r.l.	Milan	Publishing	Euro	10,000	100.00	100.00
Foreign subsidiaries						
Rizzoli International Publications Inc.	New York	Publishing	USD	26,900,000	100.00	100.00
Rizzoli International Bookstore Inc.	New York	Trade	USD	3,499,000	100.00	100.00
Chelsea Green Publishing Company US	Chelsea	Publishing	USD	35,947	100.00	
Digital Advertising & Engagement S.A	Madrid	Tech advertising	Euro	6,135	100.00	100.00
Companies measured at equity						
Bookrepublic Webnovels S.r.l.	Milan	Digital	Euro	612,245	51.00	
Edizioni EL S.r.l.	Trieste	Publishing	Euro	620,000	50.00	50.00
Attica Publications Group	Athens	Publishing	Euro	4,590,000	41.98	41.98
Meaninfool S.r.l.	Rome	Digital marketing	Euro	20,129	22.52	
Mediamond S.p.A.						50.00
Mondadori Seec Advertising Co. Ltd	Beijing	Publishing	Cny	40,000,000	50.00	50.00
Press-Di Distr. Stampa e Mult. S.r.l.	Milan	Services	Euro	200,000	20.00	20.00
Companies measured at fair value						
AD cube S.r.l.	Milan	Artificial Intelligence	Euro	10,451	3.99	
Augmented Human Intelligence Ltd.	London	Artificial Intelligence	GBP	108	7.14	
Consorzio Edicola Italiana	Milan	Services	Euro	60,000	16.67	16.67
Consuedit S.c.a.r.l. in liquidation	Milan	Services	Euro	20,000	9.56	9.56
Equal Education S.r.l.	Collegno	Artificial Intelligence	Euro	10,769	7.14	
Immobiliare Editori Giornali S.r.l.	Rome	Real Estate	Euro	830,462	7.88	7.88
Istory S.r.l.	Tavagnacco	Artificial Intelligence	Euro	10,769	7.14	
Pathway S.r.l.	L'Aquila	Artificial Intelligence	Euro	1,283	7.14	
Paperbox Health S.r.l.	Turin	Artificial Intelligence	Euro	11,628	5.00	
Similar S.r.l.	Chiari	Artificial Intelligence	Euro	1,077	7.14	

Company Name	Registered office	Business	Currency	Share capital expressed	Group shareholding in %	Group shareholding in %
				in foreign currency	31/12/2024	31/12/2023
Società Editrice Il Mulino S.p.A.	Bologna	Publishing	Euro	2,350,000	7.61	7.61

4. TRANSLATION OF FINANCIAL STATEMENTS DENOMINATED IN FOREIGN CURRENCIES

All amounts in the Mondadori Group consolidated financial statements are in Euro, which is the Group's functional and presentation currency.

When the financial statements of companies are denominated in a different currency, they are translated into the entity's presentation currency as follows:

- assets and liabilities are translated at the exchange rate ruling at closing;
- income statement items are translated at the average exchange rate for the year.

Currency exchange rate differences that arise from these translations are recognized in a specific reserve under equity.

5. Segment information

The information required by IFRS 8 is supplied taking into account the Group's organisational structure, divided into business units in terms of products sold and services rendered and, consistently with the corporate reporting, is used by the Top Management in the definition of corporate strategies and plans, as well as in the valuation of investment opportunities and allocation of resources.

The business areas identified are as follows: Trade Books, Education Books, Retail, Media and Corporate & Shared Services.

There have been no changes compared to the representation published as at 31 December 2023.

6. ACCOUNTING PRINCIPLES AND VALUATION CRITERIA

As envisaged by the amendment to IAS 1, below are the accounting standards for the 2024 Consolidated financial statements.

6.1 Intangible assets

When it is probable that costs will generate future economic benefits, intangible assets include the cost, including ancillary expense, of the purchase of assets or resources, without any physical form, used in the production of goods or in the supply of services, to rent to third parties or for administrative purposes, on condition that the cost is quantifiable in a reliable manner and that the goods are clearly identifiable and controlled by the company that owns them.

Costs incurred after the initial purchase are included in the increase of the cost of intangible assets in direct relation to the extent to which those costs are able to generate future economic benefits.

Subsequent to initial recognition, intangible assets are measured at cost, net of accumulated amortization and any accumulated impairment loss.

Intangible assets purchased separately and those purchased as part of business combinations that took place before the first-time adoption of IAS/IFRS are initially recognized at cost, while those purchased as part of business combination transactions concluded after the first-time adoption of IAS/IFRS are initially recognized at fair value.

On the other hand, any costs for the production and launch of trademarks and titles are charged to the income statement for the year.

Intangible assets with finite useful life

The cost of intangible assets with finite useful life is systematically amortized over the useful life of the asset from the moment the asset is available for use. The amortization criteria depend on how the relating future economic benefits contribute to the Company's result.

The amortization rates reflecting the useful lives attributed to intangible assets with finite useful life are as follows:

Intangible assets with a finite useful life	Useful life
Trademarks and titles	Term of licence/10-20 years
Goods under concession or license	Term of the concession and license
Software and creation costs for textbook publishing	Straight line over 3-5 years
Patents and rights	Straight line over 3-5 years
Other intangible assets	Straight line over 3-4-5 years

Intangible assets with finite useful life are subject to an impairment test whenever there is an indication of a possible impairment. The period and method of amortization applied are reviewed at the end of each year or more frequently, if necessary.

Changes in the expected useful life or in the way future economic benefits linked to intangible assets are expected to be earned by the Group are recognized by modifying the period or method of amortization, and are treated as adjustments to accounting estimates.

Intangible assets with indefinite useful life

Intangible assets are considered to have indefinite useful life when, on the basis of a thorough analysis of the relevant factors, there is no foreseeable limit to the length of time the assets may generate income for the Mondadori Group.

The intangible assets identified by the Mondadori Group as having indefinite useful life are shown in the table below:

Intangible assets with indefinite useful life
Trademarks
Series
Goodwill

Goodwill represents the excess of the cost of a business combination over the Group's purchased share in the fair value of the assets and liabilities acquired, as identifiable at the time of purchase. Goodwill and other intangible assets with indefinite useful life are not subject to amortization but to an impairment test of their book value. This test concerns the value of the individual assets or of the cash generating unit and is carried out whenever it is believed that the value has decreased, and in any case at least once a year.

In cases where goodwill is attributed to a cash generating unit (or to a group of units) whose assets are partly disposed of, goodwill associated with the asset disposed of is reviewed in order to determine any capital gains or losses resulting from the transaction. In these circumstances, goodwill

disposed of is measured on the basis of the value of the assets disposed of, compared with the asset still included in the cash generating unit in question.

6.2 Property, plant and equipment

Any costs attributable to the purchase of property, plant and equipment are recognized as assets, on condition that the relevant costs can be reliably calculated and any relating future economic benefits accrue to the entity.

Assets booked to property, plant and equipment are recognized based on the purchase method, including any ancillary expense, and are stated net of depreciation and any impairment loss.

Costs incurred after the initial purchase are recognized as an increase in cost in direct relation to the extent that these costs can improve the asset's yield.

Assets booked to property, plant and equipment purchased as part of acquisitions and business combinations are initially recognized at fair value as determined at the time of purchase and, subsequently, at historical cost.

Assets booked to property, plant and equipment, with the exception of land, are depreciated on a straight-line basis during the useful life of the asset from the moment the assets are available for use.

If the assets include more than one significant component and the components have different useful lives, each individual component is depreciated separately.

The depreciation rates that generally reflect the useful lives attributed to Group property, plant and equipment are shown in the table below:

Property, plant and equipment	Depreciation rate
Instrumental buildings	3%
Plant	10% - 25%
Machinery	15.5%
Equipment	12.5% - 25%
Electronic office machinery	30%
Office furniture, facilities and fittings	12%
Motor and transport vehicles	20% - 30%
Other tangible assets	20%

The residual value of assets, useful lives and depreciation criteria applied are reviewed on an annual basis and adjusted, if necessary, at year end.

Leasehold improvements are recognized as fixed assets and depreciated over the lower of the residual useful life of the asset and the residual term of the lease contract.

6.3 Finance lease assets

IFRS 16 sets out the principles for recognizing, measuring, presenting and disclosing lease contracts and requires lessees to account for all lease contracts in the financial statements.

Application of this standard results in the initial recognition in the statement of financial position of (i) an asset, equal to the present value of the future minimum compulsory rentals to be paid by the lessee from 1 January 2019 or from the contract commencement date if later than the date of first-time application, which will be amortized/depreciated over the shorter of the technical economic life and the remaining term of the contract, and (ii) a financial liability, equal to the present value of the

future minimum compulsory rentals to be paid by the lessee from 1 January 2019 or from the contract commencement date if later than the date of first-time application, unpaid at the transition date. The payable will then be reduced as lease payments are made. The lease payment is no longer recorded in EBITDA, recording instead (i) the amortization/depreciation of the right of use and (ii) the financial expense on the payable entered.

Lessees must also remeasure the lease liability on occurrence of certain events (for example: a change in the terms of the lease or a change in future lease payments resulting from a change in an index or rate used to determine such payments). The lessee generally recognizes the amount of the remeasurement of the liability as an adjustment to the asset's right of use.

In the adoption of IFRS 16, the Group made use of the exemptions granted by section IFRS 16.5 (a) relating to short-term leases, and by IFRS 16.5 (b) relating to lease contracts whose underlying asset is a low-value asset. For such contracts, the introduction of IFRS 16 implies the recognition of the financial liability from the lease and the relating right of use, but lease payments will be recognized in the income statement on a straight-line basis for the duration of the respective contracts.

6.4 Impairment

The value of intangible assets, and property, plant and equipment and rights of use is subject to an impairment test whenever it is believed there are indications of an impairment.

Impairment tests are carried out at least once a year on goodwill, other intangible assets with indefinite useful life and on other assets that are not available for use, and are performed by comparing the book value with whichever is higher between the fair value less costs to sell and the value in use of the asset.

If no binding sales agreement or active market for an asset exist, the fair value is calculated on the basis of the best information available on the amount the entity would obtain at closing from the disposal of an asset in a free transaction between informed and willing parties, having deducted the costs of disposal.

The value in use of an asset is determined by discounting the cash flows expected from its use, subjecting forecasts of the relevant financial income on reasonable and sustainable assumptions used by the Directors to best represent the economic conditions foreseen for the remainder of the life of the asset, giving more weight to external indicators.

Discounting rates reflect current market estimates of the time value of money and the specific risks connected to the asset.

The valuation is carried out by individual asset or by the smallest Cash Generating Unit that generates cash flows from asset use.

Should the recoverable value resulting from the impairment test be lower than cost, the loss is recognized as a reduction in the value of the asset and recognized as a cost item in the income statement.

If during subsequent financial years, when the impairment test is repeated, the reasons for the write-down no longer apply, the value of the asset, excluding goodwill, is written back to take account of the new recoverable value, which should never exceed the value that would have been stated had no impairment been recognized.

6.5 Investments

Investments in those companies in which the Group exercises control, pursuant to IFRS 10, are consolidated on a line-by-line basis.

The definition by IFRS 10 holds that an investor controls an investee if it has all three of the following:

- power over the investee, that is to say, the investor has existing rights that give it the ability to direct the relevant activities;
- exposure, or rights, to variable returns from its involvement in the investee;
- the ability to use its power over the investee to affect the amount of the investor's variable returns.

Changes determined by acquisitions or disposals in the stakes held in a subsidiary, without this leading to a loss of control, are treated as transactions with shareholders. The difference between the fair value of the consideration paid or received for such transactions and the adjustment made to the minority interests is recognized directly in the parent company's equity.

Investments in companies in which strategic financial and managerial decisions on the economic activities require the unanimous consent of all of the parties that share control, pursuant to IFRS 11, are qualified as a joint operation or a joint venture, based on the evaluation of their own rights and of their own obligations.

Investments in those companies in which the Group does not exercise control, but has a notable influence on the company's financial and strategic decisions, pursuant to IFRS 11, are consolidated at equity.

Investments in joint ventures and associates are initially recognized at cost and subsequently adjusted as a result of any changes in the interest the Group holds in the relevant equity.

The Group's share of any income and loss of such companies is recognized in the income statement. The book value of investments in joint ventures and associates include any higher cost paid attributable to goodwill, subject to impairment testing at least once a year.

Investments in the companies in which the Group does not have control nor does it exercise a notable influence on the financial and strategic decisions of the company, pursuant to IFRS 9, are booked at their fair value.

The value of investments is subject to an impairment test whenever there are indications of a possible impairment loss.

If the impairment test indicates an impairment loss, the investment is written down; if in subsequent years the reasons for the write-down no longer apply, the value of the investment is written-back to the extent of its historical cost.

Write-downs and write-backs are recorded in the income statement.

Information required by IFRS 12 is given on all the investments.

6.6 Inventory

Inventory is measured at the lower of the cost and the net realizable value.

Inventory cost includes purchase costs, processing costs and other costs involved in bringing an item to its current location and condition, without taking financial expense into consideration.

The calculation of cost of inventory is based on the weighted average cost of raw materials, consumables and finished products purchased for sale. The FIFO method is used for finished products.

The valuation of work in progress and semi-finished goods and contract work in progress is based on the cost of the materials and other direct costs incurred, taking account of the progress of the production process.

The presumed net value for raw and ancillary materials and consumables corresponds to the cost of their replacement, while for semi-finished and finished goods it corresponds to the standard estimated sales price net of estimated cost to completion and sales cost, respectively.

6.7 Financial assets

Financial assets are initially recognized at cost, increased by ancillary purchase expense, corresponding to the fair value of the price paid. Purchases and sales of financial assets are recognized as of the trading date, which corresponds to the date on which the Group agrees to purchase the assets in question. After initial recognition, financial assets are posted according to the relevant classification, as outlined below:

Loans and receivables

This item includes financial assets that do not have fixed or determinable payments and are not listed on an active market.

These assets are recognized at amortized cost, under IFRS 9, using the discounting method. Income and loss is recognized in the income statement when loans and receivables are written off or in case of impairment loss, as well as through amortization.

The Group includes trade receivables, both financial and other receivables into this category. These are due within twelve months and are therefore recorded at their estimated realizable value.

This class also includes "Cash and cash equivalents".

6.8 Trade and other receivables

Trade and other receivables are recorded at the fair value of the price collected during the transaction. Receivables are recognized at current values when the relevant financial impact linked to the expected collection time span is significant and the collection date can be reliably estimated. Receivables are recognized in the financial statements at their estimated realizable value, taking account of expected losses.

6.9 Cash and cash equivalents

"Cash and cash equivalents" includes cash on hand and financial investments falling due within three months and which entail only a minimal risk of change in their face value. They are recorded at fair value.

6.10 Financial liabilities

Financial liabilities include financial payables, derivative instruments, payables associated with finance leases and trade payables.

All financial liabilities other than derivative financial instruments, under IFRS 9, are recognized at fair value, increased by any transaction costs, and are subsequently measured at amortized cost using the interest rate method.

Financial liabilities hedged by derivative instruments against the risk of changes in value (fair value hedges), are measured at fair value, in accordance with IAS 39 - Hedge accounting, as an exception to the provisions of IFRS 9: profit and loss resulting from subsequent variations in fair value is recognized in the income statement. Any changes linked to the effective hedge portion are offset by adjusting the value of the relevant derivative instruments.

Financial liabilities hedged by derivative instruments against the risk of changes in cash flow (cash flow hedges), are measured at amortized cost in compliance with IAS 39 - Hedge accounting.

The Group recognises financial liabilities related to put options over minority shares at the current value of the option exercise price.

Upon initial recognition of the liability, this value is reclassified from equity by reducing the minority interest.

The Group accounts for this portion as if it had already been acquired in application of the Anticipated Interest Method. The financial liability recognised is equal to the best estimate of the option exercise price and is subsequently remeasured at each closing date. The accounting policy adopted by the Group provides for the recognition in equity of any change in the value of the liability.

6.11 Derecognition of financial assets and liabilities

A financial asset or, where applicable, part of a financial asset or parts of a group of similar financial assets, is derecognised when:

- the right to receive cash flows from the asset has been extinguished;
- the Group still has the right to receive cash flows from the asset but has taken on a contractual obligation to transfer the entire cash flow promptly to a third party;
- the Group has transferred the right to receive cash flows from an asset and has transferred substantially all the risks and benefits deriving from ownership of the financial asset or has transferred control of the financial asset.

A financial liability is derecognised when the underlying obligation has been discharged, cancelled or expired.

6.12 Impairment of financial assets

At each balance sheet date, the Group carries out an impairment test in order to determine whether a financial asset or group of financial assets has suffered impairment.

Financial assets recognized at amortized cost

If there is objective evidence of an impairment in loans and receivables, the loss amount is recognized in the income statement and is calculated as the difference between the asset's book value and the current value of the estimated cash flows discounted based on the interest rate used initially for the asset.

If, in a subsequent year, the impairment amount decreases and such reduction can be objectively attributed to an event that has occurred after the recognition of impairment, the previously recognized impairment is written back to the amount the asset would have had, taking amortization into account, at the date of the write-back.

6.13 Derivative financial instruments

Derivative financial instruments are initially recognized at fair value at the date they are stipulated. When a hedge operation is entered into, the Group designates and formally documents the hedge relationship for hedge accounting purposes and its objectives for risk and strategy management purposes.

The documentation includes the identification of the hedging instrument, the object or transaction subject to hedge, the nature of the risk and the criteria adopted by the Group to evaluate hedging effectiveness in compensating exposure to fair value fluctuations of the object hedged or cash flows correlated to the risk hedged.

It is assumed that such hedges are highly effective to offset the exposure of the object hedged against fair value fluctuations or cash flows associated with the risk hedged. The valuation of the effectiveness of such hedges is carried out on an ongoing basis over the years of application.

Transactions that satisfy hedge accounting criteria are accounted for as follows:

Cash flow hedge

If a derivative financial instrument is designated as a hedging instrument against exposure to cash flow variations of an asset or liability included in the financial statements or of a highly probable transaction, the effective portion of profit or loss deriving from fair value adjustment of the derivative instrument is recognized in a special reserve under equity. The accumulated income or loss is written off from the equity reserve and recognized in the income statement, when the results of the transaction subject to hedge are recognized in the income statement.

Income and loss associated with the ineffective part of a hedge is recognized in the income statement. When a hedging instrument is terminated, but the transaction subject to hedge has not been carried out yet, the accumulated income and loss is kept in the reserve under equity and will be reclassified in the income statement upon completion of the transaction. Should the transaction subject to hedge be considered as no longer probable, any unrealized income and loss posted under the relevant equity reserve is recognized in the income statement.

When hedge accounting is not applicable, income and loss deriving from the fair value measurement of the derivative financial instrument is recognized in the income statement.

6.14 Provisions

Provisions established to cover liabilities that have been clearly identified, are certain or probable but whose amount or date of occurrence cannot be foreseen at the reporting date, are recognized when a legal or implicit obligation can be assumed which refers to past events and when it is also assumed that such obligation implies expenses that can be reliably measured.

Provisions are measured at fair value based on each individual liability item. When the financial impact associated with the assumed time span for the outlay is relevant and the payment dates can be reliably foreseen, provisions include said financial component, which is recognized in financial income (expense) in the income statement.

6.15 Post-employment benefits

Benefits to employees upon termination of the relevant labour contract are broken down according to their economic nature as follows:

- defined contribution plans, represented by the sums accrued as of 1 January 2007 for Group companies with more than 50 employees;
- defined benefit plans, represented by the provision for post-employment benefits for companies with less than 50 employees and the provision for post-employment benefits accrued until 31 December 2006 for the other Group companies.

In the defined contribution plans, the entity's legal or implicit obligation is limited to the amount of contributions to pay; hence, the actuarial and investment risks fall upon the employee. In the defined benefit plans, the entity's obligation consists in granting and ensuring the agreed benefits to employees; hence, the actuarial and investment risks fall upon the entity.

Post-employment benefits for companies with more than 50 employees are calculated by applying actuarial criteria to the provision for post-employment benefits accrued until the date of the financial statements, taking into account both demographic assumptions, including mortality rates and employee turnover, and financial assumptions, relating to discounts reflecting the time value of money and the inflation rate.

Post-employment benefits for companies with less than 50 employees are calculated by applying the same actuarial criteria, taking account of current and future salary levels.

The amount recognized as a liability for defined benefit plans is represented by the current liability value at closing, net of the current value of plan assets, if any.

This liability item is recognized in the income statement and includes the following components:

- social security costs relating to current labour, when fulfilling the relevant requirements;
- cost of interest.

The amounts accrued in favour of employees during the year are recognized under "Cost of personnel", while the relevant financial component, which represents the cost the company would have to incur if it were to seek a loan on the market for the same amount, is recognized under "Financial income (expense)".

Actuarial income and loss is recognized in a specific item under equity and in the comprehensive income statement.

The supplementary indemnity for agents is also determined on an actuarial basis. The amounts accrued in favour of agents during the year, which become payable upon termination of the labour contract only under certain conditions, are recognized under "Sundry expense (income)".

6.16 Equity compensation plans

The Group grants additional benefits to a number of board members and managers whose functions are strategically relevant for the achievement of results, through equity-settled compensation plans (Performance Share Plan).

In the case of share-based payments transactions settled with equity instruments of the Parent Company, the fair value at the granting date, calculated according to a binomial model, is recorded under cost of personnel, with a corresponding increase in Equity under "Reserve for Performance shares", over the period during which the employees obtain the unconditional right to the incentives.

Subsequently, the amount recognized as a cost is adjusted to reflect the actual number of shares for which the service condition and the non-market condition have been met, so that the final amount recorded as a cost is based on the number of incentives that will definitely vest.

Service or performance conditions are not taken into account when defining the fair value of the plan at the granting date. However, the probability of these conditions being met is taken into account when defining the best estimate of the number of equity instruments that will vest. Market conditions are reflected in the fair value at granting date.

Any other conditions attached to the plan that do not involve a service obligation are not considered to be a vesting condition. Non-vesting conditions are reflected in the fair value of the plan and result in the immediate recognition of the cost of the plan, unless there are also service or performance conditions.

No cost is recognized for rights that do not ultimately vest because the performance and/or service conditions have not been met.

6.17 Recognition of revenue and costs

Revenue from the sale of goods is recorded net of trade discounts, allowances and returns, when the right to payment and the operating benefits resulting from the sale become unconditional and the obligation is met.

As principal, the Group recognizes revenue from the sale of its own books and magazines, as well as revenue from related advertising space, on the basis of the retail price; when it operates as agent, it recognizes revenue from the sale of books and magazines owned by distributed third publishers, as well as revenue from related advertising space, on the basis of the retail price net of related costs, showing the intermediation margin only.

Revenue from services is recognized based on the relevant state of completion.

Revenue from interest is recognized on an accrual basis by applying the interest method; royalties are recognized on an accrual basis and subject to the conditions of the relevant agreements; dividends are recognized when the shareholder is acknowledged the right to payment.

Any revenue from barter transactions is recognized at fair value when the barter deal involves dissimilar services. Dissimilar services comprise barter deals for goods and advertising, when they refer to different communications means or product positioning. Costs are recognised based on similar criteria as revenue and, in any case, on an accrual basis.

6.18 Current, pre-paid and deferred tax

Current tax is calculated on the basis of a taxable income estimate and in accordance with the laws applicable in the individual countries in which any of the Group companies has its registered offices.

Deferred and pre-paid tax is calculated on all the temporary differences between recognized assets and liabilities and the relevant book values booked in the financial statements for tax purposes, with the exception of the following:

- temporary taxable differences deriving from the initial recognition of goodwill;
- temporary differences resulting from the initial recognition of an asset or a liability in a transaction which does not imply a business combination and which does not have any impact either on the result or the taxable income on the transaction date;
- temporary differences relating to the value of the shareholding held in subsidiary, associates and jointly-controlled companies when:
 - the Group is in a position to control the timing for the reversal of temporary taxable differences and it is probable that such differences will not reverse in the foreseeable future;
 - it is not probable that deductible temporary differences will reverse in the foreseeable future and that taxable income is available to cover such temporary differences.

The value of prepaid tax amounts is reviewed at the balance sheet date and is reduced if it is no longer probable that sufficient taxable income will be available in the future to cover all or part of these assets.

Deferred and prepaid tax is calculated on the basis of the tax rates that are expected to apply in the period in which assets are realized and liabilities are settled, considering the then applicable tax rates or the tax rates essentially used at the balance sheet date.

Deferred and prepaid tax amounts relating to items directly recognized under equity are recognized directly under equity.

On 1 January 2024, the Pillar/Globe rules came into force under Italian Legislative Decree no. 209/2023 implementing Directive no. 2523/2022/EU. In addition, the Italian legislator also implemented a domestic top-up tax through the issuance of the Decree of the Deputy Minister of Economy and Finance of 1 July 2024.

Very briefly, the Pillar 2 rules state that Group entities (wherever they may be located) shall be subject to effective income tax at a rate of at least 15%, to be determined on the basis of a careful calculation based on the accounting and tax data of such entities, aggregated by country. Where the tax level in a given country is below 15%, a top-up tax will be applied to bring the amount up to 15%.

As required by accounting standard IAS 12 (in particular by the "Amendments to IAS 12 Income Taxes – International Tax Reform – Pillar Two Model Rules"), with the support of the parent company FININVEST, the Mondadori Group has carried out a first, preliminary analysis in order to identify the scope of application and potential impact of this new legislation on the jurisdictions of its consolidation scope, also using the transitional safe harbours ("TSH") applicable in the three years 2024-2026 (the "transitional period"), as envisaged by the OECD Guidelines.

These rules state that no top-up tax shall be due if one of the following tests is passed (to be carried out relative to each jurisdiction):

- De minimis test: passed where the revenues of the jurisdiction are less than € 10 million and the aggregated pre-tax profit is less than one million euros;
- Simplified effective tax rate test: passed where the effective tax level is at least 15% (for 2024), as determined on the basis of the ratio of the aggregated values of pre-tax profit/loss (denominator) and the income tax (numerator). In this regard, the figure of the numerator is the value of the current and deferred income (with some specific adjustments) noted in the reporting packages of the subsidiaries of a certain jurisdiction;
- Routine profit test: passed if the aggregated value of the "substance-based income exclusion" (or "SBIE") envisaged by the Pillar 2 rules exceeds the aggregated amount of the pre-tax profit/loss. As envisaged by the OECD Guidelines, if for one jurisdiction, there is a pre-tax loss, the test is considered passed.

If none of the tests are passed for a specific jurisdiction, the Group shall calculate the effective tax level on the basis of the entire set of Pillar 2 rules, or making specific "adjustments" to the accounting and tax data of the entities located in such jurisdiction, also in order to determine – where such effective tax level is below 15% – the minimum amount of tax due. On the basis of the current data – for FININVEST S.p.A. and its subsidiaries – the company FININVEST S.p.A. takes on the role of "Ultimate Parent Entity" (or "UPE") and Arnoldo Mondadori Editore S.p.A. takes on the role of "Partially-Owned Parent Entity" (or "POPE").

For FY 2024, the Group benefits from TSHs in all countries where it is present; therefore, it does not have to pay any top-up tax.

6.19 Transactions denominated in foreign currencies

Revenue and costs deriving from transactions denominated in foreign currencies are posted in the relevant currency at the exchange rate applied on the transaction date.

Monetary assets and liabilities denominated in foreign currencies are converted at the exchange rate ruling at closing and any exchange differences are recognized in the income statement, except for the differences deriving from loans denominated in foreign currency taken out to pay for the acquisition of an investment in a foreign company. In the latter case, such differences are recognized under equity until disposal.

Non-monetary items measured at historical cost in a foreign currency are converted using the exchange rates applied on the relevant transaction date. Non-monetary items recognized at fair value in a foreign currency are converted using the exchange rates applied on the fair value calculation date.

6.20 Grants and contributions

Grants and contributions are recognized if there is a reasonable certainty that they will be received and if all the conditions referring to them are satisfied. When grants refer to cost items, they are recognized as revenue and systematically distributed over the years so as to reflect the cost proportion they are intended to offset.

When grants refer to assets, the relevant fair value is deferred in long-term liabilities and is recognised in equal amounts in the income statement over the useful life of the asset.

With regard to any State aid and/or "de minimis" aid received, reference is additionally made to the content contained and published in the National State Aid Register.

6.21 Earnings per share

Earnings per share refer to the Group's net profit divided by the weighted average number of outstanding shares in the reporting period.

For the purpose of calculating diluted earnings per share, the weighted average number of outstanding shares is adjusted on the assumption of converting shares with a dilution effect.

6.22 Discontinued assets and liabilities (discontinued operations)

Non-current assets and groups of assets and liabilities whose book value is mainly expected to be recovered through disposal instead of continuous use are recognized separately from other assets and liabilities in the statement of financial position. Such assets and liabilities, when their sale is highly likely, are classified as "held-for-sale assets" and are measured at the lower between their book value and fair value less probable costs of disposal. Income and loss, net of the related tax effect, resulting from the valuation or disposal of such assets or liabilities, is recognized in a separate item in the income statement.

6.23 Accounting standards and interpretations adopted by the European Union with effect from 1 January 2024 and applied by the Mondadori Group

The following is a list of new standards, interpretations and amendments with mandatory application from 1 January 2024 that, based on the assessments performed, did not have impacts on the financial statements as at 31 December 2024:

- Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback:

The amendments to IFRS 16 specify the requirements that a seller-lessor uses in determining the lease liability arising from a sale and leaseback transaction.

The change had no impact on the Group financial statements.

- Amendments to IAS 1 - Classification of Liabilities as Current or Non-current

The amendments to IAS 1 specify the requirements for classifying a liability as current or non-current.

The changes had no impact on the classification of the Group's liabilities.

- Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

The amendments to IAS 7 – Statement of Cash Flows and IFRS 7 – Financial Instruments concern the disclosure of the characteristics of supply finance arrangements.

These changes had no impact on the Group financial statements.

6.24 Accounting standards, amendments and interpretations not yet endorsed by the European Union

The following new accounting standards, amendments and interpretations were issued at the date of this document and have not yet entered into force and have not been adopted in advance by the Group:

- IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 – Presentation of Financial Statements. IFRS 18 introduces new requirements for the presentation of the income statement.

The Group is currently working to identify the impact the changes will have on its financial statements and notes to the financial statements. The standard will be applicable as from 1 January 2027.

- IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to opt for a reduction in their disclosure requirements while continuing to apply the recognition, measurement and presentation requirements in the other IFRS accounting standards. IFRS 19 is not applicable for the Group as it is a listed group.

7. USE OF ESTIMATES

The drafting of these consolidated financial statements and the notes required the use of estimates and assumptions by the Directors, which have an impact on the value of assets and liabilities and on the disclosures relating to potential assets and liabilities at closing, based on the application of the IAS/IFRS accounting standards.

Estimates are based on the current status of information available, are reviewed periodically, and the effects are reflected in the income statement.

The most significant estimates refer to:

Goodwill, intangible assets with indefinite useful life and other non-current assets

The value of goodwill of intangible assets with indefinite useful life and other non-current assets with finite useful life (for the latter, in the presence of indications of impairment loss) is assessed by comparing the book value of the individual assets or the smallest Cash Generating Unit that generates its own cash flows with their recoverable value, represented by the higher of fair value, less costs to sell, and value in use. This process includes, among others, the application of methods such as discounted cash flow, with the relevant assumptions.

Depreciation and amortisation

The useful life of tangible and intangible assets is determined by the Directors when the asset is purchased. The Group regularly assesses any changes in technology, market conditions and expectations of future events that could have an impact on the useful life and duration of amortization/depreciation.

Write-down of advances to authors

The Group estimates the amount of the advances paid to authors to be written down, as they are considered non-recoverable, based on analyses carried out both for published literary works and those to be published.

Write-down of inventory

The Group estimates the amount of inventory to subject to impairment loss based on specific analyses ascertaining finished product marketability and the relevant turnover rates, and, for orders in progress, the Group considers the relevant risk of failed completion.

Provision for bad debts

The recoverability of receivables is measured by taking account of the risk of non-payment, ageing and losses on receivables expected to arise on the receivables.

Returns to receive

In the publishing sector, it is an accepted practice for unsold books and magazines to be returned to the publisher under pre-established conditions.

Therefore, at the end of each reporting period the Group measures the quantities that are expected to be returned in the following years: this estimate is based on historical statistics and takes account also of the level of circulation and any other elements that may affect the quantities of books and magazines returned.

Provision for risks

Allocations made for costs for legal, tax and arbitration disputes are based on complex estimates that take account of the likelihood of losing the disputes.

Post-employment benefits

Allocations made in favour of employees and agents are based on actuarial assumptions: any changes in the underlying assumptions may have significant effects on the provisions.

Income tax

Income tax (both current and deferred) is calculated based on the applicable rates in each individual country in which the Group operates, according to a prudent interpretation of currently applicable tax laws. The estimate is correlated in particular to the recoverability of prepaid tax assets.

8. BUSINESS COMBINATIONS AND ACQUISITIONS

Business combinations are recognised using the purchase cost method pursuant to IFRS 3.

Goodwill has been posted at the date on which control was acquired over a business and is the surplus of the amount:

- of the consideration to be paid;
- of the non-controlling interest in the acquired investee;

and the fair value of the identifiable net assets acquired measured at the date on which control is acquired.

Amongst others, IFRS 3 envisages the posting to profit or loss of the accessory costs connected with the business combination and, in the event of a business combination carried out in multiple phases, the buyer shall remeasure the value of the equity investment it held previously in the acquired company at fair value of the net assets at the date on which control is acquired, noting the difference as profit and loss.

The Group has the possibility of recognising provisional values that will be later subject to adjustments in the financial year of reference within twelve months thereafter, so as to take account of any new information about facts and circumstances existing at the acquisition date, that, if made available earlier, would have had an impact on the value of the assets and liabilities recognised on that same date.

Non-controlling interests' equity may be measured, at acquisition date, either at fair value or pro-rata of the net assets recognised for the acquired company. The choice of valuation method is made individually for each transaction.

Acquisition of control over Star Shop Distribuzione S.r.l.

The transaction

On 1 February 2024, through its subsidiary Mondadori Libri S.p.A., the Mondadori Group finalised, the acquisition of a 51% stake in Star Shop Distribuzione S.r.l., which operates in the distribution of comic books in the sales channel represented by comic book shops and in the management of outlets, both owned and franchised, in the same market segment.

The consideration for the acquisition of 51%, including the price adjustment resulting from the final net financial position as at 31 December 2023, was € 4,569 thousand.

The share purchase agreement provides for two call / put options in favour of Mondadori Libri S.p.A. / the sellers, for the transfer of ownership of 24.5% of the remaining shares for each of them, to be exercised after the approval of the financial statements for the financial years 2025 and 2028.

At the date of acquisition, Mondadori Libri S.p.A. estimated the value of the options, based on available prospective data, and recognised total financial payables of € 3,286 thousand, taking into account the impact of discounting.

Cost of acquisition

The cost of the acquisition was € 7,855 thousand, net of the ancillary costs incurred for the transaction of € 67 thousand, which were posted to the income statement as envisaged by IFRS 3.

Acquisition of Star Shop Distribuzione S.r.l.

(Euro/thousands)

Acquisition cost of Star Shop Distribuzione S.r.l.	7,855
Cash used for acquisition:	
payments made	(4,569)
deferred payments	(3,286)
net financial position of Star Shop Distribuzione S.r.l.	(3,318)
Net cash flows absorbed by acquisition	(11,173)

The acquisition of 51% was settled on 1 February 2024 by means of a payment arrangement made by Mondadori Libri S.p.A..

No shares or similar instruments were issued, nor derivatives as acquisition cost items.

Fair value calculation of assets acquired and liabilities assumed

Here below are the details of the fair value of assets acquired and liabilities assumed and relating fair value adjustments recognized on purchase price allocation:

Amounts in Euro thousands	Notes	Current amounts at acquisition date	Purchase price allocation	Fair value
Goodwill		—	2,313	2,313
Trademarks		—	1,306	1,306
Other intangible assets		41	3,182	3,223
Intangible assets	I	41	6,801	6,842
Land and building		—	—	—
Plant and equipment		56	—	56
Other fixed assets		1,383	—	1,383
Property, plant and equipment		1,439	—	1,439
Rights-of Use-Assets		3,168	—	3,168
Investments		—	—	—
Deferred tax assets		13	—	13
Total non-current assets		4,661	6,801	11,462
Tax receivables		—	—	—
Other current assets		167	—	167
Inventory		3,852	—	3,852
Trade receivables		2,861	—	2,861
Other current financial assets		—	—	—
Cash and cash equivalents		136	—	136
Total current assets		7,016	—	7,016
Assets held for sale		—	—	—
Total assets		11,677	6,801	18,478
Provisions		—	—	—
Post-employment benefits		319	—	319
Non-current financial liabilities		—	—	—
Deferred tax liabilities	II	9	1,252	1,261
Non-current financial liabilities IFRS 16		2,632	—	2,632
Total non-current liabilities		2,960	1,252	4,212
Income tax payables		—	—	—
Other current liabilities		600	—	600
Trade payables		6,108	—	6,108
Payables to banks and other financial liabilities		287	—	287
Financial liabilities IFRS 16		535	—	535
Total current liabilities		7,530	—	7,530
Liabilities held for sale		—	—	—
Total liabilities		10,490	1,252	11,742
Net acquired assets		1187	5,549	6,736
Equity		—	1,119	1,119
Price paid		(7,855)	—	(7,855)
Difference to allocate		(6,668)	6,668	—

The fair value of assets acquired and liabilities assumed was calculated as follows:

I - Intangible assets

The fair value of the item "Brands" is represented by the value attributed to the Star Shop brand, under which the Company carries out the activity of distribution and sale of comic books, whose residual useful life has been defined as ten years.

The fair value of the item "Other intangible assets" is represented by the value attributed to the commercial relations with distributed comic book publishers, whose useful life has been defined as ten years.

Values assigned by the Directors to trademarks and commercial relations were determined with the support of an independent professional.

Goodwill has been determined as a residual value in accordance with IFRS 3.

II - Pre-paid tax assets and deferred tax liabilities

The determination of the fair value of assets acquired and liabilities assumed resulted in the recognition of temporary differences between their fair value and the corresponding tax value.

Tax liabilities were therefore recognised from the recognition of the fair value of trademarks and commercial relations.

Other Information

The difference between the estimated liability resulting from the exercise price of the put options and the book value of the minority interests was recognised as a reduction of equity.

The operating and financial effects of the acquisition of Star Shop Distribuzione S.r.l., under IFRS 3, reflected in the consolidated financial statements of the Mondadori Group from the acquisition date, concurrent to the acquisition of control over the acquired company.

In accordance with IFRS 3, a final accounting of the acquisition was made.

Acquisition of 100% of Chelsea Green Publishing Inc.

The transaction

On 1 May 2024, Rizzoli International Publications Inc. acquired the whole share capital of Chelsea Green Publishing Inc., an American publishing house focused on sustainability issues – including green, health and wellness – and the enhancement of cultural diversity.

The consideration for the transaction, including the price adjustment deriving from the final net financial position as of 30 April 2024, amounted to € 4,607 thousand; no price supplement was provided for in the share purchase and sale agreement.

Cost of acquisition

The cost of the acquisition was € 4,607 thousand, net of the costs incurred for the transaction of € 107 thousand.

Acquisition of Chelsea Green Publishing Inc.	
(Euro/thousands)	
Acquisition cost of Chelsea Green Publishing Inc.	(4,607)
Cash used for acquisition:	
payments made	(4,607)
net financial position of Chelsea Green Publishing Inc. (including IFRS 16 liabilities)	(263)
Net cash flows absorbed by acquisition	(4,870)

The financial outlay of the transaction was € 4,607 thousand.

No shares or similar instruments were issued, nor derivatives as acquisition cost items.

Fair value calculation of assets acquired and liabilities assumed

Here below are the details of the fair value of assets acquired and liabilities assumed and relating fair value adjustments recognized on purchase price allocation:

Amounts in Euro thousands	Notes	Current amounts at acquisition date	Purchase price allocation	Fair value
Goodwill		—	1,293	1,293
Trademarks		—	911	911
Other intangible assets		—	1,422	1,422
Intangible assets	I	—	3,626	3,626
Investment property				—
Land and building		—	—	—
Plant and equipment		—	—	—
Other fixed assets		4	—	4
Property, plant and equipment		4	—	4
Assets from rights of use		276	—	276
Other non-current assets		—	—	—
Deferred tax assets		—	—	—
Total non-current assets		280	3,626	3,906
Tax receivables		3	—	3
Other current assets		275	—	275
Inventory		1,515	—	1,515
Trade receivables		2,714	—	2,714
Other current financial assets		—	—	—
Cash and cash equivalents		13	—	13
Total current assets		4,520	—	4,520
Discontinued or discontinuing operations		—	—	—
Total assets		4,800	3,626	8,426
Provisions		—	—	—
Post-employment benefits		—	—	—
Non-current financial liabilities		—	—	—
Financial liabilities IFRS 16		188	—	188
Deferred tax liabilities	II	—	688	688
Total non-current liabilities		188	688	876
Income tax payables		—	—	—
Other current liabilities		262	—	262
Trade payables		2,593	—	2,593
Payables to banks and other financial liabilities		—	—	—
Financial liabilities IFRS 16		88	—	88
Total current liabilities		2,943	—	2,943
Liabilities disposed or being disposed of		—	—	—
Total liabilities		3,131	688	3,819
Net acquired assets		1669	2,938	4,607
Price paid		(4,607)	—	(4,607)
Difference to allocate		(2,938)	2,938	—

The fair value of assets acquired and liabilities assumed was calculated as follows:

I - Intangible assets

The fair value of the item "Brands" is represented by the value attributed to the Chelsea Green brand, under which the Company has been publishing for over forty years.

The useful life of the trademark has been classified as indefinite.

The fair value of the item "Other intangible assets" is represented by the value attributed to the author portfolio, whose useful life has been defined as ten years.

Values assigned by the Directors to trademarks and the author portfolio were determined with the support of an independent professional.

Goodwill has been determined as a residual value in accordance with IFRS 3.

II - Pre-paid tax assets and deferred tax liabilities

The determination of the fair value of assets acquired and liabilities assumed resulted in the recognition of temporary differences between their fair value and the corresponding tax value. Tax liabilities were therefore recognized from the recognition of the fair value of plant and equipment.

Other Information

The operating and financial effects of the acquisition of Chelsea Green Publishing Inc., under IFRS 3, reflected in the consolidated financial statements of the Mondadori Group from the acquisition date, concurrent to the acquisition of control over the acquired company.

In accordance with IFRS 3, a final accounting of the acquisition was made.

Acquisition of control over Fatto in casa da Benedetta S.r.l.

The transaction

On 1 October 2024, Mondadori Media S.p.A. acquired a 51% stake in Fatto in casa da Benedetta S.r.l., the owner of all intellectual property rights and economic exploitation of Benedetta Rossi's image, as well as all social assets and the related content library.

The consideration for the transaction, including the price adjustment resulting from the final net financial position as at 30 September 2024, was € 6,980 thousand.

The share purchase agreement also provides for earn-outs upon the achievement of economic targets for the years 2024 and 2026, as well as a call/put option in favour of Mondadori/the seller for the transfer of an additional 19% of the shares, to be exercised after the approval of the 2028 financial statements.

Cost of acquisition

The total cost of the transaction amounted to € 11,587 thousand, excluding accessory charges of € 298 thousand, of which € 6,980 thousand was paid at the acquisition date and € 4,607 thousand was the estimated earn-out and option cost.

Acquisition of Fatto in casa da Benedetta S.r.l.

(Euro/thousands)

Acquisition cost of Fatto in casa da Benedetta S.r.l.	11,587

Cash used for acquisition:

payments made	(6,980)

deferred payments	(4,607)

net financial position of Fatto in casa da Benedetta S.r.l. (including IFRS 16 liabilities)	(339)

Net cash flows absorbed by acquisition	(11,926)

Goodwill was determined in accordance with IFRS 3.

Minority interests were valued in proportion to the minority interest in the assets of the acquired company.

The difference between the estimated liability resulting from the exercise price of the put options and the book value of the minority interests was recognised as a reduction of equity.

The operating and financial effects of the acquisition of Fatto in casa da Benedetta S.r.l., under IFRS 3, reflected in the consolidated financial statements of the Mondadori Group from the acquisition date, concurrent to the acquisition of control over the acquired company.

In accordance with IFRS 3, a provisional accounting of the acquisition was made.

Amounts in Euro thousands	Notes	Current amounts at acquisition date	Purchase price allocation	Fair value
Goodwill		—	8,383	8,383
Trademarks		—	—	—
Other intangible assets		88	—	88
Intangible assets	I	88	8,383	8,471
Investment property		—	—	—
Land and building		—	—	—
Plant and equipment		—	—	—
Other fixed assets		101	—	101
Property, plant and equipment		101	—	101
Assets from rights of use		346	—	346
Other non-current assets		3	—	3
Deferred tax assets		—	—	—
Total non-current assets		538	8,383	8,921
Tax receivables		10	—	10
Other current assets		—	—	—
Inventory		51	—	51
Trade receivables		542	—	542
Other current financial assets		—	—	—
Cash and cash equivalents		7	—	7

Total current assets	610	—	610
Discontinued or discontinuing operations	—	—	—
Total assets	1,148	8,383	9,531
Provisions	—	—	—
Post-employment benefits	11	—	11
Non-current financial liabilities	—	—	—
Financial liabilities IFRS 16	—	—	—
Deferred tax liabilities	II	—	—
Total non-current liabilities	11	—	11
Income tax payables	—	—	—
Other current liabilities	62	—	62
Trade payables	13	—	13
Payables to banks and other financial liabilities	—	—	—
Financial liabilities IFRS 16	346	—	346
Total current liabilities	421	—	421
Liabilities disposed or being disposed of	—	—	—
Total liabilities	432	—	432
Net acquired assets	716	8,383	9,099
Equity	—	2,488	2,488
Price paid	(11,587)	—	(11,587)
Difference to allocate	(10,871)	10,871	—

Purchase of the Mobilit business unit

The transaction

On 31 May 2024, the Mondadori Group acquired the "Mobilit" business unit from the company Paperlit S.r.l., consisting of the digital browse software of the same name, in order to strengthen and complete the offer to publishers distributed by subscription.

The consideration for the business unit amounted to approximately € 0.3 million and included, among other things, the recognition of intangible assets, as a result of the Purchase Price Allocation process in the amount of € 0.5 million.

Acquisition of 100% of SE Studio Editoriale S.r.l.

The transaction

On 16 January 2024, Electa S.p.A. acquired 100% of SE Studio Editoriale S.r.l., a small non-fiction publishing house.

The consideration for the transaction was € 200 thousand and the share purchase agreement does not provide for any price adjustment clauses.

The value of the net assets acquired, expressed at fair value at the date of acquisition, was € 122 thousand.

The spread from the consideration was charged to goodwill.

In addition, the following transactions took place during the year:

Acquisition of 51% of Bookrepublic Webnovels S.r.l.

The transaction

On 4 April 2024, Mondadori Libri S.p.A. acquired 51% of Bookrepublic Webnovels S.r.l., a start-up with the objective of developing the webnovels market at a European level.

The initial investment was € 1,530 thousand.

As a result of the shareholders' agreements, Mondadori does not have control of the company, which is accounted for using the equity method.

Acquisition of 22.52% of Meaningfool S.r.l.

The transaction

On 29 October 2024, Mondadori Media S.p.A. acquired, through the subscription of a reserved capital increase, a 22.52% stake in Meaningfool S.r.l., a new generation creative agency with a high technological level, whose mission is to integrate different channels, languages and formats, and to create new Artificial Intelligence models.

The initial investment was € 250 thousand; the company is accounted for using the equity method.

9. NON-RECURRING INCOME AND EXPENSE

As required by CONSOB resolution no. 15519 of 27 July 2006, any income and expense deriving from non-recurring transactions are recognized in the income statement.

Transactions and events are considered non-recurring when, by nature, they do not occur repeatedly during normal business operations.

The relevant effects were outlined in a separate table in these "Explanatory notes to the financial statements".

10. IFRS 5

In FY 2024, there were no transactions that could be classified as discontinued operations pursuant to IFRS 5; in the previous year, the value shown in the balance sheet assets referred to the investment in Mediamond S.p.A., which was sold by the Mondadori Group to Publitalia '80 S.p.A. effective 1 January 2024.

11. IMPAIRMENT PROCESS

When preparing the consolidated financial statements as at 31 December 2024, special attention was paid to observing any impairment indicators that could also result from the continuation of the delicate international geo-political context.

The impacts of this situation in 2024, as in 2023, were reflected on the businesses in which the Mondadori Group operates in an indirect manner, due to paper prices and inflation rates remaining at a higher level than in the period prior to the current conflicts.

Mondadori's share price as at 30 December 2024 remained at the same level as at 30 December 2023 (€ 2.12 vs. € 2.15); market capitalisation increased from € 561 million as at 30 December 2023 to € 554.3 million, well above the € 317.1 million of booked equity.

Pursuant to IAS 36, assets with indefinite useful life and goodwill are not subject to amortisation, but to an impairment test of the book value at least once a year or whenever there are indications of impairment.

Assets with finite useful life are subject to amortisation, according to the economic life of each asset, and upon closing assets items are subject to impairment test to verify whether any impairment loss has occurred. An impairment test is only performed if these indicators are present.

The impairment testing process includes, among others:

- the identification of individual assets or the smallest Cash Generating Unit that generate independent cash flows;
- assessment of the carrying amount of the CGUs by determining their recoverable value, equal to the higher of fair value, less costs to sell, and value in use determined on the basis of the cash flow projections deriving from the most recent financial plans approved by the Board of Directors.

Identification of Cash Generating Units

CGUs have been identified as assets that generate independent cash flows from their ongoing use, consistent with the Group's organizational and business structure.

Taking account of the above, the table below provides details of the assets subject to impairment testing and the related amounts recorded at 31 December 2024 in the balance sheet assets, as well as their relating CGUs. These amounts are shown net of amortization and impairment losses recorded during the year.

Cash Generating Unit (Euro/thousands)	Titles	Trademarks and series	Others	Goodwill	Total
CGU titles former SBE	26,620				26,620
CGU title former Elemond	472				472
CGU former Gruner+Jahr Mondadori		1,511			1,511
Digital CGU				23,865	23,865
Hej! CGU				6,178	6,178
Webboh CGU				1,652	1,652
Digital Advertising & Engagement CGU				2,654	2,654
Fatto in casa da Benedetta CGU				8,383	8,383
Rizzoli Trade CGU		4,005		1,634	5,639
Einaudi CGU		2,991		286	3,277
Sperling & Kupfer CGU		1,847		731	2,578
Piemme CGU		8,287		2,131	10,418
Star Comics CGU		12,500		4,405	16,905
A.L.I. CGU		847		2,609	3,456
Star Shop CGU				2,313	2,313
Chelsea Green CGU		911		1,293	2,204
Education CGU		52,483		114,004	166,487
Other CGUs				3,084	3,084
Investments			5,062		5,062
Total assets subject to impairment test	27,092	85,382	5,062	175,222	292,758

Cash Generating Unit titles former Silvio Berlusconi Editore (SBE)

The value of the titles, each of which represents a CGU, refers to the acquisition of Silvio Berlusconi Editore, completed in 1994.

The titles included in the financial statements are TV Sorrisi e Canzoni, Chi and Telepiù, all of which qualify as having finite useful life.

Cash Generating Unit title former Elemond

The value recorded in the financial statements is represented by Interni, a title with finite useful life, resulting from the acquisition of the Elemond Group, which took place in several tranches between 1989 and 1994.

Cash Generating Unit former Gruner+Jahr Mondadori

The value recorded in the financial statements is represented by Focus, a brand with finite useful life, resulting from the acquisition in 2015 of the control over the entire capital of Gruner+Jahr Mondadori S.p.A. (now Mondadori Scienza S.p.A).

Digital Cash Generating Unit

The value recorded as goodwill derives from the acquisition of 100% of Banzai Media Holding S.p.A. in 2016.

Hej! Cash Generating Unit

The goodwill posted derives from the acquisition of 100% of Hej! S.r.l., a company specializing in AI solutions to companies to create customer relationships, marketing plans and media campaigns.

Webboh Cash Generating Unit

The goodwill derives from the acquisition of 100% of Webboh S.r.l., a company specialised in the production of editorial posts and products, news and gossip published on the web.

Digital Advertising & Engagement Cash Generating Unit

The goodwill derives from the acquisition of 100% of Digital Advertising & Engagement S.A., a company specialised in tech advertising on the Spanish market.

Fatto in casa da Benedetta Cash Generating Unit

For the company Fatto in casa da Benedetta S.r.l., owner of all intellectual property rights and economic exploitation of the image of Benedetta Rossi as well as all social assets and the related content library, acquired on 1 October 2024, the Purchase Price Allocation process has not yet been completed. Goodwill was therefore determined on a provisional basis.

Rizzoli Trade Cash Generating Unit

The CGU includes the BUR trademark and goodwill determined on conclusion of the purchase price allocation process carried out with regard to the acquisition of Rizzoli Libri S.p.A. in 2016. The assets identified in the purchase price allocation have been qualified as having indefinite useful life.

Einaudi Cash Generating Unit

This CGU includes the publishing series of Casa Editrice Einaudi, acquired in several tranches between 1989 and 1994 and, to a residual extent, goodwill. These assets qualify as having indefinite useful life.

Sperling & Kupfer Cash Generating Unit

This CGU includes the values attributed to the Sperling & Kupfer publishing series, and, residually, to goodwill. These assets qualify as having indefinite useful life.

Piemme Cash Generating Unit

This CGU includes Casa Editrice Edizioni Piemme publishing trademarks, acquired in more than one tranche between 2003 and 2012, qualified as assets with an indefinite useful life, and residual goodwill.

Star Comics Cash Generating Unit

In July 2022, the Mondadori Group acquired 51% of the share capital of Edizioni Star Comics S.r.l., a company specialising in the publication of comic books.

On conclusion of the purchase price allocation process, the higher price paid was allocated to trademarks, licence agreements and, residually, to goodwill. These assets, with the exception of licence agreements, qualified as having indefinite useful life.

A.L.I. Cash Generating Unit

At 31 December 2024, the Mondadori Group holds 75% of A.L.I. – Agenzia Libreria International S.r.l., the company specialised in the distribution of books throughout national territory, as well as in hobby publishing, through the subsidiary Il Castello S.r.l..

The publishing brand Il Castello has been tested for impairment, along with goodwill, both classified as having an indefinite useful life.

Star Shop Cash Generating Unit

In February 2024, the Mondadori Group acquired 51% of the share capital of Star Shop Distribuzione S.r.l., a company specialising in the distribution and sale of comic books.

On conclusion of the purchase price allocation process, the higher price paid was allocated to the trademark, to relations with the distributed publishers and, residually, to goodwill. These assets, with the exception of relations with publishers, were qualified as having a finite useful life.

Chelsea Green Cash Generating Unit

In May 2024, the Mondadori Group acquired 100% of the share capital of Chelsea Green Publishing Inc., an American publishing company focused on sustainability issues – including green, health and wellness – and the enhancement of cultural diversity.

On conclusion of the Purchase Price Allocation process, the higher price paid was allocated to the trademark, the list of authors and, residually, to goodwill. These assets, with the exception of contracts with authors, have been classified as having an indefinite useful life.

Education Cash Generating Unit

This Education CGU group includes series and publishing lines referring to the production of textbooks for the different levels and grades of the Italian school system. These include the amounts deriving from various acquisitions completed over time: the acquisition of a number of publishing trademarks from the Elemond Group between 1989 and 1994, the acquisition of the Le Monnier Group between 1999 and 2001, and the acquisition of Texto, a textbook publisher under the Piemme Scuola trademark, in 2004. Goodwill deriving from the abovementioned transactions and from other acquisitions completed in 1992 (Juvenilia), between 1999 and 2002 (Poseidonia), in 1999 (Mursia) and in 2008 (Edizioni Electa Bruno Mondadori) add up to the above amounts.

The Education CGU group also includes the amounts attributed to the trademarks of Rizzoli Education acquired in 2016 and the values assigned to the trademarks and goodwill of D Scuola S.p.A., acquired in 2021.

Other Cash Generating Units

This group of CGUs mainly includes goodwill relating to:

- bookclub, amounting to € 2,500 thousand;
- Skira Rizzoli, amounting to € 455 thousand.

Cash Generating Unit Investments

This CGU mainly includes the goodwill identified during the acquisition of the equity investment in the Attica Publications S.A. Group and Bookrepublic Webnovels S.r.l.

Assessment of the recoverable value

The carrying amount of the CGUs is assessed by determining their recoverable value, which is the higher of value in use and fair value, less costs to sell.

With regard to the CGUs measured through value in use, the impairment test was based on the projection of cash flows deriving from the Medium-Term Plan, drawn up for the years 2025-2027, in

relation to which the Board of Directors reviewed the guidelines and approved the contents on 13 February 2025.

The table shows the criteria used in the valuation of the recoverable value of the various CGUs, as well as the main elements for assessing their recoverable value.

Cash Generating Unit	Criterion used	Economics	Growth rate on terminal value	Discounting rate
CGU titles former SBE	Value in use / Fair value	EBITDA 2025-2027 Revenue 2025-2027	g = -3% g = -5%	7.69%
CGU titles former Elemond	Fair value	Revenue 2025-2027	g = -3%	7.69%
CGU former Gruner+Jahr Mondadori	Fair value	Revenue 2025-2027	g = -3%	7.69%
Digital CGU	Value in use	EBITDA 2025-2027	g = 0%	7.69%
Hej! CGU	Value in use	Cash flow 2025-2027	g = 2%	7.69%
Webboh CGU	Value in use	Cash flow 2025-2027	g = 2%	7.69%
Digital Advertising & Engagement CGU	Value in use	Cash flow 2025-2027	g = 2%	7.09%
Fatto in casa da Benedetta CGU	Value in use	Cash flow 2025-2027	g = 0%	7.69%
Rizzoli Trade CGU	Value in use	EBITDA 2025-2027	g = 0%	7.46%
Einaudi CGU	Value in use	Cash flow 2025-2027	g = 0%	7.46%
Sperling & Kupfer CGU	Value in use	EBITDA 2025-2027	g = 0%	7.46%
Piemme CGU	Value in use	EBITDA 2025-2027	g = 0%	7.46%
Star Comics CGU	Value in use	Cash flow 2025-2027	g = 0%	7.46%
A.L.I. CGU	Value in use	Cash flow 2025-2027	g = 0%	7.46%
Star Shop CGU	Value in use	Cash flow 2025-2027	g = 0%	7.46%
Chelsea Green CGU	Value in use	Cash flow 2025-2027	g = 0%	7.57%
Education CGU	Value in use	Cash flow 2025-2027	g = 0%	7.46%
Other CGUs	Value in use	EBITDA 2025-2027	g = 0%	7.46%
Investments	Value in use	EBITDA 2025-2029	g = 0%; g = 2%	7.46% - 7.87%

Specifically, when performing the impairment test:

- with regard to the titles former SBE, titles former Elemond and former Gruner+Jahr Mondadori CGUs, respectively for the magazines Chi, Interni and Focus, fair value was determined by applying the royalty method, based on estimated revenue in the medium-term forecast scenarios. Royalty rates between 3% and 5% were used; the estimated growth rate (g) for the period following the explicit years of the Medium-Term Plan is -3% and -5% relative to the magazine Chi;
- the value in use of Tv Sorrisi e Canzoni, included in the ex SBE magazines CGU, was determined on the basis of the income statement of the magazine, including structural and maintenance costs, which are deemed to be representative of the related cash flows. The growth rate (g), estimated for the period following the explicit years of the Medium-Term Plan, is -3%;
- as regards the Digital CGU, the value in use was determined on the basis of the income statements of the various digital brands, which are deemed to be representative of the related cash flows. The growth rate (g), estimated for the period following the explicit years of the Medium-Term Plan, is 0%;
- with regard to the Hej!, Webboh and Digital Advertising & Engagement CGUs, the entire legal entity was considered as cash generating unit for the purpose of the impairment test. The value in use was determined on the basis of the cash flows of the company. The growth rate (g), estimated for the period following the explicit years of the Medium-Term Plan, is 2%;

- with regard to the Einaudi, Education (Mondadori Education, Rizzoli Education and D Scuola), Starcomics, A.L.I., Star Shop, Chelsea Green and Fatto in casa da Benedetta CGUs, for the purposes of the impairment test, all the legal entities were considered as cash generating units. The value in use was determined on the basis of the cash flows of the respective companies. The growth rate (g), estimated for the period following the explicit years of the Medium-Term Plan, is 0%;
- with regard to the Rizzoli Trade, Sperling & Kupfer and Piemme CGUs, the assets of which fall under Mondadori Libri S.p.A., the value in use was determined on the basis of the income statements of the CGUs in question, including the structural and maintenance costs of the trademarks/series in question. The growth rate (g), estimated for the period following the explicit years of the Medium-Term Plan, is 0%;
- with regard to the other CGUs, the recoverable value was determined on the basis of value in use, taking account of the income statements, including structural and maintenance costs of the assets subject to impairment. The growth rate (g), estimated for the period following the explicit years of the Medium-Term Plan, is 0%;

With respect to investments, for the Attica Publications S.A. Group and Bookrepublic Webnovels the value in use was determined on the basis of cash flow projections drawn from the long-term plans.

In addition to assessing the recoverability of the above CGUs, an analysis was also made of the Group's assets as a whole. The results of the analysis showed no impairment.

Determination of the discount rate

The discount rate was defined in terms of weighted average cost of capital (WACC) for the individual Cash Generating Unit taken into account and shown net of tax, consistently with the flows used.

WACC is an adjusted risk rate, measured on the basis of the cost that the company must bear to collect resources from lending entities, internal and external, to finance any specific investment. WACC expresses an opportunity cost of capital and is calculated as the weighted average of the cost of the risk capital and the cost of the debt capital.

The individual parameters used in the determination of WACC are the following:

- cost of equity (ke) is quantified based on the model of CAPM (Capital Asset Pricing Model) as requested in IAS 36, as the sum of: (i) the return on risk-free investments, (ii) a risk premium determined on the basis of the systematic riskiness of the investment being valued and (iii) an additional premium correlated to the dimensional risk. In particular:
 - the risk-free rate was determined taking account of the yield to maturity for the securities of the Countries to which the Cash Generating Units are referred, taking account of the annual average;
 - the risk premium was determined through the product resulting from the beta coefficient and the difference between the market performance (mp) and risk-free rate (equity risk premium), determined taking account of a sufficiently large time horizon. Specifically, the beta coefficient was calculated by considering the normalized average of market unlevered betas of a panel of comparable companies, distinguishing the book publishing business from the magazine publishing business, in order to intercept the different systematic risk. With regard to the equity risk premium, reference was made to the equity risk component for AAA Countries (4.33%) and the country risk premium component (1.57% for Italy, 2.33% for Greece, 1.34% for Spain and zero for the US); these figures were drawn from the estimates published by Damodaran in January 2025;

- the calculation of the Cost of Debt (kd) is based on the analysis of the specific financial structure of the Group;
- the weight attributed to equity and non-controlling interests' equity was calculated based on the normalized average of a panel of comparable companies.

Results of the impairment test

Upon completion of the impairment test, the value of goodwill relative to Abscondita S.r.l., amounting to € 254 thousand, needed to be written down entirely.

Sensitivity to changes in the assumptions

For the amounts relating to the CGUs indicating no impairment loss, sensitivity analyses were carried out to corroborate the results of the test, increasing the discount rate by 0.5%, reducing the cash flows by 5% and the growth rate "g" by 1%.

The analysis confirmed that the results obtained are reasonable, without revealing any significant differences, and, consequently, confirmed the recoverability of the book values recognised in these financial statements, while stressing the need, however, to oversee the performance of each CGU in order to verify the consistency of final and forecast trends, taking account of the current market context.

12. INTANGIBLE ASSETS

"Intangible assets", amounting to € 399,944 thousand, increased by € 14,828 thousand versus 31 December 2023, due mainly to the acquisitions referred to in Note 8.

Intangible assets (Euro/thousands)	31/12/2024	31/12/2023
Intangible assets with finite useful life	140,575	138,700
Intangible assets with indefinite useful life	259,369	246,416
Total intangible assets	399,944	385,116

"Intangible assets with finite useful life", amounting to € 140,575 thousand, up versus € 138,700 thousand at 31 December 2023, includes, inter alia, the values of magazines, trademarks and websites and digital platforms relating to the Media Area.

In "Cost of creation" and "Other assets, assets in progress and advances", the most significant amounts are represented by costs incurred in the school textbooks segment for the creation of new publishing projects.

Intangible assets with finite useful life	Titles	Trademarks	Customer lists	Software, licenses, patents and rights	Creation costs	Other assets, assets in progress and advances	Total
(Euro/thousands)							
Historic cost at 31 December 2022	90,365	29,774	1,861	79,682	74,870	17,314	293,866
Investments	—	5,363	14,437	3,163	10,411	14,256	47,629
Disposals	—	(520)	—	—	—	—	(520)
Change in scope	—	228	—	909	—	302	1,439
Other changes	—	—	—	3,638	6,940	(10,632)	(53)
Historic cost at 31 December 2023	90,365	34,845	16,298	87,392	92,221	21,241	342,361
Accumulated amortisation and impairment losses at 31/12/2022	51,311	17,370	540	32,852	55,422	3,690	161,185
Depreciation and amortisation	2,542	1,753	1,909	10,829	17,792	613	35,438
Write-downs (write-backs)	6,256	—	—	—	106	—	6,362
Disposals	—	(156)	—	—	—	—	(156)
Change in scope	—	228	—	773	—	—	1,000
Other changes	—	—	—	44	(151)	(62)	(169)
Accumulated amortisation and impairment losses at 31/12/2023	60,109	19,194	2,449	44,499	73,169	4,240	203,661
Net value at 31/12/2022	39,054	12,404	1,321	46,830	19,448	13,624	132,681
Net value at 31/12/2023	30,256	15,651	13,849	42,893	19,052	17,000	138,700

Investments for FY 2024 came to € 39,941 thousand, mainly represented by:

- the value attributed to the commercial relations of Star Shop Distribuzione S.r.l., equal to € 3,182 thousand, at the end of the Purchase Price Allocation process;
- the value attributed to the company brand Star Shop of € 1,306 thousand, after the Purchase Price Allocation process;
- the costs for the creation of new publications in the educational area (€ 9,286 thousand reported under "Creation costs" and € 10,327 thousand under "Work in progress") and by the creation costs of audio books, reported under "Creation costs" in the amount of € 1,176 thousand;
- costs for the development of management software, including the new ERP implemented by Rizzoli International Publication Inc., the transition to cloud technology of the Group's IT infrastructure and SAP system, recorded for a total of € 8,803 thousand in the item "Software, licences, patents and rights" and for € 2,763 thousand in the item "Other assets, assets in progress and advances".

Write-downs of software refer to an application no longer used by Mondadori Retail S.p.A.; write-downs of development costs relate to some textbook titles for schools that will not be published.

Intangible assets with finite useful life	Titles	Trademarks	Customer lists	Software, licenses, patents and rights	Creation costs	Other assets, assets in progress and advances	Total
(Euro/thousands)							
Historic cost at 31 December 2023	90,365	34,845	16,298	87,392	92,221	21,241	342,361
Investments	—	1,306	3,182	8,803	11,060	15,590	39,941
Disposals	—	—	—	—	—	—	—
Change in scope	—	20	—	337	172	—	529
Other changes	—	(223)	—	(2,551)	(32,816)	(11,272)	(46,862)
Historic cost at 31 December 2024	90,365	35,948	19,480	93,981	70,637	25,559	335,969
Accumulated amortisation and impairment losses at 31/12/2023	60,109	19,194	2,449	44,499	73,169	4,240	203,661
Depreciation and amortisation	3,163	2,422	2,201	10,006	19,574	742	38,108
Write-downs (write-backs)	—	—	—	151	97	—	248
Disposals	—	—	—	—	—	—	—
Change in scope	—	16	—	316	—	—	332
Other changes	—	(223)	—	(4,965)	(41,744)	(23)	(46,955)
Accumulated amortisation and impairment losses at 31/12/2024	63,272	21,409	4,650	50,007	51,096	4,959	195,394
Net value at 31/12/2023	30,256	15,651	13,849	42,893	19,052	17,000	138,700
Net value at 31/12/2024	27,093	14,539	14,830	43,974	19,541	20,599	140,575

"Intangible assets with indefinite useful life" amounted to € 259,369 thousand, an increase of € 12,953 thousand, and included the value of trademarks and publishing series in the Books Area and goodwill.

Intangible assets with indefinite useful life	Trademarks and series	Goodwill	Total
(Euro/thousands)			
Historic cost at 31 December 2022	83,161	166,366	249,527
Investments	847	6,903	7,750
Disposals	—	—	—
Change in scope	—	—	—
Other changes	—	(15)	(15)
Historic cost at 31 December 2023	84,008	173,254	257,262
Impairment loss at 31/12/2022	992	8,919	9,911
Write-downs (write-backs)	—	935	935
Other changes/disposals	—	—	—

Impairment loss at 31/12/2023	992	9,854	10,846
Net value at 31/12/2022	82,169	157,447	239,616
Net value at 31/12/2023	83,016	163,400	246,416

At the end of the purchase price allocation process of the business combinations of Star Shop Distribuzione S.r.l. and Chelsea Green Publishing Inc., the editorial trademark Chelsea Green was assigned a value of € 911 thousand; after having expressed at fair value the value of all assets and liabilities acquired, to a residual extent, goodwill was assigned the comprehensive value of € 3,606 thousand.

"Goodwill" also includes the provisional value, since the Purchase Price Allocation process has not yet been completed, of the goodwill arising from the acquisition of control of Fatto in casa da Benedetta S.r.l..

Upon completion of the impairment test, the value of goodwill relative to Abscondita S.r.l. needed to be zeroed, recording an impairment loss of € 254 thousand.

Other changes in "Goodwill" include the effect of the change in the euro-dollar exchange rate related to the US companies and the write-off of goodwill related to the acquisition of Focus, which was completely written off in previous years.

Intangible assets with indefinite useful life (Euro/thousands)	Trademarks and series	Goodwill	Total
Historic cost at 31 December 2023	84,008	173,254	257,262
Investments	911	12,200	13,111
Disposals	—	—	—
Change in scope	—	—	—
Other changes	28	(2,183)	(2,155)
Historic cost at 31 December 2024	84,947	183,271	268,218
Impairment loss at 31/12/2023	992	9,854	10,846
Write-downs (write-backs)	—	254	254
Other changes/disposals	—	(2,251)	(2,251)
Impairment loss at 31/12/2024	992	7,857	8,849
Net value at 31/12/2023	83,016	163,400	246,416
Net value at 31/12/2024	83,955	175,414	259,369

Amortisation, write-downs and write-backs of intangible assets

Depreciation and amortisation, and write-downs for FY 2024 totalled € 38,610 thousand, down from € 42,735 thousand in 2023, despite the higher amortisation of the asset components "Brands" and "Customer lists", the total amount of which increased as a result of the Purchase Price Allocation processes, and the investments made for the creation of the contents of the new publications of school textbooks, as the 2023 figure was affected by the write-downs made at the end of the impairment test process.

Amortisation and impairment loss on intangible assets (Euro/thousands)	2024	2023
Titles	3,163	2,542
Trademarks	2,422	1,753
Customer lists	2,201	1,909
Software, licenses, patents and rights	10,006	10,829
Creation costs	19,574	17,792
Other intangible assets	742	613
Total amortization of intangible assets	38,108	35,438
Write-downs of intangible assets	502	7,297
Write-backs of intangible assets	—	—
Total write-downs (write-backs) of intangible assets	502	7,297
Total amortization and impairment loss on intangible assets	38,610	42,735

The availability and use of intangible assets recognized in these financial statements are not subject to any lien or restriction.

13. PROPERTY, PLANT AND EQUIPMENT

The net value of "Property, plant and equipment" as at 31 December 2024 amounted to € 44,116 thousand; the increase compared to 31 December 2023 of € 9,386 thousand, of which € 1,547 thousand was due to changes in the scope of consolidation.

The table below shows a breakdown of "Property, plant and equipment" in 2023 and 2024:

Property, plant and equipment (Euro/thousands)	Plant and equipment	Other tangible assets	Total
Historic cost at 31 December 2022	22,426	71,198	93,624
Investments	2,160	9,037	11,197
Disposals	(3,892)	(7,491)	(11,383)
Change in scope	9,825	2,543	12,368
Other changes	2,680	(2,975)	(295)
Historic cost at 31 December 2023	33,200	72,312	105,512
Accumulated amortisation and impairment losses at 31/12/2022	19,147	50,344	69,491
Depreciation and amortisation	2,132	4,833	6,965
Write-downs (write-backs)	27	19	46
Disposals	(3,886)	(7,442)	(11,328)
Change in scope	4,806	1,533	6,339
Other changes	(9)	(723)	(731)
Accumulated amortisation and impairment losses at 31/12/2023	22,218	48,563	70,781
Net value at 31/12/2022	3,279	20,854	24,133
Net value at 31/12/2023	10,982	23,748	34,730

Investments for 2024 came to € 16,524 thousand, mainly represented by:

- the purchase of a digital printing machine for € 4,351 thousand and equipment installed at Mondadori Retail S.p.A. shops for € 1,818 thousand, shown under "Plant and equipment";
- costs incurred for the refurbishment (€ 2,021 thousand) and furnishing of the new shops (€ 796 thousand), for the furnishing of the Segrate headquarters (€ 1,096 thousand) and for the replacement of personal computers and information technology (€ 2,273 thousand);
- costs for finalising the requalification project of the office of Palazzo Niemeyer in Segrate for € 2,708 thousand, recorded under fixed assets under construction.

Property, plant and equipment (Euro/thousands)	Plant and equipment	Other tangible assets	Total
Historic cost at 31 December 2023	33,200	72,312	105,512
Investments	6,334	10,190	16,524
Disposals	(402)	(563)	(965)
Change in scope	280	2,640	2,920
Other changes	(396)	(4,067)	(4,463)
Historic cost at 31 December 2024	39,016	80,512	119,528
Accumulated amortisation and impairment losses at 31/12/2023	22,218	48,563	70,781
Depreciation and amortisation	2,437	5,975	8,412
Write-downs (write-backs)	—	—	—
Disposals	(402)	(498)	(900)
Change in scope	224	1,150	1,374
Other changes	(964)	(3,292)	(4,256)
Accumulated amortisation and impairment losses at 31/12/2024	23,513	51,898	75,411
Net value at 31/12/2023	10,982	23,747	34,729
Net value at 31/12/2024	15,503	28,613	44,116

"Other fixed assets" is broken down as follows:

Other fixed assets (Euro/thousands)	31/12/2024	31/12/2023
Industrial and commercial equipment	381	367
Electronic office machinery	4,167	4,101
Office furniture, facilities and fittings	8,384	5,255
Motor and transport vehicles	165	196
Leasehold improvements	12,058	10,247
Other tangible assets and fixed assets in progress	3,458	3,583
Total other fixed assets	28,613	23,749

Depreciation of property, plant and equipment

Depreciation, amortisation and write-downs for the year totalled € 8,412 thousand, up from € 7,011 thousand in 2023, mainly due to the investments made by Mondadori Retail S.p.A. in opening new stores, which recognised depreciation of € 3,155 thousand (€ 1,395 thousand in 2022) and the contribution of the companies acquired in 2023 for € 1,197 thousand.

Depreciation and impairment loss on property, plant and equipment (Euro/thousands)	2024	2023
Plant and equipment	2,437	2,132
Equipment	140	144
Electronic office machinery	2,077	1,815
Furniture and furnishings	1,230	915
Motor and transport vehicles	98	105
Leasehold improvements	2,421	1,845
Other tangible assets	9	9
Total depreciation of property, plant and equipment	8,412	6,965
Write-downs of tangible assets	—	46
Write-backs of tangible assets	—	—
Total write-downs (write-backs) of property, plant and equipment	—	46
Total depreciation and impairment loss on tangible assets	8,412	7,011

14. ASSETS FROM RIGHTS OF USE

Assets from right of use, recorded in accordance with IFRS 16, amounted to € 76,445 thousand, increasing by € 7,683 thousand versus 31 December 2023.

The most relevant changes regarded:

- capital expenditure, amounting to € 23,644 thousand, mainly due to:
 - new lease contracts, or renewals of existing contracts, signed by Mondadori Retail S.p.A. and Star Shop S.r.l., for € 14,873 thousand and € 604 thousand, respectively, in relation to sales outlets;
 - the renewal of the lease agreement for the Service Centre at the Segrate headquarters for a value of € 4,497 thousand;
 - the new lease agreement for the Rizzoli International Publication Inc. office for € 1,525 thousand;
- disposals, due to the expiry of lease contracts for shops and the Rizzoli International Publication Inc. headquarters for a total net value of € 3,098 thousand;
- the contribution of new acquisitions for € 3,444 thousand, included in the balance of "Other changes";
- amortisation of € 15,913 thousand.

Assets from rights of use (Euro/thousands)	Rights of use buildings	Rights of use motor vehicles	Rights of use hardware	Rights of use in progress	Total
Historic cost at 31 December 2022	97,315	1,811	1,306	—	100,432
Investments	15,326	553	29	—	15,908
Disposals	(15,576)	—	—	—	(15,576)
Other changes	5,447	—	—	—	5,447
Historic cost at 31 December 2023	102,512	2,364	1,335	—	106,211
Amortisation fund at 31 December 2022	29,897	1,290	792	—	31,979
Depreciation and amortisation	14,301	403	262	—	14,966
Disposals	(10,033)	—	—	—	(10,033)
Other changes	537	—	—	—	537
Amortisation fund at 31 December 2023	34,702	1,693	1,054	—	37,449
Net value at 31/12/2022	67,420	520	514	—	68,454
Net value at 31/12/2023	67,810	671	281	—	68,762

Assets from rights of use (Euro/thousands)	Rights of use buildings	Rights of use motor vehicles	Rights of use hardware	Rights of use in progress	Total
Historic cost at 31 December 2023	102,512	2,364	1,335	—	106,211
Investments	22,676	956	12	—	23,644
Disposals	(9,069)	(161)	—	—	(9,230)
Other changes	1,445	(292)	—	—	1,153
Historic cost at 31 December 2024	117,563	2,867	1,347	—	121,778
Amortisation fund at 31 December 2023	34,701	1,693	1,054	—	37,449
Depreciation and amortisation	15,099	543	271	—	15,913
Disposals	(5,971)	(161)	—	—	(6,132)
Other changes	(1,605)	(292)	—	—	(1,897)
Amortisation fund at 31 December 2024	42,225	1,783	1,325	—	45,333
Net value at 31/12/2023	67,810	671	281	—	68,762
Net value at 31/12/2024	75,339	1,084	22	—	76,445

15. INVESTMENTS

"Equity-accounted investees" and "Investments in other companies", amounting to € 15,362 thousand, increased by € 1,762 thousand, mainly due to the investments for the year.

Investments (Euro/thousands)	31/12/2024	31/12/2023
Equity-accounted investees	14,402	13,340
Investments in other companies	960	260
Total investments	15,362	13,600

The value of "Equity-accounted investees", which amounted to € 14,402 thousand, increased by € 1,062 thousand due to the investment in Bookrepublic Webnovels S.r.l. and Meaningfool S.r.l.; the results of the other investments, shown below, did not result in any significant changes compared to the 2023 values.

In 2024, the Group received dividends from Edizioni EL S.r.l. in the amount of € 1,070 thousand (€ 1,106 thousand in 2023).

Equity-accounted investees - Details (Euro/thousands)	31/12/2024	31/12/2023
Investments in joint ventures:		
- Edizioni EL S.r.l.	3,963	4,114
- Attica Publications Group	7,759	7,287
- Mondadori Seec Advertising Co. Ltd	703	1,242
- BookRepublic Webnovels S.r.l.	1,070	0
Total investments in joint ventures	13,495	12,643
Investments in associates:		
- Press-Di Distribuzione Stampa Multimedia S.r.l.	624	664
- Editrice AAM Terranuova S.r.l.	33	33
- Meaningfool S.r.l.	250	0
Total investments in associates	907	697
Total equity-accounted investees	14,402	13,340

The value of "Investments in other companies", equal to € 960 thousand, increased by € 700 thousand, due to investments made by Plai S.r.l., the Group company that invests in Italian and international start-ups in the Artificial Intelligence sector.

Investments in other companies - Details (Euro/thousands)	31/12/2024	31/12/2023
Investments in other companies:		
- Società Editrice Il Mulino S.p.A.	197	197
- Consuedit S.r.l.	1	1
- Immobiliare Editori Giornali S.r.l.	52	52
- Consorzio Edicola Italiana	10	10
- AD Cube S.r.l.	100	—
- Equal Education S.r.l.	100	—
- Istory S.r.l.	100	—
- Paperbox Health S.r.l.	100	—
- Pathway S.r.l.	100	—
- Similar S.r.l.	100	—
- Augmented Human Intelligence Ltd	100	—
Total investments in other companies	960	260

In FY 2024, the impact on the income statement of the valuation of investments in jointly controlled companies, associates and companies in which the Group holds a non-controlling interest, was positive for € 414 thousand, a significant decrease compared to € 4,155 thousand in 2023, a financial year in which the impacts related to extraordinary transactions and IFRS 3 required valuations were recognised with reference to business combinations that occurred in several phases for a total of € 3,206 thousand.

The economic results achieved by the associate companies were positive for a total of € 414 thousand, down from the € 949 thousand of the previous year, due to the negative contributions of the start-up Bookrepublic Webnovels S.r.l. and Mondadori Seec Advertising Co. Ltd., partially offset by the loss of the contribution of Mediamond S.p.A. and Società Europea di Edizioni S.p.A., sold on 1 January 2024 and during 2023, respectively.

Expense (income) from investments (Euro/thousands)	2024	2023
- Edizioni EL S.r.l.	(919)	(1,062)
- Attica Publications Group	(562)	(344)
-Press-Di Distribuzione e Multimedia S.r.l.	42	(73)
- Mondadori Seec Advertising Co. Ltd	565	99
- Bookrepublic Webnovels S.r.l.	460	—
- Mediamond S.p.A.	—	(354)
-Digital Advertising & Engagement S.A.	—	10
- Società Europea di Edizioni S.p.A.	—	775
	(414)	(949)
Capital gain on the sale of Società Europea di Edizioni S.p.A.	—	(1,191)
Fair value measurement of A.L.I.-Agenzia Libreria International S.r.l.	—	(1,300)
Fair value measurement of Digital Advertising & Engagement S.A.	—	(715)
	—	(3,206)
Total expense (income) from investments	(414)	(4,155)

16. PRE-PAID TAX ASSETS AND DEFERRED TAX LIABILITIES

"Deferred tax assets", amounting to € 59,851 thousand, and "Deferred tax liabilities", amounting to € 39,996 thousand, respectively decreased by € 5,937 thousand and € 2,369 thousand.

(Euro/thousands)	31/12/2024	31/12/2023
IRES on tax losses	—	286
Pre-paid IRES	54,682	60,065
Pre-paid IRAP	5,169	5,437
Total pre-paid tax assets	59,851	65,788
Deferred IRES	34,957	36,983
Deferred IRAP	5,040	5,382
Total deferred tax liabilities	39,996	42,365

The decrease in the value of "Pre-paid tax assets" was due to:

- the consumption of previous tax losses, which led to the use of the relative prepaid tax assets provision for € 286 thousand;
- the development of taxed provisions, which resulted in a total reduction of € 5,664 thousand:
 - the provision for write-down of inventory decreased as a result of the large amount of product scrapped during the year;
 - the provision for returns to be received decreased due to the drop in revenues in the Education Books area and the higher returns received and credited during the year;
 - the provisions for legal risks and other liabilities decreased due to the closure of some litigations and the updating of risks based on new information available;
- the change in the scope of consolidation, which generated an increase of € 13 thousand.

The Directors believe that the amounts recognised are fully recoverable, considering:

- the possibility of a pre-deduction of up to 80% of the Group's prior-years' tax losses from taxable income, in accordance with the agreement governing relations with the consolidating entity Fininvest S.p.A.;
- the right to carry forward tax losses without time restrictions;
- the performance estimates contained in the 2025-2027 Medium-Term Plan, which was approved by the Board of Directors on 13 February 2025.

Components that led to the recognition of pre-paid tax

(Euro/thousands)	31/12/2024			31/12/2023		
	Total	Current tax rate	Prepaid tax assets	Total	Current tax rate	Prepaid tax assets
Difference between book value and tax value of intangible assets	4,547	(*)	1092	7,846	(*)	1883
Difference between book value and tax value of investment property and investments in property, plant and equipment	1,468	(*)	352	1,675	(*)	402
Provision for bad debts	13,532	(*)	3274	14,889	(*)	3598
Write-down of inventory	32,375	(*)	7807	34,128	(*)	8225
Write-down of advances to authors	58,417	(*)	14033	56,488	(*)	13569
Provisions	29,175	(*)	7002	41,232	(*)	9896
Post-employment benefits	335	(*)	80	558	(*)	134
Elimination of intercompany income	7,992	(*)	1,918	7,013	(*)	1,683
Returns to receive	32,679	(*)	7,843	36,957	(*)	8,870
Amendment rights to existing tax consolidation	40,171	(*)	9,641	43,038	(*)	10,329
Other temporary differences	6,632	(*)	1,640	5,990	(*)	1,476
Total for IRES purposes	227,323		54,682	249,814		60,065
Difference between book value and tax value of intangible assets	3,842	(*)	150	6,527	(*)	254
Difference between book value and tax value of investment property and investments in property, plant and equipment	137	(*)	5	287	(*)	11
Write-down of inventory	28,673	(*)	1118	30,645	(*)	1195
Write-down of advances to authors	56,981	(*)	2222	55,115	(*)	2149
Provisions	1,221	(*)	48	1,672	(*)	65
Post-employment benefits	110	(*)	4	137	(*)	5
Elimination of intercompany income	7,949	(*)	310	6,974	(*)	272
Returns to receive	32,679	(*)	1274	36,957	(*)	1441
Other temporary differences	936	(*)	36	1,098	(*)	45
Total for IRAP purposes	132,528		5,167	139,412		5,437

(*) With regard to income tax, each Group company applied the tax rate applicable in the country of residence. As for IRAP, each Group company applied the tax rate in force, taking account of the distribution of the tax base by region.

The decrease in the value of "Deferred tax liabilities", despite the increase of € 1,949 thousand generated by the change in the scope of consolidation and the allocation of capital gains as a result of the Purchase Price Allocation process, is mainly due to:

- the reduction of the cash flow hedge reserve, which led to use of deferred tax for € 838 thousand;

- of the amortisation of differences arising from acquisitions, allocated to assets with a finite useful life, at the end of the Purchase Price Allocation process.

• **Components that led to the recognition of deferred tax**

(Euro/thousands)	31/12/2024			31/12/2023		
	Total	Current tax rate	Deferred tax	Total	Current tax rate	Deferred tax
Difference between book value and tax value of intangible assets	131,576	(*)	31,578	137,355	(*)	32,902
Difference between book value and tax value of investment property and investments in property, plant and equipment	—	(*)	—	—	(*)	63
Post-employment benefits	1,971	(*)	474	2,003	(*)	481
Other temporary differences	12,106	(*)	2,905	14,737	(*)	3,537
Total for IRES purposes	145,653		34,957	154,095		36,983
Difference between book value and tax value of intangible assets	129,094	(*)	5,034	137,755	(*)	5,363
Difference between book value and tax value of investment property and investments in property, plant and equipment	134	(*)	5	238	(*)	19
Total for IRAP purposes	129,228		5,039	137,993		5,382

(*) With regard to income tax, each Group company has applied the tax rate in force in its country of residence. With regard to IRAP, each Group company has applied the tax rate in force, taking into account the breakdown of the tax base by region.

17. OTHER NON-CURRENT ASSETS

The balance of "Other non-current assets", amounting to € 2,511 thousand, shows an increase of € 785 thousand, mainly due to the price paid for the purchase option of a minority share in Adelphi Edizioni S.p.A..

Other non-current assets (Euro/thousands)	31/12/2024	31/12/2023
Guarantee deposits	179	152
Others	2,332	1,574
Total other non-current assets	2,511	1,726

18. TAX RECEIVABLES AND PAYABLES

At 31 December 2024, "Tax receivables" amounted to € 15,937 thousand, up by € 396 thousand versus the prior year, due mainly to the effect of the higher VAT credit, due to the greater purchase volumes and the extension of the consolidation scope (€ +1,954 thousand).

"Receivables from the tax authorities for direct tax to recover and advances on disputes", amounting to € 5,590 thousand, includes mainly:

- receivables recognized as a result of the deductibility of IRAP from the IRES taxable base for € 784 thousand;
- receivables for contributions in operating account acknowledged to the Group companies in connection with the purchase of paper for printing books and newspapers, the costs incurred for their distribution and investments in technological innovation;
- receivables for tax disputes for a total of € 9,391 thousand, almost entirely written down.

Tax receivables (Euro/thousands)	31/12/2024	31/12/2023
Receivables from the tax authorities for IRAP	601	1,226
Receivables from the tax authorities for IRES	59	421
Receivables from Fininvest for IRES	1,104	1,119
Receivables from the tax authorities for IVA	8,583	9,346
Receivables from the tax authorities for direct tax to recover and advances on disputes	5590	3,429
Total tax assets	15,937	15,541

"Income tax payables", amounting to € 13,965 thousand, rose by € 993 thousand due to the better economic results achieved and to low-taxed income components in 2023, including capital gains realised on the sale of magazine titles and the investment in Società Europea di Edizioni S.p.A..

Income tax payables (Euro/thousands)	31/12/2024	31/12/2023
Payables to the tax authorities for IRAP	533	451
Payables to the tax authorities for IRES	2,096	469
Payables to Fininvest for IRES	11,336	12,052
Total income tax payables	13,965	12,972

19. OTHER CURRENT ASSETS

The item "Other current assets", amounting to € 74,364 thousand, increased by € 169 thousand.

Advances paid to authors, net of the appropriate write-downs made, calculated taking into account the seniority of the advances paid and the publishing schedule, increased from € 57,709 thousand to € 58,490 thousand, concentrated in the Trade Books area.

"Accrued income and deferred expenses" includes the costs related to the organisation of exhibitions for 2025 and advances paid by Edizioni Star Comics S.r.l. for the acquisition of comic book rights.

The value of "Other receivables", amounting to € 1,931 thousand, includes receivables arising from the sale of magazines and Società Europea di Edizioni S.p.A.; the increase compared to 31 December 2023 is represented by higher security deposits issued for new lease agreements.

Other current assets (Euro/thousands)	31/12/2024	31/12/2023
Receivables due from agents	202	214
Receivables from authors	122,488	123,315
Provision for advances to authors	(63,998)	(65,606)
Receivables from suppliers and associates	6,632	6,955
Accrued income and deferred expenses	6,970	7,395
Other receivables from associates and affiliates	139	393
Other receivables	1,931	1,529
Total other current assets	74,364	74,195

20. INVENTORY

The value of "Inventories", amounting to € 156,645 thousand, increased by € 6,705 thousand compared to the previous year, of which € 5,576 thousand was due to the contribution of the companies acquired in 2024.

Inventory (Euro/thousands)	31/12/2024	31/12/2023
Raw and ancillary materials and consumables	17,410	16,272
Write-down of raw and ancillary materials and consumables	(1,293)	(1,069)
Total raw and ancillary materials and consumables	16,117	15,203
Work in progress and semi-finished goods	12,666	11,562
Write-down of work in progress and semi-finished goods	(1,268)	(1,154)
Total work in progress and semi-finished goods	11,398	10,408
Finished products and goods	206,298	205,867
Write-down of finished products and goods	(77,168)	(81,538)
Total finished products and goods	129,130	124,329
Total inventory	156,645	149,940

"Raw and ancillary materials and consumables", amounting to € 16,117 thousand, rose by € 914 thousand, as a result of the higher volumes of paper purchased by the Education Books area in order to anticipate part of the production of new books in 2025.

The value of "Work in progress and semi-finished goods", amounting to € 11,398 thousand, increased by € 990 thousand compared to the value as at 31 December 2023, due to new publications in the Trade Books area, which will be published in the first weeks of 2025.

"Finished products and goods" includes books produced by the Group, third-party publishers' books purchased for re-sale in the Retail segment and merchandising, paper processing and gifts.

The amount of finished products, of € 129,130 thousand, increased by a net € 4,801 thousand, compared to 31 December 2023, mainly due to:

- the contribution of the new companies acquired during 2024 (€ 5,690 thousand);

- the opening of new Mondadori Retail S.p.A. stores (€ 1,181 thousand);
- stock rationalisation by Edizioni Star Comics S.r.l., (€ -2,173 thousand).

Inventory write-down was calculated separately and analytically for each Group company, in consideration of the saleability of finished products and the relative rotation indexes, the possible unproductiveness of work-in-progress or semi-finished products, and the deterioration of raw materials.

Inventory - Write-down			
(Euro/thousands)	Raw material	Work in progress and semi-finished goods	Finished products and goods
Balance at 31/12/2022	0	1,627	73,796
Changes in the year:			
- allocation	204	226	12,272
- utilizations	(128)	(687)	(9,213)
- other changes	67	(12)	4,683
Balance at 31/12/2023	1,069	1,154	81,538
Changes in the year:			
- allocation	224	460	4,746
- utilizations	0	(366)	(9,921)
- other changes	0	20	805
Balance at 31/12/2024	1,293	1,268	77,168

None of the inventory recorded in the financial statements are pledged as guarantees for liabilities.

Decrease (increase) in inventory

The income statement effects resulting from the changes in inventory and the provisions for value adjustments are detailed below.

Decrease (increase) in inventory (Euro/thousands)	2024	2023
Changes in finished products and goods	6562	459
Allocation to the provision for write-downs of finished products and goods	4,746	12,272
Utilization of the provision for write-downs of finished products and goods	(9,921)	(9,213)
Total changes in finished products and goods	1387	3,518
Changes in work in progress and semi-finished goods	(856)	925
Allocation to the provision for write-downs of work in progress and semi-finished goods	460	226
Utilization of the provision for work in progress and semi-finished goods	(366)	(687)
Total changes in work in progress and semi-finished goods	(762)	464
Changes in raw and ancillary materials and consumables	(1,138)	(1,298)
Allocation to the provision for write-downs of raw and ancillary materials and consumables	224	204
Utilization of the provision for write-downs of raw and ancillary materials	0	(128)
Total changes in raw and ancillary materials and consumables	(914)	(1,222)
Total decrease (increase) in inventory	(290)	2,760

21. TRADE RECEIVABLES

"Trade receivables", amounting to € 175,135 thousand, increased versus € 164,438 thousand at 31 December 2023; the change in the consolidation scope contributed to that change for € 7,411 thousand.

Trade receivables (Euro/thousands)	31/12/2024	31/12/2023
Gross receivables from customers	158,137	147,853
Receivables from associates	4,515	15,983
Receivables from parent companies	7	6
Receivables from affiliates	12,476	596
Total trade receivables	175,135	164,438

"Customer receivables", equal to € 158,137 thousand, increased by € 10,284 thousand, as a result of the specified change in scope.

The evolution of exposure towards the Group companies' customers in 2023 mainly involved:

- the Media area, with an increase of € 3,359 thousand, as a result of the growth in revenues from digital activities;
- the Retail area, with an increase of € 731 thousand, due to the growth in business volumes;
- the Trade Books area, with an increase of € 927 thousand, due to the effect of the change of distribution contracts for third-party publishers' products with bookshops, from consignment sales to outright sales with right of return, mitigated by the decrease related to museum activities, following the termination of the concession related to the Coliseum Park;
- the Education Books area, with a decline of € 1,640 thousand, due to the reduction in revenues.

"Receivables from associates" for € 4,515 thousand, are mainly represented by receivables from Press-Di Distribuzione Stampa e Multimedia S.r.l., for the distribution of magazines.

"Receivables from affiliates" which amounted to € 12,476 thousand, mainly consisted of receivables from Mediamond S.p.A. for the sale of advertising space.

Trade receivables - Receivables from customers (Euro/thousands)	31/12/2024	31/12/2023
Gross receivables from customers	236,144	233,685
Customers – returns to receive	(64,283)	(71,396)
Provision for bad debts	(13,724)	(14,436)
Total trade receivables	158,137	147,853

The value of the provision for bad debts, which amounted to € 13,724 thousand, decreased by € 712 thousand, despite the contribution of new acquisitions for € 260 thousand, mainly due to the collection of a bad debt receivable by Electa S.p.A. from the Public Administration.

The amount of the provision was determined following a thorough analysis completed on customer creditworthiness and credit positions at risk of collection.

Trade receivables - Receivables from customers - Write-down (Euro/thousands)	31/12/2024	31/12/2023
Balance at beginning of year	14,436	14,060
Changes in the year:		
- allocation	3078	3,168
- utilizations	(3,819)	(3,318)
- changes in consolidation scope and other changes	30	526
Total provision for bad debts	13,724	14,436

There were no trade receivables due over five years.

22. EQUITY

Equity at 31 December 2024, amounting to € 317,081 thousand, including third party shareholder reserves of € 1,015 thousand, changes to which are detailed in the specific statement, increased by € 27,982 thousand, compared with € 288,838 thousand at 31 December 2023.

The most significant changes were represented by the period result, positive for € 60,211 thousand, partly offset by the distribution of dividends of € 31,309 thousand, and by the increase of € 1,616

thousand in the reserve related to the translation of financial statements denominated in currencies other than the Euro, also due to the change in the scope of consolidation, offset by the decrease in the cash flow hedge reserve of € 2,653 thousand.

Share Capital

Arnoldo Mondadori Editore S.p.A.'s share capital amounts to € 67,979,168.40, divided into no. 261,458,340 ordinary shares with a par value of € 0.26 each.

The legal entity controlling the Mondadori Group is Fininvest S.p.A..

Treasury shares

In 2024, Arnoldo Mondadori Editore S.p.A. purchased no. 247,066 treasury shares on the MTA, equal to 0.094% of the share capital and assigned no. 729,331 shares to the beneficiaries of the 2021-2023 Performance Share Plan, bringing the total number of treasury shares held to no. 795,537, equal to 0.304% of the share capital.

The value of treasury shares servicing the incentive plans named "Performance Share Plan 2022-2024", "Performance Share Plan 2023-2025" and "Performance Share Plan 2024-2026", at 31 December 2024, amounted to € 1,544 thousand, down versus € 2,371 thousand at 31 December 2023.

Other reserves and profit/loss carried forward

"Other reserves and profit/loss carried forward" at 31 December 2024 amounted to 189,419 thousand (160,064 thousand euro at 31 December 2023) and included:

- a legal reserve of € 13,596 thousand;
- a cash flow hedge reserve, amounting to € 2,830 thousand (€ 5,484 thousand at 31 December 2023), net of the relevant tax effect, for the valuation of hedge derivatives;
- a reserve that covers the incentive plans in accordance with IFRS 2, amounting to € 2,259 thousand (€ 2,331 thousand at 31 December 2023);
- a reserve for post-employment discounting, net of the relevant tax effect of € 495 thousand (€ 512 thousand at 31 December 2023);
- the translation reserve, amounting to € 2,504 thousand (€ 888 thousand at 31 December 2023), resulting from the translation of the financial statements of the companies belonging to the Attica Group, with offices in Eastern European countries, and of the Chinese joint-ventures Mondadori Seec Advertising Co. Ltd, Rizzoli International Publications Inc. and Chelsea Green Publishing Inc., present on the American and Anglo-Saxon market.

The exchange rates used for the translation of financial statements denominated in foreign currencies are summarized in the table below:

Currency	Actual 31/12/2024	Actual 31/12/2023	Average 2024	Average 2023
U.S. dollar	1.08	1.10	1.05	1.08
Chinese yuan	7.79	7.85	7.63	7.66
New Romanian Leu	4.97	4.95	4.97	4.93
Bulgarian leva	1.96	1.96	1.96	1.96
Serbian dinars	117.08	116.98	116.94	117.25

- the residual balance represents reserves for retained earnings from past years.

Management of capital

The Mondadori Group capital is managed in relation mainly to the Group overall financial structure, taking into account a correct balance between net debt and capital.

The main index used by the Group for measuring capital adequacy compares net debt with capital to net debt. Net debt includes all liabilities (payables to banks) net of cash and cash equivalents.

Management of capital (Euro/millions)	31/12/2024	31/12/2023
Net debt	173.0	158.6
Capital (equity)	317.1	288.8
Total capital and net debt	490.0	447.4
Ratio of net debt/capital to net debt	35.3%	35.4%
Treasury shares	1.5	2.4

23. CAPITAL, RESERVES AND RESULTS ATTRIBUTABLE TO MINORITIES

Equity pertaining to minority shareholders, for the accounting of which consideration is also given to the put&call agreements signed by Mondadori with the minority shareholders of the company being acquired, comes to € 1,015 thousand.

Capital, reserves and results attributable to minorities (Euro/thousands)	A.L.I.	Edizioni Star Comics	Zenzero	Star Shop Distribuzi one	Fatto in casa da Benedetta	De Agostini Libri	Rizzoli Education
Equity as at 31 December 2023	—	—	—	—	—	746	9
Result for 2023	930	(294)	37	—	—	(509)	1
Equity as at 31 December 2024	—	—	—	—	400	605	9
Result for 2024	1,020	1,048	76	(62)	301	(142)	1

24. PROVISIONS

"Provisions", amounting to € 29,044 thousand, decreased by € 11,795 thousand, mainly due to:

- the decrease in the "Provision for personnel downsizing risks", after having recognised redundancy incentives for some employees;
- the decrease in the "Provision for legal risks", mainly as a result of the settlement of certain disputes and libel lawsuits involving Mondadori Media S.p.A.;
- the decrease in the "Provision for contractual commitments", due to the investments made in the area of museum activities, in accordance with the concession contract that regulated management of the Coliseum;
- the decrease in "Other provisions for risks" mainly related to the settlement of contractual guarantees related to the sale of the Grazia newspaper, less than the amount set aside in 2023.

Provisions (Euro/thousands)	31/12/2023	Alloc.	Utilizations	Other changes	31/12/2024
Provision for agents' contractual risks	2,364	382	(491)	—	2,255
Provision for personnel downsizing risks	7,994	1,058	(5,529)	—	3,524
Provision for legal risks	10,040	332	(1,705)	—	8,667
Provision for investment risks	—	—	—	—	—
Provision for tax disputes	—	—	—	—	—
Provision for contractual commitments	5,782	277	(1,096)	—	4,963
Provision for contractual commitments ad agency	1,461	—	(103)	—	1,358
Other provisions for risks	13,197	307	(5,169)	(59)	8,277
Total provisions	40,839	2,356	(14,093)	(59)	29,044

25. POST-EMPLOYMENT BENEFITS

Post-employment benefits and the supplementary agents' indemnity were determined by applying an actuarial method in compliance with IAS 19 and IAS 37.

It should be noted that for both calculations, a discounting rate based on the iBoxx Corporate EUR benchmark, rating AA and with a 10+ duration, was used consistently with past valuations.

Actuarial assumptions to measure TFR	31/12/2024	31/12/2023
Economic assumptions:		
- increase in cost of living	2.00%	2.50%
- discounting rate	3.38%	3.17%
Demographic assumptions:		
- probability of death	IPS55 tables	IPS55 tables
- probability of disability	INPS-2000 tables	INPS-2000 tables
- probability of leaving for other reasons	From 1.72% to 14.80%	From 1.66% to 16.52%
- retirement age	Regulations in force	Regulations in force

Actuarial assumptions to measure FISC	31/12/2024	31/12/2023
Economic assumptions:		
- discounting rate	3.38%	3.17%
Demographic assumptions:		
- probability of death/disability	1.0%	1.0%
- probability of leaving service	5.0%	5.0%
- probability of voluntary resignation	1.5%	1.5%
- average age of agency contract termination	Regulations in force	Regulations in force

"Post-employment benefits" of € 29,270 thousand record an overall increase of € 79 thousand; the benefits of the companies acquired in 2024 amount to € 308 thousand.

Post-employment benefits (Euro/thousands)	31/12/2024	31/12/2023
Provision for post-employment benefits (TFR)	13,803	14,127
Provision for supplementary agents' indemnity (FISC)	15,445	15,042
Provision for pensions and similar obligations	22	22
Total post-employment benefits	29,270	29,191

The benefits to be paid to employees have decreased by € 324 thousand, going from € 14,127 thousand to € 13,803 thousand, with values deriving from the change in scope equal to € 308 thousand.

The most significant decreases occurred in the Media area, € 426 thousand, due to the early retirement of Journalists, and in the Parent Company, € 282 thousand, due to staff reductions.

The benefits to be paid to the sales network, of € 15,445 thousand, increase by € 403 thousand, concentrated in the Trade Books and Education Books areas.

Post-employment benefits - Details (Euro/thousands)	Provision for post-employment benefits (TFR)	FISC	Provision for retirement
Balance at 31/12/2023	14,127	15,042	22
Changes in 2024:			
- allocations	369	1,405	—
- utilizations	(1,722)	(959)	—
- reversals	—	—	—
- interest costs	426	—	—
- changes in consolidation scope and other changes	603	(43)	—
Balance at 31/12/2024	13,803	15,445	22

The change in the discount rate, from 3.17% to 3.38%, led to a decrease in the provision for post-employment benefits of € 107 thousand.

Post-employment benefits cost items, booked under income statement, include the service cost of companies with less than 50 employees for € 369 thousand, financial expense of € 426 thousand, and the portion paid into the supplementary pension scheme for € 6,630 thousand.

The changes in the "Provision for supplementary agents' indemnity" reflect the turnover occurring in the Group's sales force during the financial year 2024; the item "Provisions" includes the effect of discounting.

"Provision for retirement" was not subject to discounting as the effects are irrelevant.

26. OTHER CURRENT LIABILITIES

The value of "Other current liabilities", amounting to € 144,855 thousand, decreased by € 796 thousand compared to 31 December 2023 despite the change in the scope of consolidation, which contributes towards the increase for € 852 thousand.

The decrease attributable to Group companies also in 2023 was mainly due to lower payables to authors, as a result of the drop in revenues in the Education Books area, and lower payables to subscribers, due to the drop in sales of magazine titles.

The balance of "Tax payables" decreased, due to the payment to the Municipality of Milan of the last instalment of the IMU (municipal property tax) paid in instalments over three financial years for the Piazza Duomo and Galleria Vittorio Emanuele outlets.

Other current liabilities (Euro/thousands)	31/12/2024	31/12/2023
Customer advances	3,694	3,057
Tax payables	6,617	6,957
Owed to social security and pension bodies	13,553	13,561
Payables to associates and affiliates	79	0
Other payables	120,912	122,010
Total other current liabilities	144,855	145,651

Details of "Other payables".

Other current liabilities – Other payables (Euro/thousands)	31/12/2024	31/12/2023
Payroll and other payables to personnel	20,737	20,105
Payables due to authors	69,356	70,930
Payables to subscription and instalment customers	16,640	17,073
Other payables, accrued liabilities and deferred income	14,179	13,902
Total other payables	120,912	122,010

27. TRADE PAYABLES

"Trade payables", amounting to € 273,141 thousand, increased by € 16,072 thousand versus 31 December 2023; the contribution made by the companies that joined the Group during 2024 amounts to € 6,871 thousand.

The increase in trade payables related to Group companies already in 2023, amounting to € 9,201 thousand, mainly contributed to this:

- the Trade Books Area (€ +9,420 thousand), due to the change in distribution contracts of third-party publishers, from consignment sales to outright sales with right of return, and a higher concentration of purchases in the last quarter;
- the Education Books area (€ +2,596 thousand), due to the anticipation of publishing production;
- the Media area (€ -948 thousand), due to lower production volumes;
- the Retail area (€ -1,114 thousand), due to the different timing of purchases.

Trade payables (Euro/thousands)	31/12/2024	31/12/2023
Payables to suppliers	266,738	252,064
Payables to associates	5,594	3,922
Payables to parent companies	70	19
Payables to affiliates	739	1,063
Total trade payables	273,141	257,069

"Payables to associates" mainly regard the distribution of the publishing product of Edizioni EL S.r.l.; "Payables to affiliates" mainly regard Publitalia '80 S.p.A. for the purchase of advertising spaces.

Payables to associates, parent companies and affiliates are detailed in Annex "Transactions with related parties"; transactions with related parties are carried out under normal market conditions.

There were no trade payables due over five years.

28. NET FINANCIAL POSITION

At 31 December 2024, total debt, including the component entered in accordance with IFRS 16 came to € 172,959 thousand, an increase of € 14,363 thousand, of which € 8,691 thousand refers to the liabilities entered in accordance with IFRS 16.

Excluding this component, the cash-flow for the year was a negative € 5,673 thousand as a result of:

- cash generation from core business activities amounting to € 71,283 thousand (€ 68,730 thousand in 2023), to which all business areas in which the Group operates contributed;
- the distribution of dividends to shareholders in the amount of € 31,309 thousand and the negative impact of the valuation of the interest rate hedging derivative in the amount of € 3,491 thousand;
- acquisitions concluded in 2024 totalling € 25,748 thousand;

- a cash out related to restructuring charges of € 6,098 thousand and other non-recurring charges, including investments incurred for the redevelopment of the Segrate headquarters, in the amount of € 4,637 thousand.

Net financial position (Euro/thousands)	31/12/2024	31/12/2023
Non-current financial assets	5,303	8,688
Current financial assets	142	2,111
Cash and cash equivalents	111,289	49,724
Non-current financial liabilities	(144,270)	(95,638)
Current financial liabilities	(64,250)	(50,998)
Financial assets (liabilities) from discontinued operations	—	—
Net financial position before IFRS 16	(91,786)	(86,113)
Financial liabilities IFRS 16	(81,174)	(72,483)
Financial liabilities IFRS 16 discontinued operations	—	—
Net financial position including IFRS 16 effect	(172,959)	(158,596)

The net financial position, according to the format recommended by CONSOB shown below, which does not include "Non-current financial assets" amounting to € 5,303 thousand, stood at € -178,262 thousand.

Net financial position (Euro/thousands)	31/12/2024	31/12/2023
- Cash	1,618	1,785
- Bank deposits	109,059	47,648
- Postal deposits	613	291
A Cashfunds	111,289	49,724
B Cash equivalents	—	—
C Other current financial assets	142	2,111
D Liquidity (A+B+C)	111,432	51,835
- Current bank payables	(325)	(471)
- Financial liabilities IFRS 16	(13,612)	(13,208)
- Other current financial payables	(20,891)	(4,307)
E Current financial debt (including debt instruments, excluding current portion of non-current financial debt)	(34,828)	(4,778)
- Loans	(43,034)	(46,220)
F Current portion of non-current financial debt	(43,034)	(46,220)
G Current financial debt (E+F)	(77,862)	(50,998)
H Net current financial debt (G-D)	33,569	837
- Loans	(130,611)	(69,472)
- Financial liabilities IFRS 16	(67,562)	(59,275)
- Derivatives and other financial liabilities	(13,659)	(26,166)
I Non-current debt (excluding current portion and debt instruments)	(211,832)	(168,121)
J Debt instruments	—	—
K Trade payables and other non-current payables	—	—
L Non-current financial debt (I+J+K)	(211,832)	(168,121)
M Total financial debt (H+L)	(178,262)	(167,284)

Financial assets

The value of "Non-current financial assets" of € 5,303 thousand decreased by € 3,385 thousand, due to the adjustment of interest rate risk derivatives to fair value.

The balance included, for € 2,450 thousand, the loan granted by Mondadori Media S.p.A. to its associate Press-Di Distribuzione e Multimedia S.r.l. and the loan to Attica Publications, amounting to € 500 thousand, both of which were already outstanding at the end of the previous year.

Non-current financial assets (Euro/thousands)	31/12/2024	31/12/2023
Financial receivables from associates	2,950	2,950
Financial receivables	—	—
Assets resulting from derivative instruments	2,353	5,738
Total non-current financial assets	5,303	8,688

"Other current financial assets", amounting to € 142 thousand, decreased by € 1,969 thousand, mainly due to the termination of the concession for the management of the museums belonging to the Coliseum Park.

Other current financial assets (Euro/thousands)	31/12/2024	31/12/2023
Financial receivables from customers	—	—
Financial receivables from associates	—	—
Financial receivables from parent companies	—	—
Financial receivables from affiliates	—	—
Financial receivables from others	142	2,111
Total financial receivables	142	2,111
Financial assets at fair value with adjustments recognized in the income	—	—
Available-for-sale financial assets	—	—
Assets resulting from derivative instruments	—	—
Total other current financial assets	142	2,111

Cash and cash equivalents

The item amounted to € 111,289 thousand mainly consists of temporary surplus liquidity in bank current accounts; the fair value of cash and cash equivalents is equal to their relevant book value at 31 December 2024.

Cash and cash equivalents (Euro/thousands)	31/12/2024	31/12/2023
Cash and cash on hand	1,618	1,785
Bank deposits	109,059	47,648
Post office accounts	613	291
Total cash and cash equivalents	111,289	49,724

Non-current financial liabilities

"Non-current financial liabilities" mainly include:

- the amortised cost of the Line A Amortising Term Loan of the pool loan, entered into in May 2021 and maturing in December 2026, amounting to € 15,006 thousand;
- the amortised cost of Line C (Acquisition Line) of the pool loan, entered into in May 2021 and maturing in December 2026, amounting to € 21,603 thousand;
- the amortised cost of the Term Loan of the bilateral loan, entered into in December 2024 and maturing in December 2028, for € 49,879 thousand;
- the amortised cost of the Term Loan of the bilateral loan, entered into in September 2024 and maturing in September 2029, for € 44,282 thousand;
- the amortised cost of the Revolving loan agreement entered into in July 2024 (underlying undrawn) for € -168 thousand;
- the measurement of derivatives, amounting to € 106 thousand;
- consideration, with deferred payment, related to certain acquisitions concluded in recent years, amounting to € 13,533 thousand.

Non-current financial liabilities	Effective interest rate	Maturity between 1 and 5 years	Maturity over 5 years	31/12/2024	31/12/2023
Loans	1.108%	130,611	—	130,611	69,472
Liabilities from derivatives		106	—	106	—
Other financial payables		13,553	—	13,553	26,166
Total non-current financial liabilities		144,270	—	144,270	95,638

Payables to banks and other current financial liabilities

“Payables to banks and other current financial liabilities” amounted to € 64,250 thousand and mainly included:

- € 15,833 thousand for the portion of the A Term Loan of the pool loan, coming to maturity in December 2025;
- € 21,645 thousand for the portion of the C Line of the pool loan, coming to maturity in December 2025;
- the portion of the Term Loan of the bilateral loan, entered into in September 2024 and maturing in September 2029, for € 5,556 thousand;
- other financial payables in the amount of 20,891, mainly for deferred payments related to certain acquisitions concluded in recent years.

Payables to banks and other current financial liabilities (Euro/thousands)	Effective interest rate	31/12/2024	31/12/2023
Bank deposits		325	471
Loans	2.512%	43,034	46,220
Financial payables to associates		—	—
Other financial payables		20,891	4,307
Total payables to banks and other current financial liabilities		64,250	50,998

At 31 December 2024, the Leverage Ratio Financial Covenant (Net Financial Position pre-application of IFRS 16 / EBITDA) was equal to 0.66, far below the cap of 3.25 under the loan agreements.

The forecasts contained in the medium-term plan show no reasonably foreseeable sign of overshooting the cap in the future.

Changes in committed credit lines:

(Euro/thousands)	31/12/2023	Utilizations	Repayments	Other changes	31/12/2024
Line A maturing in 2026	45,878	—	(15,833)	795	30,840
Line C maturing in 2026	59,788	5,000	(21,645)	105	43,248
Term Loan December 2024, maturity December 2028	—	50,000	—	(121)	49,879
Term Loan September 2024, maturity September 2029	—	50,000	—	(163)	49,837
RCF July 2024, maturity July 2029	—	—	—	(168)	(168)
Total	105,666	105,000	(37,478)	448	173,636

“Other changes” are the year’s portion of amortisation of the amortised cost.

Assets and liabilities resulting from derivative instruments

Assets and liabilities resulting from derivative (Euro/thousands)	Type of derivative instrument	Fair value at 31/12/2024	Fair value at 31/12/2023
Non-current financial assets (liabilities)			
- Rate derivatives	Cash flow hedge	2,353	5,738
- Rate derivatives	Cash flow hedge	(106)	—

The Group has adopted a Financial Risk Management policy. The use of derivative instruments is in line with the guidelines contained in such policy. In order to verify hedging efficiency, the Group performs a series of prospective tests and, where necessary, retroactive tests on a quarterly basis.

Assets resulting from derivative instruments amounting to € 2,353 thousand, include:

- the fair value relating to the hedging transactions on the existing interest rate risk, based on 100% of the Line A Amortising Term Loan of the pool loan agreement entered into in May 2021, maturing in December 2026 for a notional amount of € 31.7 million and a weighted average rate of - 0.086%;
- the fair value relating to the hedging transactions on the existing interest rate risk, applying to 92% of the use of Line C Acquisition Line of the Pool loan agreement concluded in May 2021, coming to maturity in December 2026 for a notional value of € 40 million and a weighted average rate of -0.098%.

The table below shows the hedge impact on income statement and equity:

Cash flow hedge reserve (Euro/thousands)	31/12/2024	31/12/2023
Initial balance gross of the tax effect	(7,215)	(11,938)
Amount recognised in the period	(792)	601
Amount endorsed from reserve and recognised in the income statement:		
- adjustments to expense	(233)	115
- adjustments to income	4516	4,007
Final balance gross of the tax effect	(3,724)	(7,215)
Inefficient part of hedge	—	—

Financial liabilities IFRS 16

"Financial liabilities IFRS 16", determined by classifying the rights of use in clusters, based on the contractual maturity, and applying a different discount rate to each of them: for Italian companies equal to the three-month Euribor (zero floor) plus a spread, and for US companies equal to the three-month treasury rate plus a spread, increased by € 8,691 thousand, going from € 72,483 thousand at 31 December 2023 to € 81,174 thousand.

Financial liabilities IFRS 16 (Euro/thousands)	Maturity between 1 and 5 years	Maturity over 5 years	31/12/2024	31/12/2023
Non-current financial liabilities IFRS 16	54,175	13,387	67,562	59,275
Current financial liabilities IFRS 16			13,612	13,208
Total financial liabilities IFRS 16	54,175	13,387	81,174	72,483

29. REVENUES FROM SALES AND SERVICES

Consolidated revenues for FY 2024 amounted to € 934,734 thousand, up 3.3% compared to € 904,737 thousand for 2023; like-for-like, organic revenue growth was 1.1%.

In the **Trade Books** area, revenues increased by 6.0%, i.e. a decrease of 0.5% on a like-for-like basis, i.e. excluding the consolidation of Chelsea Green Publishing and the distribution activities of Star Shop. This performance appears particularly positive considering the termination of the concession for the Roman archaeological site of the Colosseum, and the consequent loss of related revenues, and was achieved thanks to the positive publishing performance also on digital channels.

In the **Education Books** area, the school business recorded total revenues of € 233,258 thousand, down 1.8% compared to 2023, as a result of the drop in adoption figures in the primary school segment and greater recourse to the second-hand market by families. Sales of books by distributed third-party publishers also fell.

During the period under review, the **Retail** area experienced growth of 8.0% compared with the previous year, as a result of the new bookshop openings finalised in 2024 and also thanks to the consolidation of the retail business of Star Shop, net of which growth came to 2.9%. This positive performance was driven by the book product, whose sales increased by 2.9%, particularly in directly operated bookshops.

Media revenues of € 147,268 thousand increased by approximately 4% compared to the previous year, thanks to an increase in the digital component of more than 20%, which more than offset the structural decline in traditional activities.

Revenue from sales and services (Euro/thousands)	2024	2023	% Difference
Trade Books	396,810	374,342	6.0%
Education Books	233,258	237,494	(1.8%)
Retail	215,490	199,464	8.0%
Media	147,268	140,963	4.5%
Other Business and Corporate	45,981	42,957	7.0%
Aggregate revenue	1,038,807	995,220	4.4%
Intercompany revenue	(104,073)	(90,483)	15.0%
Total revenue from sales and services	934,734	904,737	3.3%

Revenue by geographical area (Euro/thousands)	2024	2023
Italy	832,961	812,866
EU countries	40,527	32,213
USA	54,054	48,580
Other Countries	7,192	11,078
Total revenue from sales and services	934,734	904,737

The "Directors' Report on Operations" provides further details on revenue trends and the Group's various lines of business.

30. Cost of raw, ancillary, consumption materials and goods

The "Cost of raw and ancillary materials, consumables and goods", which amounted to € 178,646 thousand, increased by € 13,759 thousand from the previous year, mainly as a result of:

- the increase due to the change in the scope of consolidation (€ +16,276 thousand), mostly attributable to Star Shop Distribuzione S.r.l., which purchases comics from the publishers distributed;
- the reduction in paper procurement costs, which affected all business areas, brought about by lower raw material prices and more calibrated print runs;
- the change of distribution contracts of third-party publishers from consignment sales to sales with right of return;
- in the retailer business, the rationalisation of purchases by Mondadori Retail S.p.A. (€ -1,410 thousand) offset by the increased purchases made by Electa S.p.A. (€ +1,553 thousand) related to the development of museum bookshops.

Cost of raw and ancillary materials, consumables and goods (Euro/thousands)	2024	2023
Cost of raw materials	48,266	52,505
Goods for re-sale	129,529	111,416
Consumables, maintenance and other materials	851	966
Total cost of raw and ancillary materials, consumables and goods	178,646	164,887

31. COST OF SERVICES

The "Cost of services" for € 467,800 thousand has increased compared with the previous year, by € 8,976 thousand, in reference to the expansion of the consolidation scope for € 5,871 thousand.

The most significant changes, referring to the like-for-like scope with 2023, concerned:

- the "Publisher's share", amounting to € 25,007 thousand, increased by € 6,692 thousand, due to the excellent performance achieved by the companies that manage the sale of advertising space on the various devices;
- costs for "Rights and royalties" increased by € 526 thousand, due to growth in the Trade Books area, amounting to € 2,061 thousand, in line with the trend in revenues, partly offset by the decrease in the Education Books and Media areas, respectively of € 523 thousand and € 793 thousand, in line with the downward trend in revenues;
- costs for "Commissions and costs for agents" decreased by € 1,967 thousand, almost entirely attributable to the Education Books area, as a result of the drop in revenues;
- costs for "Processing", which increased by € 1,114 thousand, due to the increase in turnover in the Trade Books area (€ +3,272 thousand), partly offset by the decrease in the Education Books area (€ -1,265 thousand) and in the Media area (€ -999 thousand) due to the drop in revenues from product sales;
- costs for "Logistics" increased by € 250 thousand, particularly in the Education Books area, due to the revision of the contract with the external operator aimed at raising the quality of services and improving the distribution process.

Cost of services (Euro/thousands)	2024	2023
Rights and royalties	102,301	100,993
Commissions and costs for agents	51,064	53,276
Processing	116,651	114,575
Logistics	37,852	36,389
Consultancy services and third-party collaborations	32,223	31,865
Newsstand channel fee and subscription management	13,295	15,041
Purchase of advertising space and promotion expenses	21,980	21,496
Publisher's share	25,007	18,316
Travel, gifts and entertainment expenses	6,815	5,770
Directors' and statutory auditors' fees	3,631	3,348
Insurance	2,035	1,829
Telephone and postal expenses	3,900	4,083
Catering, security and cleaning services	3,998	3,783
Maintenance costs	3,108	3,329
Market surveys, news agencies	2,321	2,589
Bank services and commissions	1,830	1,683
IT services and administrative area	13,858	12,555
Rents and service expenses	17,110	15,864
Temporary work fees	6,347	5,555
Other services	2,474	6,485
Total cost of services	467,800	458,824

"Directors' and statutory auditors' fees" comprised fees paid to Directors and Statutory Auditors for € 2,918 thousand and € 713 thousand, respectively.

32. COST OF PERSONNEL

Group employees – on both permanent and fixed-term contracts – amounted to 2,133, up by 9.7% versus 1,945 resources at 31 December 2023.

Neutralising the effect of the changes in the scope of consolidation that occurred, the acquisitions of Star Shop Distribuzione S.r.l., Chelsea Green Publishing Inc. and Fatto in Casa da Benedetta S.r.l., the Group's workforce would have increased by 2.3%.

Headcount	Actual 31/12/2024	Actual 31/12/2023	Average 2024	Average 2023
Executives	110	105	110	105
White collars, middle managers and journalists	1,906	1,809	1,871	1,794
Manual workers	117	31	89	31
Total	2,133	1,945	2,070	1,930

The cost of personnel came to € 141,986 thousand in 2024, up 1.0% on 2023 as a result of the changes in scope mentioned; net of these changes, the cost is down by approximately 2%.

"Other costs" mainly show the net balance between recognised redundancy incentives and the utilisation of the respective provisions set aside in previous years.

Cost of personnel (Euro/thousands)	2024	2023
Wages and salaries	103,747	99,755
Social security expense	29,109	28,345
Share of post-employment benefits to increase provision for post-employment benefits	369	216
Supplementary pension scheme plans	6,630	6,469
Other costs	2130	5,794
Total cost of personnel	141,986	140,579

Information on the Performance Share Plan

At 31 December 2024, the Mondadori Group has 3 share-based payment plans in place intended for managers of Group companies and for members of the Board of Directors of the Parent.

The reasons underlying the adoption of the Plans are:

- to create a stronger link between the creation of medium- and long-term value and the remuneration of Management;
- to support Mondadori's growth following the completion of the optimization of its assets, using a system that reflects the growth in the value of the company;
- to encourage teamwork at management level, supporting the shared objective of value creation.

The Board – or its representative, the CEO – has the power to amend the Performance Targets in extraordinary and/or unforeseen situations or circumstances that could have a significant impact on

the results of the Group and/or its area of operations. These situations and circumstances could, for example, include mergers, demergers, acquisitions, disposals or spin-offs.

Shares are allocated to the beneficiaries at the end of the vesting period on the basis of pre-established performance targets. Specifically, these targets are related to:

- Total Shareholder Return (TSR) compared to the constituents of the FTSE Italia Mid Cap index (FTSE Italia All Share for the 2022-2024 and 2023-2025 plans), with a weight of 15% (25% for the 2022-2024 and 2023-2025 plans);
- Cumulative EBITDA over the three years, with a weighting of 20%;
- Cumulative Net profit over the three years, with a weighting of 25%;
- Ordinary Cash Flow for the three-year period, with a weighting of 25% (20% for the 2022-2024 and 2023-2025 plans);
- ESG index (Impact Inclusion Index for 2022-2024 and 2023-2025 plans), with a weight of 15% (10% for 2022-2024 and 2023-2025 plans).

For each of the above performance conditions, minimum, target and maximum result levels are set.

When the minimum (90%) is met for EBITDA, Net profit and Ordinary Cash Flow, the number of shares granted is equal to 50% of the target number of options assigned. When the target is met, 100% vests, while with the maximum, the number of shares granted is equal to 120% of the target number of options assigned.

The ESG Index, being the synthesis of three independent and individually measured fields of action, can have an outcome indicator value ranging from 0% to 120%, with a corresponding number of options assigned.

The TSR is calculated, within the three-year period of reference of the Plan, as the difference in value between the share price at the start and at the close of the performance period and considering the value of the dividends distributed in the same period, compared to the performance of Mondadori shares with that of the FTSE Mid Cap index.

They are measured considering the five components of the Plan:

- the “market based” component connected to the measurement of the performance of Arnoldo Mondadori Editore S.p.A. in terms of Total Shareholder Return (TSR);
- the “non-market based” component relating to the achievement of targets on cumulative Net Profit, cumulative EBITDA, cumulative Free/Ordinary Cash Flow and ESG Index.

Pursuant to IFRS 2, the financial instruments underlying the Plan were stated at fair value on their granting.

The fair value measurement, which takes account of the current share price at the granting date, volatility, the expected flow of dividends, the duration of the Plan and the free-risk rate, was entrusted to an independent third-party expert and carried out using a Monte Carlo-type simulation model.

The information documents pursuant to Article 114-bis of Legislative Decree 58/98, which present the characteristics of the above plans, are publicly available in the Governance section of Arnoldo Mondadori Editore S.p.A.'s website (www.gruppomondadori.it), at the registered office and at Borsa Italiana S.p.A.. The table below shows for each plan the costs recognized in the income statement and the assumptions underlying the fair value measurement.

In first half 2024, the Performance Share Plan for the three-year period 2021-2023 came to maturity. A total of 729,331 shares were assigned, measured at a weighted average price of € 1.8553. The plan envisaged a total cost of € 1,292 thousand and the related reserves set aside during the three-year period were reclassified as available.

The plans in place are described below.

2024-2026 long-term incentive plan

In FY 2024, the cost of the 2024-2026 Performance Share Plan (intended for the Chief Executive Officer and 22 selected Mondadori managers who have an employment and/or directorship relationship with the Company or with its Subsidiaries), recognized in the income statement under Cost of personnel, amounted to € 492 thousand.

The total number of shares granted is 667,272.

The fair value of shares was determined based on the following assumptions:

Granting date	01/06/2024
Residual life at granting date (in months)	31
Expected volatility of the share price	24.32%
Risk-free interest rate	3.30%
% on expected dividends	—%
Fair value of share at granting date (Euro)	2.214

2023-2025 long-term incentive plan

In FY 2024, the cost of the 2023-2025 Performance Share Plan (intended for the Chief Executive Officer and 17 selected Mondadori managers who have an employment and/or directorship relationship with the Company or with its Subsidiaries), recognized in the income statement under Cost of personnel, amounted to € 452 thousand.

The total number of shares granted is 783,316.

The fair value of shares was determined based on the following assumptions:

Granting date	02/05/2023
Residual life at granting date (in months)	32
Expected volatility of the share price	28.38%
Risk-free interest rate	3.26%
% on expected dividends	—%
Fair value of share at granting date (Euro)	1.731

2022-2024 long-term incentive plan

In FY 2024, the cost of the 2022-2024 Performance Share Plan (intended for the Chief Executive Officer and 12 selected Mondadori managers who have an employment and/or directorship relationship with the Company or with its Subsidiaries), recognized in the income statement under Cost of personnel, amounted to € 288 thousand.

The total number of shares granted is 523,478.

The fair value of shares was determined based on the following assumptions:

Granting date	01/06/2022
Residual life at granting date (in months)	31
Expected volatility of the share price	33.89%
Risk-free interest rate	1.36%
% on expected dividends	—%
Fair value of share at granting date (Euro)	1.648

33. SUNDRY EXPENSE (INCOME)

In FY 2024, net income came to € 8,346 thousand, down versus € 11,208 thousand at 31 December 2023.

Sundry expense (income) (Euro/thousands)	2024	2023
Other revenue and income	(11,170)	(16,471)
Other operating expense	2,824	5,263
Total sundry expense (income)	(8,346)	(11,208)

"Other revenues and income", amounting to € 11,170 thousand, decreased by € 5,301 thousand, as a result of:

- the value of capital gains, which in 2023 included the impact of the sale of magazine titles Grazia and Icon for € 3,629 thousand;
- lower grants received (€ 5,152 thousand compared to € 5,699 thousand in 2023) for the purchase of paper for the printing of books and magazines, for costs incurred for the distribution of magazines and for technological innovation.

Sundry expense (income) – Other revenue and income (Euro/thousands)	2024	2023
Capital gains from the disposal of fixed assets and business units	110	3,632
Contingent assets	3,986	4,126
Others	7,074	8,713
Total other revenue and income	11,170	16,471

Below is a breakdown of "Other operating expense", which amounted to € 2,824 thousand, a decrease of € 2,439 thousand, mainly due to the lesser impact of non-deductible VAT calculated on exempt revenues, obtained to a lesser extent in museum activity management and to the release of

certain provisions, as the risks for which they had been set aside in previous years were no longer present.

Sundry expense (income) – Other operating expense (Euro/thousands)	2024	2023
Receivables management	2,598	2,812
Reimbursements and settlements, net of the use of provisions	(5,092)	(3,952)
Contributions and grants	2,241	2,482
Contingent liabilities	529	448
Capital loss from the disposal of fixed assets and business units	16	36
Other tax and duties	2,533	3,437
Sundry expenses		
Total other operating expense	2,824	5,263

34. FINANCIAL EXPENSE (INCOME)

Net financial expense at 31 December 2024 amounted to € 8,312 thousand and increased by € 474 thousand versus the prior year, due mainly to:

- higher "interest expense on loans", in the amount of € 218 thousand, partly offset by higher "financial income from derivatives", in the amount of € (162) thousand;
- higher "interest income from banks" in the amount of € 307 thousand, due to the partial adjustment of lending rates to market rates by credit institutions;
- lower "ancillary expense on loans" for € 204 thousand due to amortised costs on medium- and long-term loans;
- lower financial income of € 88 thousand;
- lower discounting costs on post-employment benefits for euro 105 thousand;
- higher "other financial expenses" in the amount of € 690 thousand, which included adjustments to financial payables for earn-outs;
- higher charges resulting from the application of IFRS 16, amounting to € 408 thousand, due to the increase in payables for property leases and company car rentals.

Financial expense (income) (Euro/thousands)	2024	2023
Interest from banks and post offices	(535)	(228)
Financial income from derivatives	(4,283)	(4,121)
Financial income	(219)	(131)
Other interest	(101)	(98)
Total interest and other financial income	(5,138)	(4,578)
Interest expense to banks	99	59
Interest expense on loans	7,252	7,034
Financial expense from derivatives	—	—
Ancillary expense on loans	927	1,131
Commission on loans	560	563
Other impairment charges (income) IFRS 9	—	—
Financial expense from discounting of assets/liabilities	426	531
Other financial expenses	1,533	843
Total interest and other financial expense	10,796	10,161
Realised positive currency differences	(55)	(96)
Unrealised positive currency differences	(15)	(13)
Realised negative currency differences	119	199
Unrealised negative currency differences	59	27
Total exchange losses (gains)	109	117
Expense (income) from financial assets	—	—
Financial expense IFRS 16	2,546	2,138
Total financial expense (income)	8,312	7,838

35. INCOME TAX

"Income tax", amounting to € 21,651 thousand, rose by € 3,727 thousand due to the better economic results achieved and to low-taxed income components in 2023, including capital gains realised on the sale of magazine titles and the investment in Società Europea di Edizioni S.p.A..

Income tax (Euro/thousands)	2024	2023
IRES on income for the year	20,000	20,162
IRAP for the year	4363	4,137
Total current taxes	24,363	24,299
Deferred/pre-paid tax for IRES	3,030	(1,052)
Deferred/pre-paid tax for IRAP	(248)	(600)
Total deferred/pre-paid tax	2,781	(1,652)
Other tax items	(5,493)	(4,723)
Total income tax expense for the year	21,651	17,924

Reconciliation between the theoretical tax charge and the current tax charge

(Euro/thousands)	2024			2023		
	Net income (loss) before tax	Tax	Current tax rate	Net income (loss) before tax	Tax	Current tax rate
Theoretical IRES tax amount	84,104	20,185	24.00%	80,500	19,320	24.00%
Theoretical IRAP tax amount	84,104	3,280	3.90%	80,500	3,140	3.90%
Total theoretical tax amount/rate		23465	27.90%		22,460	27.90%
Actual IRES tax amount		17469	20.77%		14,459	17.96%
Actual IRAP tax amount		4182	4.97%		3,465	4.30%
Total actual tax amount/rate		21,651	25.74%		17,924	22.26%
Theoretical tax amount/rate		23465	27.90%		22,460	27.90%
Effect relating to the recognition of prior years' tax and income from the tax consolidation		(4,809)	(5.72%)		(4,030)	(5.01%)
Effects on companies booked at equity		(99)	(0.12%)		(711)	(0.88%)
Effect of non-deductibility of financial expense		1,487	1.77%		1,367	1.70%
Effect from public grants		(937)	(1.11%)		(1,559)	(1.94%)
Net effect of other permanent differences		1,642	1.95%		71	0.09%
Effect of different IRAP tax base		902	1.07%		326	0.40%
Current tax amount/rate		21,651	25.74%		17,924	22.26%

36. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing net profit for the period attributable to the Group by the weighted average number of outstanding ordinary shares in the reporting period.

	2024	2023
Net profit for the period (Euro/000)	60,211	62,411
Weighted average number of outstanding ordinary shares (no./000)	260,620	260,278
Basic earnings per share from continuing operations (Euro)	0.231	0.240

	2024	2023
Net profit for the period (Euro/000)	60,211	62,411
Weighted average number of outstanding ordinary shares (no./000)	260,620	260,278
Basic earnings per share (Euro)	0.231	0.240

For the purpose of calculating diluted earnings per share, the weighted average number of outstanding shares is adjusted on the assumption of converting shares with a dilution effect.

	2024	2023
Net profit for the period (Euro/000)	60,211	62,411
Weighted average number of outstanding ordinary shares (no./000)	261,623	260,278
Number of options with diluted effect (no./000)	1,003	1,101
Diluted earnings per share from continuing operations (Euro)	0.230	0.239

	2024	2023
Net profit for the period (Euro/000)	60,211	62,411
Weighted average number of outstanding ordinary shares (no./000)	261,623	260,278
Number of options with diluted effect (no./000)	1,003	1,101
Diluted earnings per share (Euro)	0.230	0.239

37. Commitments and contingent liabilities

Commitments

At 31 December 2024, the Mondadori Group had commitments underwritten for a total of € 53,426 thousand (€ 50,553 thousand at 31 December 2023), consisting of guarantees issued on VAT receivables subject to reimbursement and prize contest transactions, of leases contracts and letters of patronage.

Contingent liabilities

For the years 2004-2005, the Central Division of the Lombardy Region, through tax assessments, submitted findings relating to IRAP (2004) and to the application of a 12.50% withholding tax on the interest paid on a loan stock in favour of a subsidiary (years 2004-2005).

With regard to IRAP 2004, the Court of Cassation, by order No. 3380 of 3 February 2022, referred the dispute back to the Court of Justice of the second instance because it found that there was a failure to state reasons in the previous judgement. By appeal filed on 28 September 2022, the Company resumed the case before the aforementioned Court. The Revenue Agency entered an appearance, abandoning the dispute. In judgement no. 1896/2023, filed on 9 June 2023, the Lombardy Tax Court of Second Instance acknowledged the abandonment of the tax claim. Instead, as regards the finding relating to the withholding on interest in the year 2004, with the same judgement no. 1896/2023 mentioned previously, the Lombardy Tax Court of Second Instance confirmed the legitimacy of the recovery as taxation. On 25 January 2024, the Company filed an appeal against this judgement before the Court of Cassation. To date, the related hearing for discussion has not yet been scheduled. In connection with the specified dispute regarding withholdings on interest in 2004, after the company lost in the second instance proceedings, on 25 September 2023, the Revenue-Collections Agency served the Company with the payment notice by means of which it demanded, by way of provisional collection pending judgement, payment "inter alia" of interests. The Company appealed against the payment notice before the Milan Tax Court of First Instance. The Court of First Instance, in judgement 4335/2024 given on 5 November 2024, in granting the request made by the Company, ordered the annulment of the role relating to the request for payment of interest. The deadline for the Revenue-Collections Agency to file an appeal is now pending.

As regards the finding relating to the withholding on interest in the year 2005, after the Regional Tax Court of Milan, with judgement no. 6900/2017 rejected the appeal, the Company appealed to Cassation. In a judgement filed on 8 March 2023, the Court of Cassation declared that the matter in dispute in relation to the notification of the penalties had ceased and the Court referred the dispute to the second instance Court of Justice on matters of taxation. In particular, the Supreme Court of Cassation, upholding the Company's arguments, followed the interpretative position expressed on the subject of the "beneficial owner" by the Court of Justice in its most recent rulings, which were also implemented in the national context, and, to that effect, the court quashed the contested decision, referring the case back to the second instance Court of Justice, in a different composition, for the assessment of the factual elements of the case. By appeal filed on 26 October 2023, the Company resumed the case before the Lombardy Tax Court of Second Instance. In Judgement no. 1377/2024, filed on 13 May 2024, the Lombardy Tax Court of Second Instance rejected the appeal for reinstatement lodged by the Company. The Company appealed this judgement in Cassation, filed on 23 December 2024. To date, the related hearing for discussion has not yet been scheduled. In connection with the specified dispute regarding withholdings on interest in 2005, after the company lost in the second instance proceedings, on 23 September 2024, the Revenue-Collections Agency served the Company with the payment notice by means of which it demanded, by way of provisional collection pending judgement, payment "inter alia" of interests. In FY 2024, the Company made payment of € 487,949.34 and appealed against the payment notice before the Milan Tax Court of First Instance. To date, the hearing for discussion has not yet been scheduled.

On 24 January 2023, the Revenue Agency – Regional Directorate of Lombardy – Major Taxpayers Office, notified communication of start of audit for IRES, IRAP and VAT purposes on tax year 2017. It was concluded on 26 September 2023 with the notification of the formal report of findings, which showed a finding relative to transfer pricing regulations pursuant to Article 110, subsection 7 of the Consolidated Law on Income Tax, relative to the rate applied by the Company to the subsidiary Mondadori France, to which it had granted a loan. According to the auditors, the active rate that the Company had applied to the subsidiary is not consistent with transfer pricing regulations, consequently impacting the income statement in terms of greater interest income (and consequently higher IRES taxable income) amounting to € 3,651,253. The assessment, which confirmed the findings set forth in the formal report of findings, despite the brief submitted by the Company, was notified by certified e-mail on 18 December 2023. Before the deadline for preparing the appeal passed, on 12 February 2024, the Consolidating Company Fininvest S.p.A. submitted the IPEC Form, whereby it requested that previous losses be discounted, thereby reducing the higher taxable income assessed by 80% and consequently redetermining sanctions and interest. On 15 April 2024, the Company filed an appeal before the Milan Tax Court of First Instance. The hearing for discussion was held on 13 November 2024. In judgement no. 685/2025, filed on 13 February 2025, the Milan Tax Court of First Instance fully upheld the Company's grounds for appeal. The deadline for the Revenue-Collections Agency to file an appeal is now pending.

As a consequence of the tax audit on the 2017 tax year, on 21 August 2024, the Revenue Agency – Regional Directorate of Lombardy – Major Taxpayers Office, notified a questionnaire on the 2018 tax year, concerning the same requests on transfer pricing pursuant to Article 110 paragraph 7 of the Consolidated Law on Income Tax, relating to the interest rate applied to Mondadori France on the loan granted by Arnoldo Mondadori Editore S.p.A.. On 3 October 2024, the Company responded to the questionnaire with a memorandum. On 19 November 2024, by means of a certified e-mail, the Revenue Agency – Regional Directorate of Lombardy – Major Taxpayers Office, notified the draft of the deed on the 2018 tax year concerning the same issues raised on 2017. On 19 November 2024, the Company notified the comments to the draft deed by means of certified e-mail. On 4 March 2025, the Revenue Agency – Regional Directorate of Lombardy – Major Taxpayers Office, notified by means of certified e-mail the assessment notice confirming the findings contained in the deed. Given the favourable ruling on the year 2017, the Company will follow the litigation route on the year 2018 as well.

On 24 December 2024, the Revenue Agency – Regional Directorate of Lombardy – Major Taxpayers Office, notified the Company of deed no. TMBCR1000062/2024 relating to VAT for the year 2019,

contesting the non-submission of the surety guaranteeing the Group's credit for the tax year 2018 used as a set-off in the Group's liquidation. The deed is the conclusion of a series of cross-examinations with the Office that began in February 2023, during the course of which the Company asserted its reasons by submitting defence briefs, which are also referred to in the deed outline itself. On 17 February 2025, the Company submitted its observations on the outline of the deed, pending the scheduling of the cross-examination with the Revenue Agency. Considering the risk of loss not probable at the moment, the Company did not deem it necessary to set aside a provision for risks.

38. NON-RECURRING EXPENSE (INCOME)

Pursuant to Consob Resolution no. 15519 of 27 July 2006, it should be noted that, in 2024, the Mondadori Group did not recognise any non-recurring income; during the previous financial year, the amount of € 6,800 thousand refers to the sale of magazines and the stake held in Società Europea di Edizioni S.p.A., net of the related tax effects, and the impacts of the business combinations that took place in various stages in 2023.

39. RELATED PARTIES

Transactions carried out with related parties, including intercompany transactions, do not qualify as either atypical or unusual, since they refer to standard business activities performed by Group companies.

When performed out of the scope of standard conditions or when they are imposed by specific regulatory conditions, transactions with related parties are in any case carried out under market conditions.

Benefits to key management personnel

At 31 December 2024, the executives holding responsibilities for Mondadori Group planning, direction and control activities are listed below:

Directors	
Antonio Porro	Chief Executive Officer and General Manager
Alessandro Franzosi	Executive Director Chief Financial Officer
Executives	
Enrico Selva	General Manager Trade Books Business Unit
Carmine Perna	General Manager, Retail Business Unit
Carlo Luigi Mandelli	Chief Executive Officer Mondadori Print Area Media and Strategic Development Director
Gian Luca Pulvirenti	General Manager Education Books Business Unit
Daniele Sacco	Head of Human Resources, Organization, Legal Affairs and Real Estate
Andrea Santagata	Chief Executive Officer Digital Area Media and Chief Technology and Innovation Officer

Total compensation paid to Key Management Personnel in 2024 totalled € 5.6 million, in line with the amount booked for last year.

The 2022-2024 Performance Share Plan, which closes with the approval of the 2024 annual financial statements, also shows a comprehensive result of 97% of the targets set in the corresponding Three-Year Business Plan, due to a more than positive trend in Net Profit and EBITDA and a slightly lower result in Ordinary Cash Flow. The excellent growth of TSR and the more than satisfactory results of ESG KPIs are underlined.

Transactions with parent companies, affiliates and associates

Transactions with related parties, including intercompany transactions, do not qualify as atypical or unusual transactions, and were concluded at market conditions.

**RELATED PARTY TRANSACTIONS:
FIGURES AS AT 31 December 2024**

(Euro/thousands)	Trade receivabl es	Financial receivabl es	Tax receivabl es	Other business	Trade payables	Financial payables	Income tax payables	Other liabilities	Revenues (*)	Purchases of raw material	Purchase of services	Cost of personnel	Other expense (income)	Financial expense (income)
Parent companies:														
- Fininvest S.p.A.	7		1,104	9,641	70		11,336		7		127			
Associates														
AtticaPublications S.A.		500							2					(39)
Edizioni EL S.r.l. GDMediaServiceS.r.l.(form erly Mach2PressS.r.l.)	1,081			14	4,928				(8,379)	36	3			
Mondadori Seec Advertising Co.Ltd	200								500				(25)	
BOOKREPUBLIC WEBNOVELS S.R.L.	37								30					
Press-di Distribuzione Multimedia Stampa S.r.l.	3,197	2,450			666				52,353		15,575	(182)		(61)
Total associates	4,515	2,950	—	14	5,594	—	—	—	44,506	36	15,578	(182)	(25)	(100)

**RELATED PARTY TRANSACTIONS:
FIGURES AS AT 31 December 2024**

(Euro/thousands)	Trade receivabl es	Financial receivabl es	Tax receivabl es	Other business	Trade payables	Financial payables	Income tax payables	Other liabilities	Revenues (*)	Purchases of raw material	Purchase of services	Cost of personnel	Other expense (income)	Financial expense (income)
Affiliates:														
Banca Mediolanum S.p.A.								11						
Digitalia '08 S.r.l. (formerly Promoservice Italia)	2				3				20		8			
Fininvest Real Estate&Services S.p.A. (formerly Fin.Gest.Serv.)					1						7			
Il Teatro Manzoni S.p.A.									14		20			
MFE - MediaForEurope NV (formerly Mediaset S.p.A.)									6					
- Publieurope Ltd									32		1			
Publitalia '80 S.p.A.					473					165	807			
RTI - Reti Televisive Italiane S.p.A.	583			125	21			46	824		12			
TaoDue S.r.l.														
RMC Italia S.p.A.									5		5			
Radio Mediaset S.p.A.									28		31			
Video Wall	7										(5)			
Mediaset S.p.A. (formerly Mediaset Italia S.p.A.)	2								2					
Mediamond S.p.A. Fininvest Group	11,882				241			22	20,226	72	(1,071)		103	
Total affiliates	12,476	—	—	125	739	—	—	79	21,157	237	(185)	—	103	—
Other companies														
Total related parties	16,998	2,950	1,104	9,780	6,403	—	11,336	79	65,670	273	15,520	(182)	78	(100)
related parties from discontinued operations														

**RELATED PARTY TRANSACTIONS:
FIGURES AS AT 31 December 2023**

(Euro/thousands)	Trade receivabl es	Financial receivabl es	Tax receivabl es	Other business	Trade payables	Financial payables	Income tax payables	Other liabilities	Revenues (*)	Purchase s of raw material	Purchase of services	Cost of personnel	Other expense (income)	Financial expense (income)
Parent companies:														
- Fininvest S.p.A.	6		1,119	10,329	19		12,052		6		57			
Associates														
- Attica Publications Group		500												(37)
- Edizioni EL S.r.l.	1076			15	2,971			1	(7,067)	43	9			
- Mediamond S.p.A.	11670			289	319			10	20,978	22	(947)		96	
- Mondadori Seec Advertising Co. Ltd	450				67				750				20	
- Digital Advertising & Engagement S.L.									38		435			
- Press-di Distribuzione Stampa e Multimedia S.r.l.	2,787	2,450			566			32	59,923		17,557	(230)		(61)
Total associates	15,983	2,950	—	304	3,922	—	—	43	74,622	65	17,054	(230)	116	(98)

RELATED PARTY TRANSACTIONS:
FIGURES AS AT 31 December 2023

(Euro/thousands)	Trade receivabl es	Financial receivabl es	Tax receivabl es	Other business	Trade payables	Financial payables	Income tax payables	Other liabilities	Revenues (*)	Purchas e of raw material	Purchase of services	Cost of personne l	Other expense (income)	Financial expense (income)
Affiliates:														
- RTI - Reti Televisive Italiane S.p.A.	575			104	51			12	922	10	83		4	
- Publitalia '80 S.p.A.	2				1,006				2	187	1,094			
- Banca Mediolanum S.p.A.								11						
- TaoDue S.r.l.														
- Il Teatro Manzoni S.p.A.	11									11	(26)			
- MFE - MediaForEurope NV	6								6					
- Fininvest Real Estate&Services S.p.A.											7			
- Digitalia'08 S.r.l.														
- Radio Mediaset S.p.A.					7				204		212			
- Mediaset S.p.A. (formerly Mediaset Italia S.p.A.)	2								11					
- Publieurope Ltd									7					
- Monradio S.r.l.													4	
- Radio Subasio S.r.l.														
Total affiliates	596	—	—	104	1,063	—	—	23	1,152	208	1,370	—	8	—
Other companies:									(10)		3			
Total related parties	16,585	2,950	1,119	10,737	5,005	—	12,052	66	75,770	273	18,484	(230)	124	(98)
related parties from discontinued operations														

(*) Revenue from distribution services is booked as a fee in compliance with IFRS 15.

40. FINANCIAL RISK MANAGEMENT AND OTHER INFORMATION REQUIRED UNDER IFRS 7

In carrying out its business activities, the Mondadori Group is exposed to various financial risks, including interest rate risk, exchange rate risk, credit/counterparty risk, issuer risk and liquidity risk.

The Group drafted a "General Policy for Financial Risk Management" aimed at regulating and defining financial risk management. The Policy also envisaged the establishment of a Risk Committee, whose task is to define any changes. The Policy was adopted by the Parent Company, Arnoldo Mondadori Editore S.p.A., and all Group companies.

The Mondadori Group analyses and measures its exposure to financial risks for the purpose of defining management and hedge strategies. The criteria used by the Group to measure the risks include the sensitivity analysis of positions subject to risk, involving "mark to market" analysis of variations and/or future cash flow variations in relation to variations in risk factors.

The overall Policy objective is to minimize financial risks, by using appropriate tools available on the market. Financial derivative instruments are exclusively used to hedge against financial risks directly referring to Arnoldo Mondadori Editore S.p.A. or its subsidiaries.

Financial derivative instruments may not be used for speculative purposes.

Specific company functions are responsible for risk management and monitoring and reports are drafted periodically for each type of risk.

Interest rate risk

Interest rate risk refers to the possibility that losses may be incurred in financial management, in terms of lower business activity performance or increased liability costs (existing or potential) as a result of interest rate fluctuations.

Interest rate risk is therefore correlated to interest rate uncertainty. The key objective of interest rate risk management is to reduce exposure of the Group's financial margin against market interest rate fluctuations.

The Group's exposure to this risk mainly relates to medium- and long-term loans, in particular:

- the loan granted by a pool of banks with a maturity date of December 2026, entered into in May 2021;
- the revolving bilateral loan maturing in July 2029, entered into in July 2024;
- the amortising bilateral Term Loan maturing in September 2029, entered into in September 2024;
- the bullet bilateral Term Loan maturing in December 2028, entered into in December 2024.

Interest rate risk hedging is ensured through interest rate swap contracts, converting exposure from floating to fixed rate.

In particular:

- on the A Term Loan Line of the pool loan, a -0.086% weighted average fixed rate 3-month Euribor, comprising four interest rate swaps with a notional value of € 31.7 million, coming to maturity in December 2026;
- on Line C of the pool loan, drawn down for € 43.3 million, a -0.098% weighted average fixed rate 3-month Euribor, comprising four interest rate swap forward start 31 January 2022 with a notional value of € 40.0 million, coming to maturity in December 2026;
- on the amortising bilateral Term Loan maturing in September 2029, entered into in September 2024, hedged at 2.303%, fixed rate, against 6-month Euribor, for € 50 million;
- on the bullet bilateral Term Loan maturing in December 2028, entered into in December 2024, hedged at 2.139%, fixed rate, against 3-month Euribor, for € 50 million.

The characteristics of the payables are contained in Note 28 "Net financial position".

The following table shows the results of the sensitivity analysis with indication of the relevant impact on income statement and equity, gross of any tax effects.

Sensitivity analysis (Euro/millions)	Underlying	Interest rate increase/(decrease)	Income (expense)	Equity increase (decrease)
2024	(13,867)	1%	1,147	4,468
2023	(25,489)	1%	487	2,734
2024	(13,867)	1%	(1,147)	(4,239)
2023	(25,489)	(1%)	(487)	(1,868)

While identifying the potential impact correlated to positive and negative interest rate variations, floating-rate loans were also analyzed.

The basic assumptions underlying the sensitivity analysis are:

- an initial parallel shift of the interest curve of + 100/-100 base points;
- all the other risk variables remain constant;
- same analysis performed both on the current year and the prior year.

Currency risk

Currency risk refers to a set of negative effects on the margin or the value of an asset or a liability as a result of exchange rate fluctuations.

The Mondadori Group is not particularly exposed to exchange rate risks. At 31 December 2024, there are no exchange derivatives in place.

Liquidity risk

Liquidity risk refers to the possibility that the Group may not be able to meet payment obligations as a result of its inability to raise new funds (funding liquidity risk), or its inability to sell assets on the market (asset liquidity risk), thereby being forced to sustain excessively high costs for the purpose of meeting obligations.

The Group's exposure to liquidity risk refers to existing loans and borrowings:

- pool loan with a maturity date of December 2026, entered into in May 2021;
- revolving bilateral loan maturing in July 2029, entered into in July 2024;
- bilateral Term Loan amortising loan maturing in September 2029, entered into in September 2024;
- the bullet bilateral Term Loan maturing in December 2028, entered into in December 2024.

In addition, if deemed necessary, the Group may resort to pre-authorized short-term credit lines. Details of the characteristics of current and non-current financial liabilities are contained in Note 28 "Net financial position".

At 31 December 2024, liquidity risk was managed by the Mondadori Group through the following tools:

- bank and post office deposits totaling 111.3 million euro;
- committed credit lines totaling € 350 million (€ 175 million of which unused) and uncommitted credit lines of € 223.1 million, unused at 31 December 2024.

The table below details Group exposure to liquidity risk and the relevant maturity dates.

Liquidity risk (Euro/thousands)	Analysis of maturity dates at 31/12/2024						Total
	<6 months	6-12 months	1-2 years	2-5 years	5-10 years	> 10 years	
Trade payables and other payables	267,554						267,554
Medium/long-term loans	24,607	23,937	74,198	38,207			160,949
Other financial liabilities:							
- committed lines							—
- uncommitted lines	21,195						21,195
Other liabilities	81,726						81,726
Payables to associates	15,915						15,915
Total	410,997	23,937	74,198	38,207	—	—	547,339
Derivatives on rate risk	386	143	242	(1,732)			(961)
Derivatives on currency risk							—
Total exposure	410611	23,794	73,956	39,939	—	—	548,300

Liquidity risk (Euro/thousands)	Analysis of maturity dates at 31/12/2023						Total
	<6 months	6-12 months	1-2 years	2-5 years	5-10 years	> 10 years	
Trade payables and other payables	253,147						253,147
Medium/long-term loans	1,582	17,026	17,350	76,967			112,925
Other financial liabilities:							
- committed lines							—
- uncommitted lines	35,165						35,165
Other liabilities	88,094						88,094
Payables to associates	3,923						3,923
Total	381,910	17,026	17,350	76,967	—	—	493,253
Derivatives on rate risk	1,955	1,407	1,862	1,968			7,192
Derivatives on currency risk							—
Total exposure	379,955	15,619	15,487	74,999	—	—	486,061

Maturity dates were analysed by using undiscounted cash flows and the amounts were accounted for by taking into account the first date upon which payment becomes due. For this reason, uncommitted credit lines are shown in the first column.

For the purpose of meeting liquidity requirements, the Group relies on credit lines and liquidity, and cash flow from operations.

Credit risk

Credit risk refers to the possibility of incurring financial losses as a result of counterparty default in complying with contractual obligations.

A special type of credit risk is represented by the counterparty/replacement risk in case of derivative exposure. In this case, the risk is associated with any deferred gains as a result of the possibility that the counterparty fails to meet its contractual obligations and thus no positive cash flow is generated in favour of the Company.

In the case of the Mondadori Group, this potential risk is limited, since the counterparties of derivative instrument contracts are leading financial institutions with high ratings.

The objective is to limit the risk for losses due to the unreliability of market counterparties or to the difficulty of converting or replacing existing financial positions. Hence, transactions with non-authorized counterparties are not allowed.

When approving the Policy, the Board of Directors also approved a list of authorized counterparties for financial risk hedging. Transactions with such authorized counterparties are constantly monitored and reports are periodically drafted.

Each individual Group company is responsible for the management of trade receivables in compliance with the Group financial objectives, business strategies and operating procedures, restricting the sale of products and services to customers whose credit profile or provision of collateral guarantees does not conform to the standards set.

The balance relating to trade receivables is monitored throughout the year, to ensure that the amount of exposure to losses is kept low.

Maximum risk exposure is accounted for before the effects of mitigation deriving from compensation agreements and guarantees.

Credit risk (Euro/thousands)	31/12/2024	31/12/2023
Deposits	109,673	47,939
Financial assets at fair value with adjustments recognized in the income statement	—	—
Receivables and loans:		
- trade receivables and other current financial assets	188,446	179,834
- trade receivables and other non-current financial assets	4,257	4,713
Available-for-sale assets	960	260
Receivables from hedge derivatives	—	—
Guarantees	—	—
Total maximum exposure to credit risk	303,336	232,746

The table below shows the Group's exposure to credit risk by geographical area:

Trade credit risk concentration	Euro/thousands 31/12/2024	Euro/thousands 31/12/2023	% 31/12/2024	% 31/12/2023
Italy	160,792	160,037	97.32%	97.32%
Other Countries	14,343	4,401	2.68%	2.68%
Total	175,135	164,438	100.00%	100.00%

Below is a description of the management criteria used for the main business segments:

Books

The Group has adopted a specific procedure to assess the risk profile of any new customer. This procedure comprises the collection of business information to gauge customer reliability before granting any credit line. Customer reliability is monitored on an ongoing basis.

Media - circulation

The Group's exposure is in regard to a national distributor with which significant collections on account are expected on supplies; the exposure consists of the residual turnover of December. In order to curb the credit risk, the Group stipulated an insurance policy; given the soundness and solvency of its counterparties, the Group does not consider credit risk relevant.

Media - advertising

Most of the Group's exposure is with small to medium-sized advertising investors and with media centres, constantly monitored by the affiliate Mediamond S.p.A. and by Piemme S.p.A., advertising agency for Mondadori Group titles.

Mediamond S.p.A. and Piemme S.p.A. control credit risk with these subjects, for significant investments, through solvency analysis and the collection of business information before the provision of services.

Each company performs autonomous individual assessments of the most significant positions and makes the appropriate adjustments, taking account of the estimated recoverable amount, collection dates, recovery charges and costs and any guarantees issued.

In case of positions not subject to specific write-downs, the Group companies set up a provision based on historical data.

Retail

The Group's exposure is mainly towards franchisees; in order to contain credit risk, Mondadori has obtained bank and unsecured guarantees from franchisees.

The table below shows the Group's exposure to credit risk by business area:

Analysis of maturity dates at 31/12/2024						
Trade credit risk concentration	Net to maturity	Net overdraft				Provision for bad debts
		0-30 days	30-60 days	60-90 days	over	
Books	102,707	2,504	653	365	3,082	8,402
Media	35,816	4,086	1,022	278	1,263	639
Retail	16,992	1,982	351	376	3,135	4,669
Other business	498	26	—	—	—	13
Total	156,013	8,598	2,026	1,019	7,480	13,723

Analysis of maturity dates at 31/12/2023						
Trade credit risk concentration	Net to maturity	Net overdraft				Provision for bad debts
		0-30 days	30-60 days	60-90 days	over	
Books	96,946	1,926	1,559	274	2,853	8,544
Media	31,368	3,751	924	490	1,383	813
Retail	16,272	1,369	242	488	3,818	5,064
Other business	660	97	20	—	1	15
Total	145,246	7,143	2,745	1,252	8,055	14,436

Other information required under IFRS 7

The table below summarizes financial assets and liabilities classified according to the categories defined by IFRS 9 and the relevant fair value:

IFRS 7 requires values regarding financial assets and liabilities to be classified based on a scale of levels reflecting input significance used when calculating fair value.

Classification	Book value						Fair value	
	Total		of which current		of which non-current			
	31/12/2024	31/12/2023	31/12/2024	31/12/2023	31/12/2024	31/12/2023		
(Euro/thousands)								
Financial assets held to collect, measured at fair value with adjustments recognized in the income statement								
Receivables and loans:								
- cash and cash equivalents	111,289	49,724	111,289	49,724			111,289	49,724
- trade receivables	169,731	148,239	167,985	145,253	1,746	2,986	169,731	148,239
- other financial assets	18,526	20,324	16,016	18,598	2,511	1,727	18,526	20,324
- receivables from affiliates and joint ventures	7,395	18,934	4,445	15,984	2,950	2,950	7,395	18,934
Available-for-sale financial assets	960	260	960	260			960	260
Derivatives								
Total financial assets	307,901	237,481	300,695	229,819	7,207	7,663	307,901	237,481
Financial liabilities held to collect, measured at fair value with adjustments recognized in the income statement:								
- non-hedge derivatives								
Financial liabilities at amortized cost:								
- trade payables	267,554	253,147	267,554	253,147			267,554	253,147
- payables to banks and other financial liabilities	290,140	234,731	145,976	139,092	144,164	95,638	281,795	232,091
- payables to associates and joint ventures	15,915	3,923	15,915	3,923			15,915	3,923
Derivatives	106				106		106	
Total Financial liabilities	573,715	491,801	429,445	396,162	144,270	95,638	565,370	489,161

Additionally, the Group has non-current financial assets represented by derivatives explained in Note 28 "Net financial position", classified as Level 2; this scale concerns financial instruments that are measurable using techniques for which all inputs that have a significant effect on the recorded fair value are either directly or indirectly observable.

Income and loss from financial instruments (Euro/thousands)	2024	2023
Interest earned on financial assets not measured at fair value		
- deposits	535	228
- other business	4,603	4,351
Total income	5,138	4,579
Net loss on derivative instruments		
Interest expense due on financial liabilities not measured at fair value:		
- deposits	99	59
- trade payables	636	559
- loans	7,252	7,034
- other	750	285
Losses from financial instrument impairment:		
- trade receivables	3,538	3,208
Expense and commissions not included in effective interest rates	1,487	1,695
Total expense	13,762	12,840
Net profit (loss) on instruments measured at fair value with changes booked to the income statement		
Total	(8,624)	(8,261)

41. FAIR VALUE MEASUREMENT

Some of the Group's financial assets and liabilities were measured at fair value.

Financial assets (liabilities) (Euro/thousands)	Fair value at 31/12/2024	Fair value hierarchy	Measurement method and main inputs
Interest rate swap contracts	2,353	Level 2	Discounted cash flow. Future cash flows are discounted based on the forward rate curve expected at the end of the period and on the contractual fixing rates, also taking the counterparty default risk into account Discounted cash flow.
Interest rate swap contracts	-106	Level 2	Future cash flows are discounted based on the forward rate curve expected at the end of the period and on the contractual fixing rates, also taking the counterparty default risk into account
Investments	960	Level 3	Fair value determined using measurement techniques with regard to market variables and unobservable data

42. OPERATING SEGMENTS

The disclosure required by IFRS 8 – Operating segments – is provided by taking into account the Group's organizational structure, based on which the periodic reporting is made, used by the Top Management to define actions and strategies, evaluate investment opportunities and allocate resources; compared with 31 December 2023, no changes have been made to representation.

Segment reporting: figures at 31 December 2024

(Euro/thousands)	Trade Books	Education Books	Retail	Media	Corporate & Shared Services	Unallocated items and consolidation adjustments	Consolidated result
Revenue from sales and services from external customers	352,481	229,866	204,538	146,578	1,270	—	934,734
Revenue from sales and services from other sectors	47,461	3,391	781	690	44,698	(97,021)	—
EBITDA	60,275	64,891	16,458	21,153	(7,398)	(441)	154,937
Operating income (loss)	48,422	41,508	4,357	14,059	(15,902)	(441)	92,002
Financial expense (income)	97	(2,188)	1,151	983	8,302	(32)	8,312
Expense (income) from equity-accounted investees	(459)	—	—	45	—	—	(414)
Result before tax and non-controlling interests	48,784	43,696	3,207	13,031	(24,204)	(409)	84,104
Income tax	—	—	—	—	21,650	—	21,650
Result attributable to non-controlling interests	1,864	2	—	377	—	(1)	2,242
Profit/(loss) from discontinued operations	—	—	—	—	—	—	—
Net profit	46,919	43,695	3,206	12,654	(45,855)	(408)	60,211
Depreciation and amortisation, and write-downs	11,853	23,383	12,101	7,094	8,504	—	62,935
Non-monetary costs	19,064	2,960	3,499	411	589	—	26,522
Non-recurring income (expense)	—	—	—	—	—	—	—
Investments	22,864	22,106	7,020	11,936	8,972	—	72,898
Equity-accounted investees	5,067	—	—	9,335	—	—	14,402
Total assets	469,625	496,524	155,981	157,076	281,868	(419,554)	1,141,519
Total liabilities	245,664	100,649	140,696	117,143	637,664	(417,378)	824,438

	Revenue from sales and services	Fixed assets
Italy	832,961	438,104
Other EU countries	40,578	—
USA	54,054	5,957
Other extra EU countries	7,141	—
Consolidated result	934,734	444,061

Segment reporting: figures at 31 December 2023

(Euro/thousands)	Trade Books	Education Books	Retail	Media	Corporate & Shared Services	Unallocated items and consolidation adjustments	Consolidated result
Revenue from sales and services from external customers	330,917	232,683	198,695	140,735	1,707	—	904,737
Revenue from sales and services from other sectors	43,426	4,811	769	228	41,250	(90,483)	—
EBITDA	58,085	66,442	13,818	17,593	(7,355)	313	148,896
Operating income (loss)	47,844	44,306	3,215	5,739	(17,234)	313	84,183
Financial expense (income)	935	(366)	830	591	5,848	—	7,838
Expense (income) from equity-accounted investees	(2,362)	—	—	(1,377)	—	—	(3,739)
Result before tax and non-controlling interests	49,271	44,672	2,385	6,525	(22,666)	313	80,500
Income tax	—	—	—	—	17,924	—	17,924
Result attributable to non-controlling interests	127	2	—	37	—	(1)	165
Profit/(loss) from discontinued operations	—	—	—	—	—	—	—
Net profit	49,143	44,670	2,385	6,489	(40,590)	314	62,411
Depreciation and amortisation, and write-downs	10,241	22,136	10,603	11,854	9,879	—	64,712
Non-monetary costs	12,372	6,839	2,244	2,358	862	—	24,675
Non-recurring income (expense)	1,300	—	—	5,098	402	—	6,800
Investments	2,591	19,017	9,509	1,655	5,412	—	38,184
Equity-accounted investees	4,147	—	—	10,877	—	—	15,025
Total assets	453,977	492,344	144,547	150,205	218,953	(419,854)	1,040,173
Total liabilities	234,004	98,866	132,771	119,675	583,335	(417,317)	751,334

	Revenue from sales and services	Fixed assets
Italy	812,866	418,046
Other EU countries	32,240	—
USA	48,580	1,799
Other extra EU countries	11,052	—
Consolidated result	904,738	419,845

43. EVENTS OCCURRING AFTER YEAR END

On 10 January 2025, Mondadori Libri S.p.A., by exercising the call option provided for in the contract, completed the acquisition of the remaining 25% stake in A.L.I. S.r.l. – Agenzia Libreria International.

The provisional cash price amounted to € 12.2 million, determined on the basis of the average 2023-2024 EBITDA and the positive net financial position (cash) as at 31 December 2024. The price may be adjusted following the approval of the 2024 financial statements.

44. INFORMATION PURSUANT TO ARTICLE 149-DUODECIS OF CONSOB ISSUER REGULATION

Table drawn up pursuant to Article 149-duodecies of CONSOB Issuer Regulation, illustrating fees paid in 2024 for auditing and other services provided by EY S.p.A. and by other entities belonging to the same network.

Service	Entity providing the service	Beneficiary of the service	Fee Euro/thousands
Auditing	EY S.p.A.	Arnoldo Mondadori Editore S.p.A.	432
	EY S.p.A.	Subsidiaries	777
Certification services (1)	EY S.p.A.	Arnoldo Mondadori Editore S.p.A.	91
	EY S.p.A.	Subsidiaries	95
Other services (2)	Other EY network entities	Arnoldo Mondadori Editore S.p.A.	247
Total			1,642

(1) Include audit of the Non-Financial Statement, Accertamento Diffusione e Stampa activities and other certification work

(2) Include compliance endorsements on tax returns and due diligence services

45. INFORMATION PURSUANT TO LAW 124/2017 ARTICLE 1, PARAGRAPH 125bis

In 2024, the Group received the following government grants in the form of tax credits:

- € 3,179 thousand, recognised in an amount equal to 30% of the costs incurred for the purchase of paper used for the printing of daily newspapers and magazines, based on Article 1, paragraphs 378 and 379, of Law no. 234 of 30 December 2021;
- € 1,476 thousand, as an extraordinary contribution of € 5 cents for each printed copy of newspapers and periodicals sold during the 2021, at newsstands and by subscription, pursuant to Article 3 of the Decree of the President of the Council of Ministers of 28 September 2022;
- € 385 thousand, recognised to the extent of 15% of the expenditure incurred in FY 2022 for technological innovation 4.0 activities pursuant to Article 1, paragraphs 198, 199, 201, 203-207, of Law no. 160 of 27 December 2019 and the related implementing decree of 26 May 2020 ("Transition 4.0" Decree) issued by the Ministry of Economic Development;
- € 112 thousand recognised as a tax credit pursuant to Article 1, paragraph 319 *et seq.* of Law no. 205 of 27 December 2017 for business owners operating in the book retail sector for 2023 and 2024.

46. OTHER INFORMATION

Effects of the conflict between Russia and Ukraine

The Mondadori Group clarifies that the continued conflict between Russia and Ukraine has not had any direct impact on the economic-financial position; the indirect effects, such as the increase in the cost of commodities, electricity and transport, were attenuated during 2024 compared with previous years.

Effects resulting from climate change

The Group, by virtue of its sector, is not particularly exposed to the consequences of climate change; however, it remains sensitive to these issues and has therefore implemented energy efficiency initiatives, aimed at reducing the emission of greenhouse gases (CO₂). In particular, paragraph ESRS E1 – Climate Change of Sustainability Reporting, to which reference is made, lists these initiatives.

Macroeconomic impacts

Mondadori, by adopting a hedging policy for its medium- to long-term exposure, neutralised the increases in interest rates resulting from the monetary policies implemented by central banks and the consequent increase in the borrowing costs charged by credit institutions. Modest effects were recorded by the Group in relation to the costs of very short-term financing (hot money) with which the Group finances its exposure deriving from net working capital.

Overall, the cost (average interest rate) borne by the Group in the financial year 2024 was 1.79%. As regards the impairment test, conducted for the purpose of verifying the sustainability of the book values of certain asset items, it should be noted that the cash flows used incorporate the impacts of the inflationary trend triggered by the macroeconomic scenario, while the discount rates reflect the impacts in borrowing costs: by virtue of these factors, following the impairment test, it was necessary to write down some intangible asset items, as illustrated in more detail in the note relating to the impairment test (Note 11).

For the Board of Directors
The Chairman
Marina Berlusconi



CERTIFICATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

CERTIFICATION OF THE CONSOLIDATED FINANCIAL STATEMENTS PURSUANT TO ARTICLE 81-TER OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999 AS SUBSEQUENTLY AMENDED AND SUPPLEMENTED

1. The undersigned Antonio Porro, in his capacity as CEO, and Alessandro Franzosi, in his capacity as Financial Reporting Manager of Arnoldo Mondadori Editore S.p.A., also in compliance with the provisions set out in Article 154-bis, paragraphs 3 and 4, of Legislative Decree no. 58 of 24 February 1998, hereby certify:

- the adequacy in relation to the characteristics of the company and
- the actual application

of the administrative and accounting procedures for the drafting of the Group's consolidated financial statements during FY 2024.

2. The assessment of the adequacy of the administrative and accounting procedures for the preparation of the Group's consolidated financial statements at 31 December 2024 was carried out based on a specific process defined by Arnoldo Mondadori Editore S.p.A. consistent with the Internal Control – Integrated Framework model issued by the Committee of Sponsoring Organizations of the Treadway Commission, which groups together a set of general principles of reference generally accepted at the international level.

3. We also hereby certify that:

3.1 the consolidated financial statements at 31 December 2024:

- 1) were drafted in compliance with the applicable international accounting standards acknowledged at the EU level pursuant to EC regulation no. 1606/2002 of the EU Parliament and Council of 19 July 2002, as well as with the provisions set out for the implementation of Article 9 of Legislative Decree no. 38/2005;
- 2) agree with the results of the accounting records and entries;
- 3) provide a true and fair view of the financial position and results of operations of the Company and the group of businesses included in the consolidation scope.

3.2 the Report on Operations includes a reliable analysis of performance and results, of the situation of the Company and of the businesses included in the consolidation scope, along with the description of the main risks and uncertainties they are exposed to.

12/03/2025

CEO
Antonio Porro

Financial Reporting Manager
Alessandro Franzosi





Redevelopment of the Palazzo

In 2024, after several months of work, we **opened our new premises and offices** in Palazzo Mondadori. This is the first requalification phase, which is part of an ambitious project that seeks to optimise and "regenerate" our offices in respect of the distinctive, original nature of Niemeyer's architectonic work, the historic heritage and iconic symbol of our Group. A new contemporary location that is more innovative, functional and sustainable.

**Arnoldo Mondadori
Editore S.p.A.
Financial Statements
at 31 December 2024**

STATEMENTS OF FINANCIAL POSITION

Assets (Euro)	Notes	31/12/2024	31/12/2023
Intangible assets	1	8,456,435	6,019,700
Investment property		—	—
Land and building		—	—
Plant and equipment		609,556	695,703
Other fixed assets		7,635,942	4,267,393
Property, plant and equipment	2	8,245,498	4,963,096
Rights-of Use-Assets	3	22,774,917	23,495,988
Subsidiaries		689,553,859	676,917,470
Investments in joint ventures and associates		7,756,000	7,286,000
Other investments		63,117	63,117
Total investments	4	697,372,977	684,266,587
Non-current financial assets	5	2,852,933	6,238,139
Deferred tax assets	6	1,275,579	1,411,139
Other non-current assets	7	1,025,132	1,427,224
Total non-current assets		742,003,470	727,821,873
Tax receivables	8	14,088,712	11,664,266
Other current assets	9	3,225,124	3,946,892
Inventory		—	—
Trade receivables	10	13,047,340	11,815,493
Other current financial assets	11	29,243,376	25,230,538
Cash and cash equivalents	12	101,209,820	39,120,033
Total current assets		160,814,372	91,777,222
Assets held for sale or transferred		—	—
Total Assets		902,817,842	819,599,095

Liabilities (Euro)	Notes	31/12/2024	31/12/2023
Share Capital		67,979,168	67,979,168
Treasury shares		(1,543,779)	(2,371,295)
Other reserves and profit/loss carried forward		189,419,494	160,064,169
Profit (Loss) for the year		60,211,494	62,411,482
Total Equity	13	316,066,378	288,083,524
Provisions	14	3,784,259	4,141,259
Post-employment benefits	15	1,505,682	1,788,548
Non-current financial liabilities	16	130,708,155	69,832,845
Financial liabilities IFRS 16	16	19,515,606	19,464,129
Deferred tax liabilities	6	2,864,258	3,512,741
Other non-current liabilities		—	—
Total non-current liabilities		158,377,960	98,739,522
Income tax payables		—	—
Other current liabilities	17	11,772,948	12,464,171
Trade payables	18	16,919,703	17,531,313
Payables to banks and other financial liabilities	16	395,598,959	398,207,806
Financial liabilities IFRS 16	16	4,081,894	4,572,759
Total current liabilities		428,373,504	432,776,049
Liabilities held for sale or transferred		—	—
Total liabilities		902,817,842	819,599,095

INCOME STATEMENTS

(Euro)	Notes	2024	2023
Revenue from sales and services	19	46,025,226	43,081,077
Decrease (increase) in inventory		—	—
Cost of raw and ancillary materials, consumables and goods	20	392,309	348,133
Cost of services	21	30,418,531	28,238,475
Cost of personnel	22	23,172,063	23,256,052
Sundry expense (income)	23	(492,212)	(1,242,841)
EBITDA		(7,465,465)	(7,518,742)
Amortisation and impairment loss on intangible assets	1	1,416,069	2,820,173
Depreciation and impairment loss on property, plant and equipment	2	1,829,999	1,435,427
Amortisation/depreciation and impairment loss of assets from rights of use	3	5,257,673	5,623,033
Operating income (loss)		(15,969,207)	(17,397,375)
Financial expense (income)	24	8,302,612	5,848,684
Expense (income) from investments	25	(81,115,637)	(83,047,390)
Result before tax		56,843,818	59,801,331
Income tax	26	(3,367,676)	(2,610,151)
Result from continuing operations		60,211,494	62,411,482
Profit/(loss) from discontinued operations		—	—
Net profit		60,211,494	62,411,482

STATEMENTS OF COMPREHENSIVE INCOME

(Euro)	2024	2023
Net profit	60,211,494	62,411,482
Items reclassifiable to income statement		
Effective portion of income (loss) on cash flow hedge instruments	(3,491,283)	(4,722,191)
Income tax effect	837,908	1,133,326
Items of the comprehensive income statement of equity-accounted investees	1,524,799	(1,012,630)
Reclassified entries under income statement		
Effective portion of income (loss) on cash flow hedge instruments	—	—
Income tax effect	—	—
Items not reclassifiable to income statement		
Actuarial gains/(losses)	1,281	(19,610)
Income tax effect	(307)	4,706
Actuarial gains/(losses) from equity-accounted investees	(8,767)	(243,583)
Total net profit (loss)	59,075,125	57,551,500

For the Board of Directors
The Chairman
Marina Berlusconi



STATEMENT OF CHANGES IN EQUITY AT 31 December 2023 AND 2024

(Euro/thousands)	Share Capital	Treasury shares	Performance share reserve	Discounting reserve - IAS 19 post-employment benefits	Reserve for cash flow hedge	Other reserves	Result for the period	Total equity
Balance at 31/12/2022	67,979	(2,024)	1,731	615	9,073	130,122	52,067	259,562
Changes in:								
- Allocation of result						52,067	(52,067)	—
- Dividends paid						(28,685)		(28,685)
- Transactions on treasury shares		(347)						(347)
- Performance shares			600			(222)		378
- Other changes						(376)		(376)
- Comprehensive profit/(loss)				(15)	(3,589)	(1,256)	62,411	57,552
Balance at 31/12/2023	67,979	(2,371)	2,331	600	5,484	151,649	62,411	288,083

(Euro/thousands)	Share Capital	Treasury shares	Performance share reserve	Discounting reserve - IAS 19 post-employment benefits	Reserve for cash flow hedge	Other reserves	Result for the period	Total equity
Balance at 31/12/2023	67,979	(2,371)	2,331	600	5,484	151,649	62,411	288,083
Changes in:								
- Allocation of result						62,411	(62,411)	—
- Dividends paid						(31,309)		(31,309)
- Transactions on treasury shares		827						827
- Performance shares			(71)			(61)		(132)
- Other changes						(478)		(478)
- Comprehensive profit/(loss)				1	(2,653)	1,516	60,211	59,075
Balance at 31/12/2024	67,979	(1,544)	2,260	601	2,830	183,729	60,211	316,066

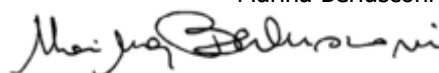
For the Board of Directors
The Chairman
Marina Berlusconi

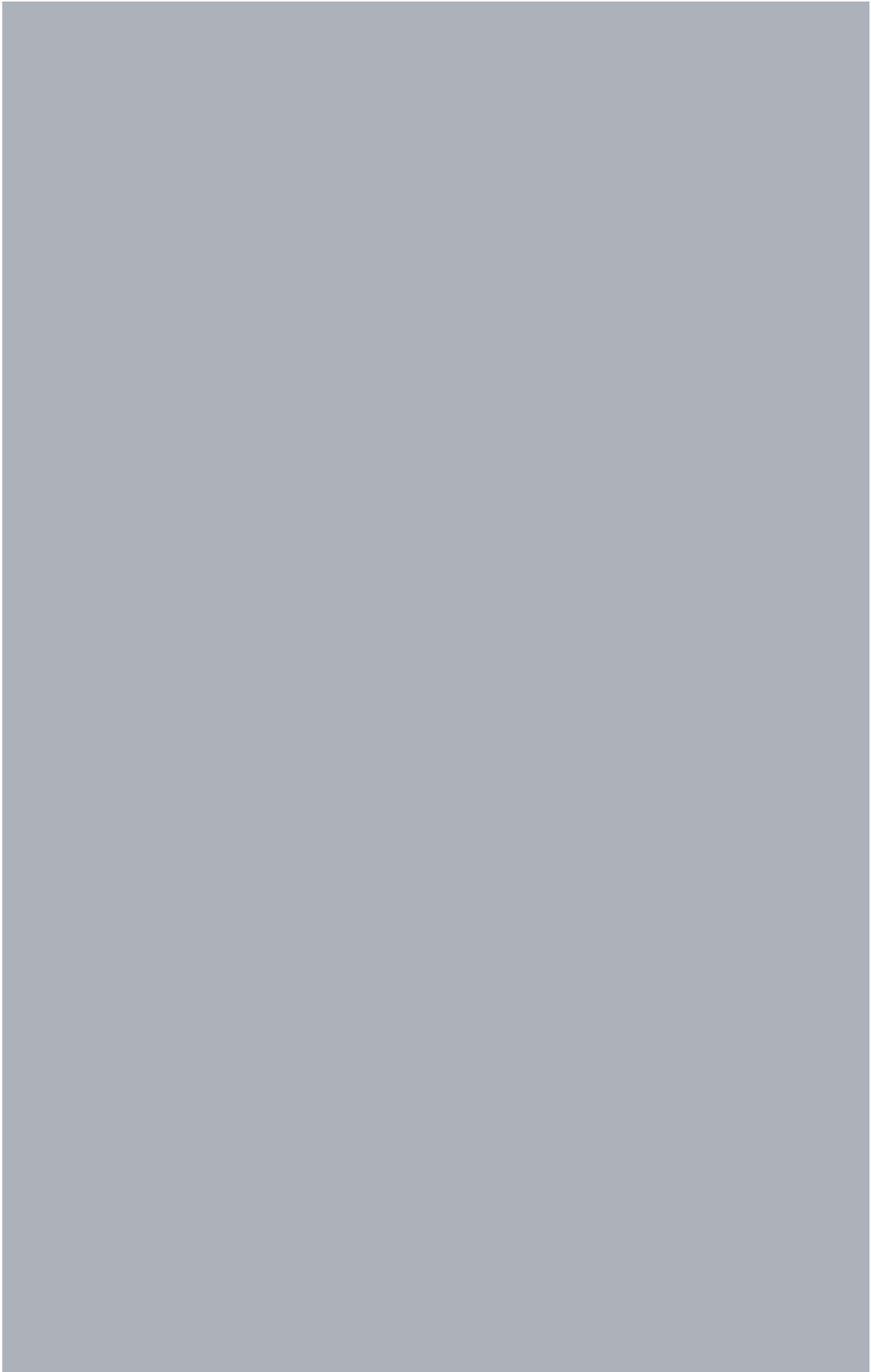


STATEMENTS OF CASH FLOWS

Euro thousands	31/12/2024	31/12/2023
Net profit	60,211	62,411
Adjustments		
Depreciation and amortisation, and write-downs	8,504	9,879
Income tax for the period	(3,368)	(2,610)
Stock Options	608	654
Provisions and post-employment benefits	(655)	309
Gains (losses) from disposal of intangible assets, property plant and equipment and investments	1	(1,186)
(Income)/expense from securities valuation	—	—
(Income)/expense from measurement of investments at equity	(81,116)	(81,857)
Net financial expense (income) on loans, leases and derivative transactions	9,094	8,932
Other non-monetary adjustments to discontinued operations	—	—
Cash flow generated from operations	(6,721)	(3,468)
(Increase) decrease in trade receivables	(1,230)	1,942
(Increase) decrease in inventory	—	—
Increase (decrease) in trade payables	249	(1,783)
(Payment) cash in from income tax	2,771	2,904
Increase (decrease) in provisions and post-employment benefits	16	(106)
Net change in other assets/liabilities	(1,070)	(2,943)
Net change in discontinued operations	—	—
Net change in contribution	—	—
Cash flow generated from (absorbed by) operations	(5,985)	(3,454)
Price collected (paid) net of cash transferred/acquired	—	—
(Purchase) disposal of intangible assets	(3,995)	(3,048)
(Purchase) disposal of property, plant and equipment	(5,832)	(1,453)
(Purchase) disposal of investments	(437)	(3,773)
(Purchase) disposal of discontinued operations	—	—
Income from investments - dividends	70,560	69,115
(Purchase) disposal of securities	—	—
(Purchase) disposal from contribution	—	—
Cash flow generated from (absorbed by) investing activities	60,296	60,842
Increase (decrease) in payables to banks for loans	57,522	(15,833)
Change in other financial assets - Intercompany	(4,582)	1,025
Change in other financial liabilities - Intercompany	678	(13,583)
(Purchase) disposal of treasury shares	(526)	(1,160)
Net change in other financial assets/liabilities	(11,325)	17,356
Dividends payment	(31,309)	(28,685)
Cash in of net financial income (payment of net financial expense) on loans and transactions in derivatives	(2,679)	(2,713)
Cash flow generated from (absorbed by) discontinued operations	—	—
(Purchase) disposal from contribution	—	—
Cash flow generated from (absorbed by) financing activities	7,779	(43,593)
Increase (decrease) in cash and cash equivalents	62,090	13,795
Cash and cash equivalents at beginning of the period	39,120	25,325
Cash and cash equivalents end of period	101,210	39,120

For the Board of Directors
The Chairman
Marina Berlusconi





STATEMENTS OF FINANCIAL POSITION PURSUANT TO CONSOB REGULATION NO. 15519 OF 27 JULY 2006

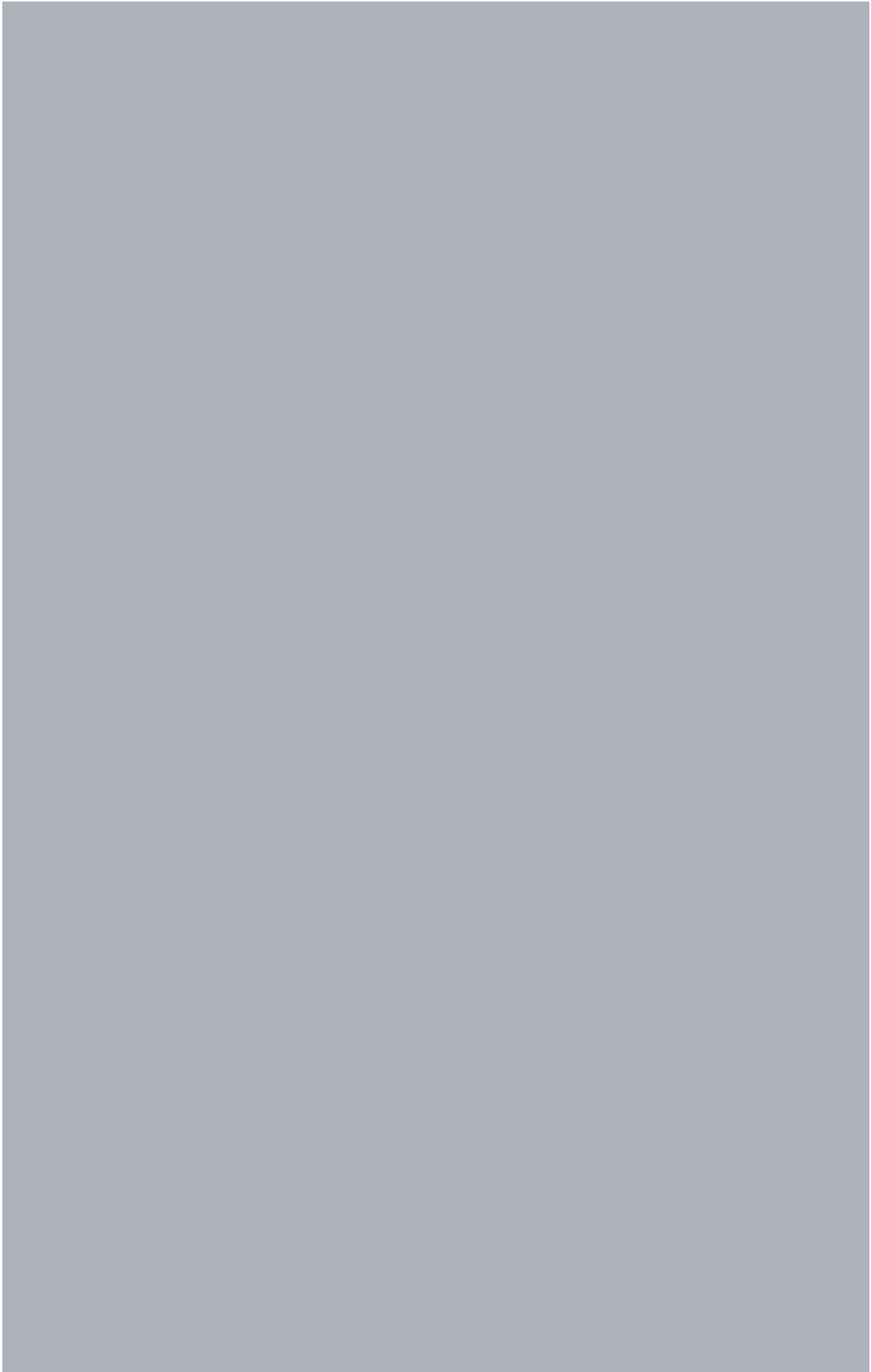
Assets (Euro/thousands)	Notes	31/12/2024	of which related parties (note 29)	31/12/2023	of which related parties (note 29)
Intangible assets	1	8,456		6,020	
Land and building		—		—	
Plant and equipment		610		696	
Other fixed assets		7,636		4,267	
Property, plant and equipment	2	8,245		4,963	
Rights-of Use-Assets	3	22,775		23,496	
Investments	4	697,373		684,267	
Non-current financial assets	5	2,853	500	6,238	500
Deferred tax assets	6	1,276		1,411	
Other non-current assets	7	1,025		1,427	
Total non-current assets		742,003	500	727,822	500
Tax receivables	8	14,089	5,782	11,664	4,139
Other current assets	9	3,225		3,947	
Inventory		—		—	
Trade receivables	10	13,047	12,765	11,815	11,583
Other current financial assets	11	29,243	29,117	25,231	25,195
Cash and cash equivalents	12	101,210		39,120	
Total current assets		160,814	47,664	91,777	40,916
Assets held for sale or transferred					
Total Assets		902,818	48,164	819,599	41,416

STATEMENTS OF FINANCIAL POSITION PURSUANT TO CONSOB REGULATION NO. 15519 OF 27 JULY 2006

Liabilities (Euro/thousands)	Notes	31/12/2024	of which related parties (note 29)	31/12/2023	of which related parties (note 29)
Share Capital		67,979		67,979	
Treasury shares		(1,544)		(2,371)	
Other reserves and profit/loss carried forward		189,419		160,064	
Profit (Loss) for the year		60,211		62,411	
Total Equity	13	316,066		288,083	
Provisions	14	3,784		4,141	
Post-employment benefits	15	1,506		1,789	
Non-current financial liabilities	16	130,708		69,833	
Financial liabilities IFRS 16	16	19,516		19,464	
Deferred tax liabilities	6	2,864		3,513	
Other non-current liabilities		—		—	
Total non-current liabilities		158,378		98,740	
Income tax payables		—		—	
Other current liabilities	17	11,773	3,667	12,464	3,665
Trade payables	18	16,920	569	17,531	355
Payables to banks and other financial liabilities	16	395,599	350,909	398,208	351,587
Financial liabilities IFRS 16	16	4,082		4,573	
Total current liabilities		428,374	355,145	432,776	355,607
Liabilities held for sale or transferred		—		—	
Total liabilities		902,818	355,145	819,599	355,607

INCOME STATEMENT PURSUANT TO CONSOB RESOLUTION NO. 15519 OF 27 JULY 2006

(Euro/thousands)		2024	of which related parties	of which non- recurring (income) expense	2023	of which related parties	of which non- recurring (income) expense
	Notes		(note 29)	(note 28)		(note 29)	(note 28)
Revenue from sales and services	19	46,025	45,665		43,081	42,794	
Decrease (increase) in inventory		—	—		—	—	
Cost of raw and ancillary materials, consumables and goods	20	392	181		348	191	
Cost of services	21	30,419	(196)		28,239	16	
Cost of personnel	22	23,172	(2,201)		23,256	(2,258)	
Sundry expense (income)	23	(492)	14		(1,243)	17	
EBITDA		(7,465)	47,867		(7,519)	44,828	
Amortisation and impairment loss on intangible assets	1	1,416	—		2,820	—	
Depreciation and impairment loss on property, plant and equipment	2	1,830	—		1,435	—	
Amortisation/depreciation and impairment loss of assets from rights of use	3	5,258	—		5,623	—	
Operating income (loss)		(15,969)	47,867		(17,397)	44,828	
Financial expense (income)	24	8,303	2,900		5,849	234	
Expense (income) from investments	25	(81,116)	(81,116)		(83,047)	(83,047)	(416)
Result before tax		56,844	126,082	—	59,801	127,641	416
Income tax	26	(3,368)	—		(2,610)	—	14
Result from continuing operations		60,211	126,082	—	62,411	127,641	402
Profit/(loss) from discontinued operations		—	—		—	—	
Net profit		60,211	126,082	—	62,411	127,641	402



ACCOUNTING POLICIES AND EXPLANATORY NOTES

1. General information

Arnoldo Mondadori Editore S.p.A. is the parent company of a Group whose core business is Publishing in the areas of Trade Books, Education and Media, as well as Retailing through its directly-managed and franchised stores. The Company has its registered office in Via Gian Battista Vico 42, Milan, and headquarters in Strada privata Mondadori, Segrate/Milan.

The Company is present through the storage device on the www.1info.it website.

The draft financial statements of Arnoldo Mondadori Editore S.p.A. for the year ended 31 December 2024 were approved by the Board of Directors on 12 March 2025 and made available, together with the additional documents forming the Company's Annual Report, pursuant to Article 154-ter of the TUF (Finance Consolidation Act), and the Statutory Auditors' and Independent Auditors' Reports, within the time limits established by current laws, at the registered office, at Borsa Italiana S.p.A. and on the Company's website.

The Company's financial statements will be filed with the Company Registry within 30 days after the Annual General Meeting called on 16 April 2025 to approve the 2024 financial statements.

Information pursuant to Article 2427, no. 22-quinquies, of the Italian Civil Code

Arnoldo Mondadori Editore S.p.A. is part of the Fininvest Group, whose consolidated financial statements are prepared by the parent Finanziaria d'Investimento Fininvest S.p.A.. A copy of the consolidated financial statements of the Fininvest Group is filed with the registered office of Finanziaria d'Investimento Fininvest S.p.A., in Largo del Nazareno 8, Rome.

2. FORM AND CONTENT

The financial statements at 31 December 2024 were prepared in accordance with the International Accounting Standards (IAS/IFRS) issued by the International Accounting Standard Board (IASB) and endorsed by the EU, and with the International Financial Reporting Interpretations Committee (SIC/IFRIC).

The financial statements have been prepared on the basis of the business operating as a going concern. The Directors have, in fact, assessed the Company's ability to fulfil future commitments and believe there are no significant uncertainties, as defined by IAS 1.25, concerning its ability to continue operations in the foreseeable future.

Arnoldo Mondadori Editore S.p.A. adopted the body of the standards applied as from 1 January 2005, following entry into force of European Regulation no. 1606 of 19 July 2002.

The financial statements at 31 December 2024 were prepared in accordance with the accounting standards used for the preparation of the IAS/IFRS financial statements at 31 December 2023, considering the amendments and the new standards effective as of 1 January 2024, as per Note 3.24.

The following criteria were adopted in the drafting of these financial statements:

- current and non-current assets and current and non-current liabilities are shown separately in the statements of financial position;
- in the income statement, the analysis of costs is carried out on the basis of the nature of the costs, since the Company decided that this method is more representative than an analysis by function;
- the comprehensive income statement contains revenue and cost items that are not recognized under income (loss) for the year as required or allowed by the other IAS/IFRS accounting standards;
- the statement of cash flows was prepared using the indirect method.

With regard to the requirements of CONSOB Resolution no. 15519 of 27 July 2006 concerning the tables to the financial statements, specific supplementary tables were included to highlight significant transactions with "Related parties" and "Non-recurring transactions".

The amounts shown in the tables and in these notes are expressed in Euro thousands unless otherwise stated.

3. ACCOUNTING PRINCIPLES AND VALUATION CRITERIA

As envisaged by the amendment to IAS 1, below are the relevant accounting standards for the IAS/IFRS financial statements at 31 December 2024.

3.1 Intangible assets

When it is probable that costs will generate future economic benefits, intangible assets include the cost, including ancillary expense, of the purchase of assets or resources, without any physical form, used in the production of goods or in the supply of services, to rent to third parties or for administrative purposes, on condition that the cost is quantifiable in a reliable manner and that the goods are clearly identifiable and controlled by the company that owns them.

Costs incurred after the initial purchase are included in the increase of the cost of intangible assets in direct relation to the extent to which those costs are able to generate future economic benefits.

Internal costs for producing publishing trademarks and for the launch of journalistic titles are recognized in the income statement for the year in question.

Subsequent to initial recognition, intangible assets are measured at cost, net of accumulated amortization and any accumulated impairment loss.

Intangible assets purchased separately and those purchased as part of business combinations that took place before the first-time adoption of IAS/IFRS were initially recognized at cost, while those purchased as part of business combination transactions concluded after the first-time adoption of IAS/IFRS are initially recognized at fair value.

The useful life of intangible assets is determined by the Directors when the asset is purchased. The Company regularly assesses any changes in technology, market conditions and expectations of future events that could have an impact on the useful life and duration of amortization.

Intangible assets with finite useful life

The cost of intangible assets with finite useful life is systematically amortized over the useful life of the asset from the moment the asset is available for use. The amortization criteria depend on how the relating future economic benefits contribute to the Company's result.

The amortization rates reflecting the useful lives attributed to intangible assets with finite useful life are as follows:

Intangible assets with a finite useful life	Amortization rates and useful life
Goods under concession or license	Term of the concession and license
Software and development costs	Straight line over 3 years
Patents and rights	Straight line over 3-5 years
Other intangible assets	Straight line over 3-5 years

Intangible assets with finite useful life are subject to an impairment test whenever there is an indication of a possible impairment. The period and method of amortization applied are reviewed at the end of each year or more frequently, if necessary, whenever there are reasons to believe that changes have occurred.

Changes in the expected useful life or in the way future economic benefits linked to intangible assets are expected to be earned by the Company, are recognized by modifying the period or method of amortization, and are treated as adjustments to accounting estimates.

3.2 Property, plant and equipment

Any costs attributable to the purchase of property, plant and equipment are recognized as assets, on condition that the relevant costs can be reliably calculated and any relating future economic benefits accrue to the entity.

Assets booked to property, plant and equipment are recognized based on the purchase method, including any ancillary expense, and are stated net of depreciation and any impairment loss.

Costs incurred after the initial purchase are recognized as an increase in cost in direct relation to the extent that these costs can improve the asset's yield.

Assets booked to property, plant and equipment purchased as part of acquisitions and business combinations are initially recognized at fair value as determined at the time of purchase and, subsequently, at historical cost.

Assets booked to property, plant and equipment, with the exception of land, are depreciated on a straight-line basis during the useful life of the asset from the moment the assets are available for use.

If the assets include more than one significant component and the components have different useful lives, each individual component is depreciated separately.

The depreciation rates that generally reflect the useful lives attributed to Company property, plant and equipment are shown in the table below:

Property, plant and equipment	Depreciation rate
Instrumental buildings	3%
Plant	10% - 25%
Machinery	15.5%
Equipment	12.5% - 25%
Electronic office equipment	30%
Office furniture, facilities and fittings	12%
Motor and transport vehicles	20% - 30%
Other tangible assets	20%

The residual value of assets, useful lives and depreciation criteria applied are reviewed on an annual basis and adjusted, if necessary, at year end.

Leasehold improvements are recognized as fixed assets and depreciated over the lower of the residual useful life of the asset and the residual term of the lease contract.

3.3 Rights-of Use-Assets

IFRS 16 sets out the principles for recognizing, measuring, presenting and disclosing lease contracts and requires lessees to account for all lease contracts in the financial statements.

Application of this standard results in the initial recognition in the statement of financial position of (i) an asset, equal to the present value of the future minimum compulsory rentals to be paid by the lessee from 1 January 2019 or from the contract commencement date if later than the date of first-time application, which will be amortized/depreciated over the shorter of the technical economic life and the remaining term of the contract, and (ii) a financial liability, equal to the present value of the future minimum compulsory rentals to be paid by the lessee from 1 January 2019 or from the contract commencement date if later than the date of first-time application, unpaid at the transition date. The payable will then be reduced as lease payments are made. The lease payment is no longer recorded in EBITDA, recording instead (i) the amortization/depreciation of the right of use and (ii) the financial expense on the payable entered.

Lessees must also remeasure the lease liability on occurrence of certain events (for example: a change in the terms of the lease or a change in future lease payments resulting from a change in an index or rate used to determine such payments). The lessee generally recognizes the amount of the re-measurement of the liability as an adjustment to the asset's right of use.

In the adoption of IFRS 16, the Company made use of the exemptions granted by section IFRS 16.5 (a) relating to short-term leases, and by IFRS 16.5 (b) relating to lease contracts whose underlying asset is a low-value asset. For such contracts, the introduction of IFRS 16 implied the recognition of the financial liability of the lease and the relating right of use, but lease payments are recognized in the income statement on a straight-line basis for the duration of the respective contracts.

3.4 Impairment

The value of intangible assets, and property, plant and equipment and rights of use is subject to an impairment test whenever it is believed it may have decreased.

Impairment tests are carried out at least once a year on goodwill, other intangible assets with indefinite useful life and on other assets that are not available for use, and are performed by comparing the book value with whichever is higher between the fair value less costs to sell and the value in use of the asset.

If no binding sales agreement or active market for an asset exist, the fair value is calculated on the basis of the best information available on the amount the entity would obtain at closing from the disposal of an asset in a free transaction between informed and willing parties, having deducted the costs of disposal.

The value in use of an asset is determined by discounting the cash flows expected from its use, subjecting forecasts of the relevant financial income on reasonable and sustainable assumptions used by the Directors to best represent the economic conditions foreseen for the remainder of the life of the asset, giving more weight to external indicators.

Discounting rates reflect current market estimates of the time value of money and the specific risks connected to the asset.

The valuation is carried out by individual asset or by the smallest Cash Generating Unit that generates cash flows from asset use.

Should the recoverable value resulting from the impairment test be lower than cost, the loss is recognized as a reduction in the value of the asset and recognized as a cost item in the income statement.

If during subsequent financial years, when the impairment test is repeated, the reasons for the write-down no longer apply, the value of the asset, excluding goodwill, is written back to take account of the new recoverable value, which should never exceed the value that would have been stated had no impairment been recognized.

3.5 Investments in subsidiaries, joint ventures and associates

Subsidiaries are business entities in which the Company has the power to determine, both directly and indirectly, administrative and managerial decisions and obtain the resulting benefits. Generally, control is assumed when the Company owns, directly or indirectly, more than half of the voting rights in the ordinary Shareholders' Meeting, including any potential rights to vote resulting from convertible securities.

Joint ventures are business entities in which the Company exercises, together with one or more partners, joint control over business activities. Joint control envisages that the strategic, financial and managerial decisions are made with the unanimous agreement of the parties sharing control.

Associates are business entities in which the Company has a considerable influence in the determination of the relevant administrative and managerial decisions, though not having control. Generally, a considerable influence is assumed when the Company owns, directly or indirectly, at least 20% of the voting rights in the ordinary Shareholders' Meeting.

Investments in subsidiaries, joint ventures and associates are initially recognized at cost and subsequently adjusted as a result of any changes in the interest in the relevant equity.

The investor's profit or loss includes its share of the investee's profit or loss, and the investor's other comprehensive income includes its share of the investee's other comprehensive income.

Investments in companies are recognized at fair value in accordance with IFRS 9. Adjustments and any write-backs are recognised in the income statement.

The value of investments is subject to an impairment test whenever there are indications of a possible impairment loss. If the impairment test indicates an impairment loss, the investment is written down. Write-downs and write-backs are recorded in the income statement.

3.6. Financial assets

Financial assets are initially recognized at cost, increased by ancillary purchase expense, corresponding to the fair value of the price paid. Purchases and sales of financial assets are recognized as from the trading date, which corresponds to the date in which the Company agrees to purchase or sell the assets in question. After initial recognition, financial assets are posted according to the relevant classification, as outlined below:

Loans and receivables

This item includes financial assets that do not have fixed or determinable payments and are not listed on an active market.

These assets are recognized at amortized cost, under IFRS 9, using the discounting method. Income and loss is recognized in the income statement when loans and receivables are written off or in case

of impairment loss, as well as through amortization. The Company includes trade receivables, both financial and other receivables into this category. These are due within twelve months and are therefore recorded at their estimated realizable value. This class also includes "Cash and cash equivalents".

3.7 Trade and other receivables

Trade and other receivables are recorded at the fair value of the price collected during the transaction. Receivables are recognized at current values when the relevant financial impact linked to the expected collection time span is significant and the collection date can be reliably estimated.

Receivables are recognized in the financial statements at their estimated realizable value, taking account of expected losses.

3.8 Treasury shares

Treasury shares recognized as a reduction of equity are booked in a separate reserve.

No income or loss is recognized in the income statement for the purchase, sale, issue, cancellation or any other transaction involving treasury shares.

3.9 Cash and cash equivalents

"Cash and cash equivalents" includes cash on hand and financial investments falling due within three months and which entail only a minimal risk of change in their face value. They are recognised at face value.

3.10 Financial liabilities

Financial liabilities include financial payables, derivative instruments, payables associated with finance leases and trade payables. All financial liabilities other than derivative financial instruments, under IFRS 9 are initially measured at fair value, increased by any transaction costs, and are subsequently measured at amortized cost using the interest rate method.

Financial liabilities hedged by derivative instruments against the risk of changes in value ("fair value hedges"), are measured at fair value, in accordance with IAS 39 - Hedge accounting, as an exception to the provisions of IFRS 9: income and loss resulting from subsequent variations in fair value is recognized in the income statement. Any changes linked to the effective hedge portion are offset by adjusting the value of the relevant derivative instruments.

Financial liabilities hedged by derivative instruments against the risk of changes in cash flow ("cash flow hedges"), are measured at amortized cost in compliance with IAS 39 - Hedge accounting.

3.11 Derecognition of financial assets and liabilities

A financial asset or, where applicable, part of a financial asset or parts of a group of similar financial assets, is derecognised when:

- the right to receive cash flows from the asset has been extinguished;
- the Company still has the right to receive cash flows from the asset but has taken on a contractual obligation to transfer the entire cash flow promptly to a third party;

- the Company has transferred the right to receive cash flows from an asset and has transferred substantially all the risks and benefits deriving from the ownership of the financial asset or has transferred control of the financial asset.

A financial liability is derecognised when the underlying obligation has been discharged, cancelled or expired.

3.12 Impairment of financial assets

At the balance sheet date, the Company carries out an impairment test in order to determine whether a financial asset or group of financial assets has suffered an impairment loss.

Financial assets recognized at amortized cost

If there is objective evidence of an impairment in loans and receivables, the loss amount is recognized in the income statement and is calculated as the difference between the asset's book value and the current value of the estimated cash flows discounted based on the interest rate used initially for the asset.

If, in a subsequent year, the impairment amount decreases and such reduction can be objectively attributed to an event that has occurred after the recognition of impairment, the previously recognized impairment is written back to the amount the asset would have had, taking amortization into account, at the date of the write-back.

3.13 Derivative financial instruments

Derivative financial instruments are initially recognized at fair value at the date they are stipulated. When a hedge operation is entered into, the Company designates and formally documents the hedge relationship for hedge accounting purposes and its objectives for risk and strategy management purposes. The documentation includes the identification of the hedging instrument, the object or transaction subject to hedge, the nature of the risk and the criteria adopted by the Company to evaluate hedging effectiveness in offsetting exposure to fair value fluctuations of the object hedged or cash flows correlated to the risk hedged.

It is assumed that such hedges are highly effective to offset the exposure of the object hedged against fair value fluctuations or cash flows associated with the risk hedged. The valuation of the effectiveness of such hedges is carried out on an ongoing basis over the years of application.

Transactions that satisfy hedge accounting criteria are accounted for as follows:

Cash flow hedge

If a derivative financial instrument is designated as a hedging instrument against exposure to cash flow variations of an asset or liability included in the financial statements or of a highly probable transaction, the effective portion of profit or loss deriving from fair value adjustment of the derivative instrument is recognized in a special reserve under equity. The accumulated income or loss is written off from the equity reserve and recognized in the income statement, when the results of the transaction subject to hedge are recognized in the income statement.

Income and loss associated with the ineffective part of a hedge is recognized in the income statement. When a hedging instrument is terminated, but the transaction subject to hedge has not been carried out yet, the accumulated income and loss is kept in the reserve under equity and will be reclassified in the income statement upon completion of the transaction. Should the transaction subject to hedge be considered as no longer probable, any unrealized income and loss posted under the relevant equity reserve is recognized in the income statement.

When hedge accounting is not applicable, income and loss deriving from the fair value measurement of the derivative financial instrument is recognized in the income statement.

3.14 Provisions

Provisions established to cover liabilities that have been clearly identified, are certain or probable but whose amount or date of occurrence cannot be foreseen at the reporting date, are recognized when a legal or implicit obligation can be assumed which refers to past events and when it is also assumed that such obligation implies expenses that can be reliably measured.

Provisions are measured at fair value based on each individual liability item. When the financial impact associated with the assumed time span for the outlay is relevant and the payment dates can be reliably foreseen, provisions include said financial component, which is recognized in financial income (expense) in the income statement.

3.15 Post-employment benefits

Benefits to employees upon termination of the relevant labour contract are broken down according to their economic nature as follows:

- defined contribution plans, represented by the sums accrued as of 1 January 2007;
- defined benefit plans, represented by the provision for post-employment benefits (TFR) accrued until 31 December 2006.

In the defined contribution plans, the entity's legal or implicit obligation is limited to the amount of contributions to pay; hence, the actuarial and investment risks fall upon the employee. In the defined benefit plans, the entity's obligation consists in granting and ensuring the agreed benefits to employees; hence, the actuarial and investment risks fall upon the entity.

Post-employment benefits are calculated by applying actuarial criteria to the provision for post-employment benefits accrued until 31 December 2006, taking into account both demographic assumptions, including mortality rates and employee turnover, and financial assumptions, relating to discounts reflecting the time value of money and the inflation rate.

The amount recognized as a liability for defined benefit plans is represented by the current liability value at closing, net of the current value of plan assets, if any. This liability item is recognized in the income statement and includes the following components:

- social security costs relating to current labour services;
- cost of interest;
- actuarial gains or losses;
- the expected return from any plans, if any.

The amounts accrued in favour of employees during the year, and any applicable actuarial gains or losses, are recognized under "Cost of personnel", while the relevant financial component, which represents the cost the company would have to incur if it were to seek a loan on the market for the same amount, is recognized under "Financial income (expense)".

The supplementary indemnity for agents is also determined on an actuarial basis. The amounts accrued in favour of agents during the year, which become payable upon termination of the labour contract only under certain conditions, are recognized under "Sundry expense (income)".

3.16 Equity compensation plans

The Company grants additional benefits to a number of board members and managers whose functions are strategically relevant for the achievement of the Company's results, through equity-settled compensation plans ("Performance Share Plan").

In the case of share-based payments transactions settled with equity instruments of the Company, the fair value at the granting date, calculated according to a binomial model, is recorded under cost of personnel, with a corresponding increase in Equity under "Performance Share Reserve", over the period during which the employees obtain the unconditional right to the incentives. All non-vesting conditions are taken into account when estimating the fair value of the equity instruments granted.

The benefits, directly attributed by the Parent Company Arnoldo Mondadori Editore S.p.A. to the executives/managers of subsidiaries, are recognized as an increase in the cost of the relevant investment with a balancing entry in "Performance Share Reserve" under equity.

Subsequently, the amount recognized as a cost is adjusted to reflect the actual number of shares for which the service condition and the non-market condition have been met, so that the final amount recorded as a cost is based on the number of incentives that will definitely vest.

Service or performance conditions are not taken into account when defining the fair value of the plan at the granting date. However, the probability of these conditions being met is taken into account when defining the best estimate of the number of equity instruments that will vest. Market conditions are reflected in the fair value at granting date. Any other conditions attached to the plan that do not involve a service obligation are not considered to be a vesting condition. Non-vesting conditions are reflected in the fair value of the plan and result in the immediate recognition of the cost of the plan, unless there are also service or performance conditions.

No cost is recognized for rights that do not ultimately vest because the performance and/or service conditions have not been met.

3.17 Recognition of revenue and costs

Revenue from services is recognized based on the relevant state of completion.

Revenue from interest is recognized on an accrual basis by applying the effective interest method; dividends are recognized when the shareholder is acknowledged the right to payment.

Costs are recognised based on similar criteria as revenue and, in any case, on an accrual basis.

3.18 Current, pre-paid and deferred tax

Current tax is calculated on the basis of a taxable income estimate and in accordance with the laws applicable in the Country in which the Company has its registered offices.

Deferred and pre-paid tax is calculated on all the temporary differences arising between the taxable base of assets and liabilities and the relevant book values in the financial statements, with the exception of the following:

- temporary taxable differences deriving from the initial recognition of goodwill;
- temporary taxable or deductible differences resulting from the initial recognition of an asset or a liability in a transaction which does not imply business combination and which does not have any impact either on the result or the taxable income on the transaction date;
- in subsidiaries, associates and jointly-controlled companies when:
 - the Company is in a position to control the timing for the reversal of temporary taxable differences and it is probable that such differences shall not reverse in the foreseeable future;
 - it is not probable that deductible temporary differences will reverse in the foreseeable future and that taxable income is available to cover such temporary differences.

The value of prepaid tax amounts is reviewed at the balance sheet date and is reduced if it is no longer probable that sufficient taxable income will be available in the future to cover all or part of these assets.

Deferred tax assets and liabilities are calculated on the basis of the tax rates that are expected to apply in the year in which assets are realized and liabilities are settled, considering the then applicable tax rates or the tax rates essentially used at the balance sheet date.

Tax relating to items directly recognized under equity (cash flow hedge reserve) is recognized directly under equity and not under income statement.

On 1 January 2024, the Pillar/Globe rules came into force under Italian Legislative Decree no. 209/2023 implementing Directive no. 2523/2022/EU. In addition, the Italian legislator also implemented a domestic top-up tax through the issuance of the Decree of the Deputy Minister of Economy and Finance of 1 July 2024.

Very briefly, the Pillar 2 rules state that Group entities (wherever they may be located) shall be subject to effective income tax at a rate of at least 15%, to be determined on the basis of a careful calculation based on the accounting and tax data of such entities, aggregated by country. Where the tax level in a given country is below 15%, a top-up tax will be applied to bring the amount up to 15%.

As required by accounting standard IAS 12 (in particular by the "Amendments to IAS 12 Income Taxes – International Tax Reform – Pillar Two Model Rules"), with the support of the parent company FININVEST, the Mondadori Group has carried out an analysis in order to identify the scope of application and potential impact of this new legislation on the jurisdictions of its consolidation scope, also using the transitional safe harbours ("TSH") applicable in the three years 2024-2026 (the "transitional period"), as envisaged by the OECD Guidelines.

These rules state that no top-up tax shall be due if one of the following tests is passed (to be carried out relative to each jurisdiction):

- De minimis test: passed where the revenue of the jurisdiction are less than € 10 million and the aggregated pre-tax profit is less than one million euros;
- Simplified effective tax rate test: passed where the effective tax level is at least 15% (for 2024), as determined on the basis of the ratio of the aggregated values of pre-tax profit/loss (denominator) and the income tax (numerator). In this regard, the figure of the numerator is the value of the current and deferred income (with some specific adjustments) noted in the reporting packages of the subsidiaries of a certain jurisdiction;
- Routine profit test: passed if the aggregated value of the "substance-based income exclusion" (or "SBIE") envisaged by the Pillar 2 rules exceeds the aggregated amount of the pre-tax profit/loss. As envisaged by the OECD Guidelines, if for one jurisdiction, there is a pre-tax loss, the test is considered passed.

If none of the tests are passed for a specific jurisdiction, the Group shall calculate the effective tax level on the basis of the entire set of Pillar 2 rules, or making specific "adjustments" to the accounting and tax data of the entities located in such jurisdiction, also in order to determine – where such effective tax level is below 15% – the minimum amount of tax due. On the basis of the current data – for FININVEST S.p.A. and its subsidiaries – the company FININVEST S.p.A. takes on the role of "Ultimate Parent Entity" (or "UPE") and Arnoldo Mondadori Editore S.p.A. takes on the role of "Partially-Owned Parent Entity" or "POPE").

For FY 2024, the Group benefits from TSHs in all countries where it is present; therefore, it does not have to pay any top-up tax.

3.19 Transactions denominated in foreign currencies

Revenue and costs deriving from transactions denominated in foreign currencies are posted in the relevant currency at the exchange rate applied on the transaction date.

Monetary assets and liabilities denominated in foreign currencies are converted at the exchange rate ruling at the balance sheet date and any exchange differences are recognized in the income statement.

Non-monetary items measured at historical cost in a foreign currency are converted using the exchange rates applied on the relevant transaction date. Non-monetary items recognized at fair value in a foreign currency are converted using the exchange rates applied on the fair value calculation date.

3.20 Grants and contributions

Grants and contributions are recognized if there is a reasonable certainty that they will be received and if all the conditions referring to them are satisfied. When grants refer to cost items, they are recognized as revenue and systematically distributed over the years so as to reflect the cost proportion they are intended to offset. When grants refer to assets, the relevant fair value is deferred in long-term liabilities and is recognised in equal amounts in the income statement over the useful life of the asset.

With regard to State aid and/or "de minimis" aid, pursuant to Article 1, paragraphs 125-129, of Law no. 124/2017, received by the Company, reference is also made to the content contained and published in the National State Aid Register.

3.21 Dividends

Dividends are recognized as a reduction in the value of the investment when shareholders are given right to them. This normally corresponds to the date of the AGM resolving upon dividend payout.

3.22 Discontinued assets and liabilities

Non-current assets and groups of assets and liabilities whose book value is mainly expected to be recovered through disposal instead of continuous use are recognised separately from other assets and liabilities in the statement of financial position. Such assets and liabilities, when their sale is highly likely, are classified as "held-for-sale or discontinued" and are measured at the lower between their book value and fair value less probable costs of disposal. Income and loss, net of the related tax effect, resulting from the valuation or disposal of such assets or liabilities, is recognized in a separate item in the income statement.

3.23 Business combinations and other acquisitions

Business combinations are recognised using the purchase cost method pursuant to IFRS 3.

3.24 Accounting standards, amendments and interpretations adopted by the EU, with effect from 1 January 2024 and applied by Arnoldo Mondadori Editore S.p.A.

The following is a list of new standards, interpretations and amendments subject to mandatory application as of 1 January 2024 that, based on the assessments performed, did not have a significant impact on the Company's financial statements as at 31 December 2024:

- Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback:

The amendments to IFRS 16 specify the requirements that a seller-lessor uses in determining the lease liability arising from a sale and leaseback transaction.

- Amendments to IAS 1 - Classification of Liabilities as Current or Non-current

The amendments to IAS 1 specify the requirements for classifying a liability as current or non-current.

- Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

The amendments to IAS 7 – Statement of Cash Flows and IFRS 7 – Financial Instruments concern the disclosure of the characteristics of supply finance arrangements.

3.25 Accounting standards, amendments and interpretations not yet endorsed by the European Union

At the date of preparation of this document, the following new accounting standards, amendments and interpretations have been issued, which have not yet come into force and have not been adopted in advance by the Company:

• IFRS 18 - Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 – Presentation of Financial Statements. IFRS 18 introduces new requirements for the presentation of the income statement.

The Company is currently working to identify the impact the changes will have on its financial statements and notes to the financial statements. This standard will be applicable for financial years after 1 January 2027.

• IFRS 19 - Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to opt for a reduction in their disclosure requirements while continuing to apply the recognition, measurement and presentation requirements in the other IFRS accounting standards. IFRS 19 is not applicable for the Company as it is a listed company.

4. USE OF ESTIMATES

In preparing the attached tables and the notes to these financial statements, it was deemed necessary to use estimates and assumptions in order to calculate, in particular, the provisions for returns relating to the sale of publishing products, the provisions for bad debts, the provision for risks, post-employment benefits and taxation and the expected cash flows to calculate the value of certain current and non-current assets, including intangible assets and goodwill.

These estimates are periodically reviewed and any effects are recognized in the income statement.

Estimates are based on the current status of information available, are examined periodically and effects reflected in the income statement.

It should be noted that in the current macroeconomic context and in the specific scenario of the publishing industry, marked by an ongoing financial and economic crisis, it was deemed necessary to make assumptions on the future trend based on significant uncertainty. Results in the coming years, therefore, may differ from the estimates, resulting in the need to make adjustments to the book value of each item, including significant adjustments, which cannot be foreseen or quantified today.

The most significant accounting estimates that involve a high level of subjective opinion are outlined below.

Measurement of investments

The Company exercises the right granted by the amendment to IAS 27 – Equity Method in Separate Financial Statements, to measure investments in subsidiaries, joint arrangements and associates using the equity method. The Company therefore adjusts their amounts also taking account of the net assets presented in the Group's consolidated financial statements, which include the amounts of goodwill and other net assets identified on acquisition. The impairment test on investments follows the same procedures as the test at consolidated level. In this sense, the impairment of goodwill and intangible assets is tested by comparing the book value of the relating Cash Generating Units with their recoverable value, represented by the higher of fair value and the value in use.

Provision for bad debts

The recoverability of receivables is measured by taking account of the risk of non-payment, ageing and losses on receivables expected to arise on the receivables.

Depreciation and amortisation

The useful life of tangible and intangible assets is determined by the Directors when the asset is purchased. The Company regularly assesses any changes in technology, market conditions and expectations of future events that could have an impact on the useful life and duration of amortization.

Provision for risks

Provisions made in relation to costs for restructuring and judicial, arbitration and tax disputes are based on complex estimates that take into account the probability of losing the dispute.

Post-employment benefits

Allocations made in favour of employees are based on actuarial assumptions: any changes in the underlying assumptions may have significant effects on the provisions.

Income tax

Income tax (both current and deferred) is calculated based on the applicable rates in Italy according to a prudent interpretation of currently applicable tax laws. The estimate is correlated in particular to the recoverability of prepaid tax assets.

5. RISK MANAGEMENT

The Company manages financial risks for all Mondadori Group Italian subsidiaries. For a detailed analysis of the Group's financial risks, reference should be made to the relevant section in the Consolidated Financial Statements.

6. NON-RECURRING INCOME AND EXPENSE

As required by CONSOB resolution no. 15519 of 27 July 2006, any income and expense deriving from non-recurring transactions are recognized in the income statement. Transactions and events are considered non-recurring when, by nature, they do not occur repeatedly during normal business operations.

The relevant effects were outlined in a separate table in these Explanatory notes to the financial statements.

DETAILS REGARDING THE ITEMS OF THE FINANCIAL STATEMENTS

All the amounts are expressed in Euro thousands, with the exception of certain ancillary figures, which are expressed in Euro millions. The amounts in brackets refer to 2023 figures.

Balance Sheet

Assets

1. Intangible assets

Intangible assets (Euro/thousands)	31/12/2024	31/12/2023
Intangible assets with a finite useful life	8,456	6,020
Intangible assets with indefinite useful life	—	—
Total intangible assets	8,456	6,020

The availability and use of intangible assets recognized in these financial statements are not subject to any lien or restriction.

The tables below show changes in the last two years.

Intangible assets with finite useful life (Euro/thousands)	Software	Cost of development	Other and under construction	Total
Historic cost at 31 December 2022	16,818	112	797	17,728
Investments	312	—	2,894	3,206
Disposals	—	—	—	—
Reclassifications	347	—	(335)	12
Historic cost at 31 December 2023	17,478	112	3,357	20,946
Accumulated amortization and impairment loss at 31/12/2022	12,069	37	—	12,106
Depreciation and amortisation	2,786	34	—	2,820
Write-downs	—	—	—	—
Disposals	—	—	—	—
Reclassifications	—	—	—	—
Accumulated amortisation and impairment losses at 31/12/2023	14,855	71	—	14,926
Net value at 31/12/2022	4,749	75	797	5,622
Net value at 31/12/2023	2,622	41	3,357	6,020

Intangible assets with finite useful life (Euro/thousands)	Software	Cost of development	Other and under construction	Total
Historic cost at 31 December 2023	17,478	112	3,357	20,946
Investments	1,090	—	2,763	3,853
Disposals	—	—	—	—
Reclassifications	1,812	—	(1,812)	—
Historic cost at 31 December 2024	20,380	112	4,307	24,799
Accumulated amortization and impairment loss at 31/12/2023	14,855	71	—	14,926
Depreciation and amortisation	1,389	27	—	1,416
Write-downs	—	—	—	—
Disposals	—	—	—	—
Reclassifications	—	—	—	—
Accumulated amortisation and impairment losses at 31/12/2024	16,244	98	—	16,342
Net value at 31/12/2023	2,622	41	3,357	6,020
Net value at 31/12/2024	4,135	14	4,307	8,456

The most significant changes in "Intangible assets with finite useful life" in 2024 were the following:

- investments, amounting to € 3,853 thousand: they mainly relate to the move to cloud delivery of the company's IT systems, previously in a physical Data Centre, and the development of software such as the new employee management system, the new planning and control software, and the ESG data collection and reporting platform;
- the reclassification from "Other and under construction": refers to the classification under assets under construction in 2023.

Amortisation, write-downs and write-backs of intangible assets

Amortisation and impairment loss on intangible assets (Euro/thousands)	2024	2023
Software	1,389	2,786
Cost of development	27	34
Other	—	—
Total amortization of intangible assets	1,416	2,820
Write-downs of intangible assets	—	—
Write-backs of intangible assets	—	—
Total write-downs (write-backs) of intangible assets	—	—
Total amortization of intangible assets	1,416	2,820

2. Property, plant and equipment

The tables below show changes in the last two years.

Property, plant and equipment (Euro/thousands)	Land	Instrumental buildings	Plant and equipment	Other tangible assets	Total
Historic cost at 31 December 2022	—	—	10,381	14,898	25,279
Investments	—	—	42	2,164	2,206
Disposals	—	—	—	(14)	(14)
Reclassifications	—	—	2	(14)	(12)
Historic cost at 31 December 2023	—	—	10,425	17,034	27,459
Accumulated amortisation and impairment losses at 31/12/2022	—	—	9,545	11,524	21,069
Depreciation and amortisation	—	—	184	1,252	1,435
Disposals	—	—	—	(9)	(9)
Write-downs	—	—	—	—	—
Reclassifications	—	—	—	—	—
Accumulated amortisation and impairment losses at 31/12/2023	—	—	9,729	12,767	22,496
Net value at 31/12/2022	—	—	835	3,374	4,209
Net value at 31/12/2023	—	—	696	4,267	4,963

Property, plant and equipment (Euro/thousands)	Land	Instrumental buildings	Plant and equipment	Other tangible assets	Total
Historic cost at 31 December 2023	—	—	10,425	17,034	27,459
Investments	—	—	78	5,041	5,119
Disposals	—	—	(803)	(1,510)	(2,313)
Reclassifications	—	—	—	—	—
Historic cost at 31 December 2024	—	—	9,700	20,565	30,265
Accumulated amortisation and impairment losses at 31/12/2023	—	—	9,729	12,767	22,496
Depreciation and amortisation	—	—	163	1,667	1,830
Disposals	—	—	(801)	(1,505)	(2,307)
Write-downs	—	—	—	—	—
Reclassifications	—	—	—	—	—
Accumulated amortisation and impairment losses at 31/12/2024	—	—	9,090	12,929	22,019
Net value at 31/12/2023	—	—	696	4,267	4,963
Net value at 31/12/2024	—	—	610	7,636	8,245

Other fixed assets (Euro/thousands)	31/12/2024	31/12/2023
Industrial and commercial equipment	41	14
Electronic office machinery	1,842	1,631
Office furniture, facilities and fittings	2,331	180
Leasehold improvements	704	761
Motor vehicles	—	—
Assets under construction and advances	2718	1,681
Total other fixed assets	7,636	4,267

During the year 2024, the most significant changes in “Property, Plant and Equipment” related to capital expenditures, which amounted to € 5,119 thousand and were mainly related to:

- data processing tools (personal computers, hardware and local networks) to equip the workforce with the means required , as well as to strengthen and make secure the company networks, for € 947 thousand;
- interventions under the scope of the project to requalify the office of Palazzo Niemeyer in Segrate (improvements, furniture/furnishings, electronic appliances and equipment) for € 4,040 thousand, of which € 2,708 thousand recorded under fixed assets under construction.

Depreciation of property, plant and equipment

Depreciation and impairment loss on property, plant and equipment (Euro/thousands)	2024	2023
Instrumental buildings	—	—
Plant and equipment	163	184
Equipment	17	26
Electronic office machinery	1,065	889
Furniture and furnishings	265	55
Motor and transport vehicles	—	—
Leasehold improvements	320	281
Total depreciation of property, plant	1,830	1,435

The availability and use of property, plant and equipment recognized in these financial statements are not subject to any lien or restriction.

3. Assets from rights of use

The tables below show changes in the last two years:

Assets from rights of use (Euro/thousands)	Buildings	Motor vehicles	Office equipment	Total
Historic cost at 31 December 2022	33,441	552	1,306	35,299
Investments	1,753	57	—	1,810
Disposals	(939)	—	—	(939)
Historic cost at 31 December 2023	34,255	609	1,306	36,170
Amortisation fund at 31 December 2022	6,794	383	792	7,970
Depreciation and amortisation	5,261	106	257	5,623
Disposals	(919)	—	—	(919)
Amortisation fund at 31 December 2023	11,136	489	1,049	12,674
Net value at 31/12/2022	26,647	169	514	27,329
Net value at 31/12/2023	23,119	120	257	23,496
Assets from rights of use (Euro/thousands)	Buildings	Motor vehicles	Office equipment	Total
Historic cost at 31 December 2023	34,255	609	1,306	36,170
Investments	4,497	142	—	4,639
Disposals	(150)	—	—	(150)
Historic cost at 31 December 2024	38,603	750	1,306	40,659
Amortisation fund at 31 December 2023	11,136	489	1,049	12,674
Depreciation and amortisation	4,900	101	257	5,258
Disposals	(48)	—	—	(48)
Amortisation fund at 31 December 2024	15,988	590	1,306	17,884
Net value at 31/12/2023	23,119	120	257	23,496
Net value at 31/12/2024	22,614	161	—	22,775

Increases of € 4,639 thousand were recorded in 2024, mainly relating to the renewal of the lease agreement for the Services Centre Building at the Segrate offices, for € 4,435 thousand and motor vehicles for € 142 thousand.

The normal depreciation process involved costs of € 5,258 thousand.

4. Investments

The Company exercises the right granted by the amendment to IAS 27 – Equity Method in Separate Financial Statements, to measure investments in subsidiaries, joint arrangements, associates and other investees using the equity method.

“Investments”, amounting to € 697,373 thousand (€ 684,267 thousand as at 31 December 2023), consists of the cost of investments for € 628,153 thousand, their adjustment to equity for a positive total net of € 65,731 thousand, and the effects of the application of IFRS 2 on the long-term incentive plan (Performance Share) for the granting of Arnoldo Mondadori Editore S.p.A. shares to executives and directors of subsidiaries who perform strategic functions for the fulfilment of Group targets, for the amount of € 3,489 thousand. The detail for each subsidiary and associate is shown in Annexes A and B.

The increase in the value of the equity investments compared to 2023 is mainly due to the revaluation of the investments in Mondadori Libri S.p.A. and in Mondadori Scuola S.p.A., deriving from the result for the year, net of the reduction related to the dividends received from them, in Mondadori Media S.p.A. and Mondadori Retail S.p.A. The investments in Mondadori Libri S.p.A. and Mondadori Media S.p.A. also benefited from the change in the scope of consolidation resulting from period acquisitions.

Investments are broken down as follows:

Investments (Euro/thousands)	31/12/2024	31/12/2023
Subsidiaries	689,554	676,918
Associates	7,756	7,286
Other companies	63	63
Total investments	697,373	684,267

Changes in investments in subsidiaries over the past two years are shown below:

Subsidiaries (Euro/thousands)	31/12/2024	31/12/2023
Opening amount	676,918	661,817
Increases:		
- Purchases, establishments and capital contributions	900	3,000
- Granting Performance Shares	612	535
- Pro-rata share of the result	80,616	82,288
- Other changes	1,130	(1,607)
Total increases	83,258	84,216
Decreases:		
- Reversal of dividends	(70,560)	(69,115)
- Pro-rata share of the result	(62)	
- Reclassification from provisions for risks		
- Other changes		
Total decreases	(70,622)	(69,115)
Closing amount	689,554	676,918

"Purchases, establishments and capital contributions" refers to capital contributions in the favour of Mondadori Plai S.r.l., incorporated on 17 May 2024, for € 900 thousand.

Increases in investments as a result of the Performance Share Plan are the following:

- Mondadori Libri S.p.A. for € 187 thousand;
- Mondadori Scuola S.p.A. for € 131 thousand;
- Mondadori Media S.p.A. for € 167 thousand;

- Mondadori Retail S.p.A. for € 127 thousand.

The "Pro-rata share of the result" included in the increases and decreases reflect the respectively positive and negative results of:

- Mondadori Libri S.p.A. for € 33,697 thousand;
- Mondadori Scuola S.p.A. for € 35,521 thousand;
- Mondadori Media S.p.A. for € 9,156 thousand;
- Mondadori Retail S.p.A. for € 2,242 thousand;
- Mondadori Plai S.r.l. for € -62 thousand.

"Reversal of dividends" included in decreases refers to dividends received during the year from Mondadori Libri S.p.A. for € 36,060 thousand and Mondadori Scuola for € 34,500 thousand.

Other changes, amounting to € 1,130 thousand, reflect all the changes in the equity of the subsidiaries that have no effect on the income statement.

Changes in investments in associates and joint ventures over the past two years are shown below:

Associates (Euro/thousands)	31/12/2024	31/12/2023
Opening amount	7,286	6,966
Increases:		
- Purchases, establishments and capital contributions		
- Pro-rata share of the result	562	344
- Other changes		
Total increases	562	344
Decreases:		
- Pro-rata share of the result		
- Sale of investments		
- Other changes	(92)	(24)
Total decreases	(92)	(24)
Closing amount	7,756	7,286

The "Pro-rata share of the result" included in the increases includes the period results of Attica Publications S.A..

Other changes reflect all the changes in the equity of the associate that have no effect on the income statement.

Changes in investments in other companies over the past two years are shown below:

Other companies (Euro/thousands)	31/12/2024	31/12/2023
Opening amount	63	1,101
Increases:		
- Purchases, establishments and capital contributions		775
- Pro-rata share of the result		
- Other changes		
Total increases	0	775
Decreases:		
- Pro-rata share of the result		(775)
- Sale of investments	0	(1,038)
- Other changes		
Total decreases	0	(1,813)
Closing amount	63	63

Impairment test

When preparing the financial statements as at 31 December 2024, particular attention was paid to the observation of possible impairment indicators given the continuation of the delicate international geo-political context, which also in 2024 had indirect repercussions on the businesses in which Arnoldo Mondadori Editore S.p.A.'s subsidiaries operate, due to the effect of paper prices and inflation only partially recovered.

Mondadori's share price as at 30 December 2024 remained at the same level as at 30 December 2023 (€ 2.12 vs. € 2.15); market capitalisation increased from € 561 million as at 30 December 2023 to € 554.3 million, well above the € 317.1 million of booked equity.

The Company adjusts the amounts of the equity-accounted investees also taking account of the net assets presented in the Group's consolidated financial statements, which include the amounts of goodwill and other net assets identified on acquisition. The impairment test on investments follows the same procedures as the test at consolidated level. In this sense, the impairment test of goodwill and intangible assets (included in the value of investments) is performed by comparing the book value of the relevant Cash Generating Units with their recoverable amount.

Pursuant to IAS 36, assets with indefinite useful life and goodwill are not subject to amortisation, but to an impairment test of the book value at least once a year or whenever there are indications of impairment.

Assets with finite useful life are subject to amortization, according to the useful life of each asset, and upon closing assets items are subject to impairment test to verify whether any impairment loss has occurred. An impairment test is only performed if these indicators are present.

The impairment testing process includes, among others:

- the identification of individual assets or the smallest Cash Generating Unit that generates independent cash flows;
- assessment of the carrying amount of the CGUs by determining their recoverable value, equal to the higher of fair value, less costs to sell, and value in use determined on the basis of the cash flow projections deriving from the most recent financial plans approved by the Board of Directors.

Identification of Cash Generating Units

CGUs have been identified as assets that generate independent cash flows from their ongoing use, consistent with the Group's organizational and business structure.

Taking account of the above, the table below provides details of the assets subject to impairment testing and the related amounts recorded at 31 December 2024, as well as their relating CGUs. These amounts, included in the value of the investments, are shown net of amortisation and impairment losses recorded during the year.

Cash Generating Unit (Euro/thousands)	Trademark s and series	Others	Goodwill	Total
CGU former Gruner+Jahr Mondadori	1,511			1,511
Digital CGU			5,168	5,168
Hej! CGU			6,178	6,178
Webboh CGU			1,652	1,652
Digital Advertising & Engagement CGU			2,654	2,654
Fatto in casa da Benedetta CGU			8,383	8,383
Einaudi CGU	2,991		286	3,277
Star Comics CGU	12,500		4,321	16,821
A.L.I. CGU	847		2,609	3,456
Star Shop CGU			2,313	2,313
Chelsea Green CGU	978		1,386	2,364
Education CGU	23,217		109,107	132,324
Other CGUs			2,500	2,500
Investments		3,829		3,829
Total assets subject to impairment test	42,044	3,829	146,557	192,430

Cash Generating Unit former Gruner+Jahr Mondadori

The value recorded in the financial statements is represented by Focus, a brand with finite useful life, resulting from the acquisition in 2015 of the control over the entire capital of Gruner+Jahr Mondadori S.p.A. (now Mondadori Scienza S.p.A).

Digital Cash Generating Unit

The value recorded in the financial statements is represented by the goodwill of AdKaora, resulting from the acquisition of 100% of Banzai Media Holding S.p.A. in 2016.

Hej! Cash Generating Unit

The goodwill posted derives from the acquisition of 100% of Hej! S.r.l., a company specializing in AI solutions to companies to create customer relationships, marketing plans and media campaigns.

Webboh Cash Generating Unit

The goodwill derives from the acquisition of 100% of Webboh S.r.l., a company specialised in the production of editorial posts and products, news and gossip published on the web.

Digital Advertising & Engagement Cash Generating Unit

The goodwill derives from the acquisition of 100% of Digital Advertising & Engagement S.A., a company specialised in tech advertising on the Spanish market.

Fatto in casa da Benedetta Cash Generating Unit

For the company Fatto in casa da Benedetta S.r.l., owner of all intellectual property rights and economic exploitation of the image of Benedetta Rossi as well as all social assets and the related content library, acquired on 1 October 2024, the Purchase Price Allocation process has not yet been completed. Goodwill was therefore determined on a provisional basis.

Einaudi Cash Generating Unit

This CGU includes the publishing series of Casa Editrice Einaudi, acquired in several tranches between 1989 and 1994 and, to a residual extent, goodwill. These assets qualify as having indefinite useful life.

Star Comics Cash Generating Unit

In July 2022, Mondadori Libri S.p.A., a subsidiary of Arnoldo Mondadori Editore S.p.A., acquired 51% of the share capital of Edizioni Star Comics S.r.l., a company specialising in the publication of comic books.

On conclusion of the Purchase Price Allocation process, the higher price paid was allocated to trademarks, proprietary software and, residually, to goodwill. These assets qualify as having indefinite useful life.

A.L.I. Cash Generating Unit

At 31 December 2024, Mondadori Libri S.p.A. held 75% of A.L.I. A.L.I. - Agenzia Libreria International S.r.l., the company specialised in the distribution of books throughout national territory, as well as in hobby publishing, through the subsidiary Il Castello S.r.l..

The publishing brand Il Castello has been tested for impairment, along with goodwill, both classified as having an indefinite useful life.

Star Shop Cash Generating Unit

In January 2024, Mondadori Libri S.p.A. acquired 51% of the share capital of Star Shop Distribuzione S.r.l., a company specialising in the distribution and sale of comic books.

On conclusion of the Purchase Price Allocation process, the higher price paid was allocated to the trademark, to relations with the distributed publishers and, residually, to goodwill. These assets, with the exception of relations with publishers, were qualified as having a finite useful life.

Chelsea Green Cash Generating Unit

In May 2024, Rizzoli International Publications Inc., a subsidiary of Mondadori Libri S.p.A., acquired 100% of the share capital of Chelsea Green Publishing Inc., an American publishing company focused on sustainability issues – including green, health and wellness – and the enhancement of cultural diversity.

On conclusion of the Purchase Price Allocation process, the higher price paid was allocated to the trademark, the list of authors and, residually, to goodwill. These assets, with the exception of contracts with authors, have been classified as having an indefinite useful life.

Education Cash Generating Unit

This Education CGU group includes series and publishing lines referring to the production of textbooks for the different levels and grades of the Italian school system.

The Education CGU group also includes the amounts attributed to trademarks, rights to exploit literary works and goodwill of D Scuola S.p.A., acquired in 2021.

Other Cash Generating Units

This group of CGUs mainly includes goodwill related to the bookclub, amounting to € 2,500 thousand.

Cash Generating Unit Investments

This CGU includes the goodwill identified during the acquisition of the equity investment in the Attica Publications S.A. Group.

Assessment of the recoverable value

The carrying amount of the CGUs is assessed by determining their recoverable value, which is the higher of value in use and fair value, less costs to sell.

With regard to the CGUs measured through value in use, the impairment test was based on the projection of cash flows deriving from the Medium-Term Plan, drawn up for the years 2025-2027, in relation to which the Board of Directors reviewed the guidelines and approved the contents on 13 February 2025.

The table shows the criteria used in the valuation of the various CGUs, as well as the main elements for assessing their recoverable value.

Cash Generating Unit	Criterion used	Economics	Growth rate on terminal value	Discounting rate
CGU former Gruner+Jahr Mondadori	Fair value	Revenue 2025-2027	g = -3%	7.69%
Digital CGU	Value in use	EBITDA 2025-2027	g = 0%	7.69%
Hej! CGU	Value in use	Cash flow 2025-2027	g = 2%	7.69%
Webboh CGU	Value in use	Cash flow 2025-2027	g = 2%	7.69%
Digital Advertising & Engagement CGU	Value in use	Cash flow 2025-2027	g = 2%	7.09%
Fatto in casa da Benedetta CGU	Value in use	Cash flow 2025-2027	g = 0%	7.69%
Einaudi CGU	Value in use	Cash flow 2025-2027	g = 0%	7.46%
Star Comics CGU	Value in use	Cash flow 2025-2027	g = 0%	7.46%
A.L.I. CGU	Value in use	Cash flow 2025-2027	g = 0%	7.46%
Star Shop CGU	Value in use	Cash flow 2025-2027	g = 0%	7.46%
Chelsea Green CGU	Value in use	Cash flow 2025-2027	g = 0%	7.57%
Education CGU	Value in use	Cash flow 2025-2027	g = 0%	7.46%
Other CGUs	Value in use	EBITDA 2025-2027	g = 0%	7.46%
Investments	Value in use	EBITDA 2025-2029	g = 0%; g = 2%	7.87%

Specifically, when performing the impairment test:

- as regards the former Gruner+Jahr Mondadori CGU, the fair value of the Focus magazine was determined by applying the royalty method, based on estimated revenue in the medium-term

forecast scenarios. A royalty rate of 4% was used; the estimated growth rate (g) for the period following the explicit years of the Medium-Term Plan is -3%;

- as regards the Digital CGU, the value in use was determined on the basis of the income statements of the various digital brands, which are deemed to be representative of the related cash flows. The growth rate (g), estimated for the period following the explicit years of the Medium-Term Plan, is 0%;
- with regard to the Hej!, Webboh and Digital Advertising & Engagement CGUs, the entire legal entity was considered as cash generating unit for the purpose of the impairment test. The value in use was determined on the basis of the cash flows of the company. The growth rate (g), estimated for the period following the explicit years of the Medium-Term Plan, is 2%;
- with regard to the Einaudi, Education (Mondadori Education and D Scuola), Star Comics, A.L.I., Star Shop, Chelsea Green and Fatto in casa da Benedetta CGUs, for the purposes of the impairment test, all the legal entities were considered as cash generating units. The value in use was determined on the basis of the cash flows of the respective companies. The growth rate (g), estimated for the period following the explicit years of the Medium-Term Plan, is 0%;
- with regard to the other CGUs, the recoverable value was determined on the basis of value in use, taking account of the income statements, including structural and maintenance costs of the assets subject to impairment. The growth rate (g), estimated for the period following the explicit years of the Medium-Term Plan, is 0%.

With respect to Investments, for the Attica Publications S.A. Group the value in use was determined on the basis of cash flow projections drawn from the long-term plans.

Determination of the discount rate

The discount rate was defined in terms of weighted average cost of capital (WACC) for the individual Cash Generating Unit taken into account and shown net of tax, consistently with the flows used.

WACC is an adjusted risk rate, measured on the basis of the cost that the company must bear to collect resources from lending entities, internal and external, to finance any specific investment. WACC expresses an opportunity cost of capital and is calculated as the weighted average of the cost of the risk capital and the cost of the debt capital.

The individual parameters used in the determination of WACC are the following:

- cost of equity (ke) is quantified based on the model of CAPM (Capital Asset Pricing Model) as requested in IAS 36, as the sum of: (i) the return on risk-free investments, (ii) a risk premium determined on the basis of the systematic riskiness of the investment being valued and (iii) an additional premium correlated to the dimensional risk. In particular:
 - the risk-free rate was determined taking account of the yield to maturity for the securities of the Countries to which the Cash Generating Units are referred, taking account of the annual average;
 - the risk premium was determined through the product resulting from the beta coefficient and the difference between the market performance (mp) and risk-free rate (equity risk premium), determined taking account of a sufficiently large time horizon. Specifically, the beta coefficient was calculated by considering the normalized average of market unlevered betas of a panel of comparable companies, distinguishing the book publishing business from the magazine publishing business, in order to intercept the different systematic risk. With regard to the equity risk premium, reference was made to the equity risk component for AAA Countries (4.33%) and the country risk premium component (1.57% for Italy, 2.33% for Greece, 1.34% for Spain and zero for the US); these figures were drawn from the estimates published by Damodaran in January 2025;

- the calculation of the Cost of Debt (kd) is based on the analysis of the specific financial structure of the Group;
- the weight attributed to equity and non-controlling interests' equity was calculated based on the normalized average of a panel of comparable companies.

Results of the impairment test

Upon completion of the impairment test, the value of goodwill relative to Abscondita S.r.l., amounting to € 254 thousand, needed to be written down entirely.

Sensitivity to changes in the assumptions

For the amounts relating to the CGUs indicating no impairment loss, sensitivity analyses were carried out to corroborate the results of the test, increasing the discount rate by 0.5%, reducing the cash flows by 5% and the growth rate "g" by 1%.

The analysis confirmed that the results obtained are reasonable, without revealing any significant differences, and, consequently, confirmed the recoverability of the book values recognised in these financial statements, while stressing the need, however, to oversee the performance of each CGU in order to verify the consistency of final and forecast trends, taking account of the current market context.

5. Non-current financial assets

"Non-current financial assets", amounting to € 2,853 thousand (€ 6,238 thousand at 31 December 2023), is broken down as follows:

Non-current financial assets (Euro/thousands)	31/12/2024	31/12/2023
Medium-long term financial receivables from associates	500	500
Assets resulting from derivative instruments	2,353	5,738
Total non-current financial assets	2,853	6,238

Financial receivables from associates refer to the shareholders' loan granted to Attica Publications S.A..

Assets resulting from derivative instruments amounting to € 2,353 thousand, include:

- the fair value relating to the hedging transactions on the existing interest rate risk, based on 100% of the Line A Amortising Term Loan of the pool loan agreement entered into in May 2021, maturing in December 2026 for a notional amount of € 31.7 million and a weighted average rate of - 0.086%;
- the fair value relating to the hedging transactions on the existing interest rate risk, applying to 100% of the use of Line C Acquisition Line of the Pool loan agreement concluded in May 2021, coming to maturity in December 2026 for a notional value of € 40 million and a weighted average rate of -0.098%.

The Company has adopted a Financial Risk Management policy. The use of derivative instruments is in line with the guidelines contained in such policy. In order to verify hedging efficiency, the Group performs a series of monthly effectiveness tests set out in the accounting standards applied.

Perspective tests envisage that at the beginning of a hedge transaction and for its entire duration, each individual hedge proves effective. This means that any changes in the fair value or cash flow of the hedged item almost completely offset any changes in the fair value or cash flow of the hedged instrument.

Group criteria to test effectiveness include statistic regression analyses and the Dollar Offset Method or Ratio Analysis.

6. Pre-paid tax assets and deferred tax liabilities

Pre-paid tax assets of € 1,276 thousand (€ 1,411 thousand at 31 December 2023) and deferred tax liabilities of € 2,864 thousand (€ 3,513 thousand) were recognized and determined based on the temporary differences between balance sheet values stated in the financial statements and the corresponding values recognized for tax purposes.

(Euro/thousands)	31/12/2024	31/12/2023
Pre-paid IRES	1,276	1,411
Pre-paid IRAP	—	—
Total pre-paid tax assets	1,276	1,411
Deferred IRES	2,850	3,497
Deferred IRAP	14	16
Total deferred tax liabilities	2,864	3,513

Pre-paid tax and deferred tax is calculated based on the tax rates that will be applicable when these differences arise (IRES 24%, IRAP 3.9%).

Description of temporary differences that led to the recognition of pre-paid tax

(Euro/thousands)	31/12/2024			31/12/2023		
	Total temporary differences	Rate tax rate	Tax tax	Total temporary differences	Rate tax rate	Tax tax
Provisions	3,924	—	942	4,629	—	1,111
Other temporary differences	1,391	—	334	1,251	—	300
Total for IRES purposes	5,315		1,276	5,880		1,411
Other temporary differences				—	3.90%	—
Total for IRAP purposes	—		—	—		—

Description of temporary differences that led to the recognition of deferred tax

(Euro/thousands)	31/12/2024			31/12/2023		
	Amount of temporary differences	Current tax rate	Deferred tax	Amount of temporary differences	Current tax rate	Deferred tax
Write-back of investments measured at equity	7888		1,893	7,186	—	1,725
Reserve for cash flow hedge	3830		919	7,215	—	1,732
Other temporary differences	156		37	167	—	40
Total for IRES purposes	11,874		2,850	14,568		3,497
Other temporary differences	369		14	421	—	16
Total for IRAP purposes	369		14	421		16

Changes in pre-paid and deferred tax amounts led to costs of € 289 thousand as shown in Note 26.

The decrease in deferred tax liabilities is mainly related to the performance of the cash flow hedge reserve, which decreased as a result of the fair value measurement of interest rate hedging transactions outstanding at 31 December 2024.

7. Other non-current assets

"Other non-current assets", amounting to € 1,025 thousand (€ 1,427 thousand at 31 December 2023), is broken down and commented on below:

Other non-current assets (Euro/thousands)	31/12/2024	31/12/2023
Guarantee deposits	145	120
Medium-long term receivable disposal Società Europea di Edizioni S.p.A.	880	1,307
Others	—	—
Total other non-current assets	1,025	1,427

The decrease is due to the reclassification to Other current assets of the short-term position, equal to € 463 thousand, of the receivable of PBF S.r.l. for the sale of the equity investment in Società Europea di Edizioni S.p.A., completed on 20 April 2023.

8. Tax receivables

"Tax receivables", amounting to € 14,089 thousand (€ 11,664 thousand at 31 December 2023), is broken down as follows:

Tax receivables (Euro/thousands)	31/12/2024	31/12/2023
Advances to the tax authorities for disputes	9391	8,903
Receivables from the tax authorities for IVA	7426	7,468
Receivables from subsidiaries for VAT	1878	807
Receivables from the tax authorities for direct and indirect tax to recover	393	57
Receivables from Fininvest for IRES	3,904	3,332
Provision for bad debts on tax receivables	(8,903)	(8,903)
Total tax assets	14,089	11,664

Advances, amounting to € 9,391 thousand (€ 8,903 thousand at 31 December 2023), refer to payments made provisionally for pending disputes, currently pending before the Court of Cassation and written down by € 8,903 thousand. The increase, amounting to € 488 thousand, related to interest on the 2005 litigation, recorded as a receivable as, at the same time as the payment made in the current year, the Company filed an appeal as it was deemed not due. For further information, please refer to Note 27. Commitments and contingent liabilities.

Receivables from the tax authorities for VAT, amounting to € 7,426 thousand (€ 7,468 thousand at 31 December 2023), refer to the Group's VAT receivable accrued in the last year, still pending a reimbursement claim. Since 2017, the Company has instituted a Group VAT settlement regime as Parent Company with all its subsidiaries (Article 73, paragraph 3, Presidential Decree 633/72 and Ministerial Decree of 13 December 1979). This option makes it possible to concentrate the obligations arising from periodic settlements on the parent company and to allow any credit positions to offset the debit positions of the participating companies. The system adopted by the Mondadori Group involves the monthly settlement of credit/debit positions of subsidiaries, thereby concentrating the exposure to the tax authorities with the Parent Company.

Receivables from subsidiaries for VAT, amounting to € 1,878 thousand (€ 807 thousand as of 31 December 2023), refer to the VAT debit balance following the December settlement of subsidiaries, transferred to the Parent Company following participation in the Group VAT settlement regime.

Receivables from the tax authorities for direct and indirect tax to recover for € 393 thousand (€ 57 thousand at 31 December 2023) relate to:

- for € 87 thousand the shares not yet offset of the Technological innovation 4.0 tax credit, recognised to the company for the projects developed in 2021 and 2022 in accordance with Article 1 of Italian Law no. 160/2019 (2020 Budget Law) and Ministerial Decree of 26 May 2020 (implementing decree);
- for € 306 thousand to the payment, made during the year, of one-third of the IRES calculated on the higher taxable income recalculated following the 2017 transfer pricing assessment plus interest, necessary to access the dispute, for information on which we would refer you to Note 27. Commitments and contingent liabilities.

The receivable from Fininvest S.p.A. for IRES, amounting to € 3,904 thousand (€ 3,332 thousand as at 31 December 2023), includes the amount due from the parent company for the tax credit accrued during the year.

For income tax purposes, the last defined tax period, with reference to the cases of unfaithful declaration, it that relating to the financial year ended on 31 December 2017, insofar as, following suspension of the ordinary terms for forfeiture, from 8 March 2020 to 31 May 2020 (85 days), envisaged by Italian Law no. 27 of 24 April 2020 (the "Cura Italia" Decree), the tax period ongoing at 31 December 2018 is still able to be assessed up until 25 March 2025.

As to fiscally open financial years, tax amounts have been allocated and paid on the basis of taxable income and the currently applicable tax regulations upon allocation of the relevant provision.

9. Other current assets

"Other current assets", amounting to € 3,225 thousand (€ 3,947 thousand at 31 December 2023), includes:

Other current assets (Euro/thousands)	31/12/2024	31/12/2023
Accrued income	2,632	3,389
Receivable from sale of Società Europea di Edizioni S.p.A.	463	463
Receivables from personnel	105	95
Receivables from suppliers	—	—
Receivables from social security institutions	—	—
Other receivables from Group companies	—	—
Other receivables	26	—
Total other current assets	3,225	3,947

On 20 April 2023, a receivable was entered in respect of PBF S.r.l. for the sale of the equity investment in Società Europea di Edizioni S.p.A., worth a total amount of € 2,316 thousand (gross of discounting); it is expected to be collected in five annual tranches of equal amount. The second tranche was collected during the year, while the third tranche, of € 463 thousand, is entered in a specific item of the financial statements under review.

"Prepayments", amounting to € 2,632 thousand (€ 3,389 thousand at 31 December 2023), refers to:

(Euro/thousands)	31/12/2024	31/12/2023
Rentals and services	2,331	3,082
Insurance	51	51
Other prepayments (subscriptions, membership fees)	249	256
Total prepayments	2,632	3,389

The decrease, amounting to € 757 thousand, was mainly due to prepaid expenses on advance fees related to the cloud service.

Other prepayments refer to leases, subscriptions, licenses and membership fees, accounted for but relating to future years.

10. Trade receivables

"Trade receivables", amounting to € 13,047 thousand (€ 11,815 thousand at 31 December 2023), are broken down as follows:

Trade receivables (Euro/thousands)	31/12/2024	31/12/2023
Receivables from customers	282	233
Receivables from associates	271	563
Receivables from subsidiaries	12494	11,010
Receivables from parent companies	—	—
Receivables from affiliates	—	10
Total trade receivables	13,047	11,815

Information by geographical area is provided in the relevant separate section.

Receivables from subsidiaries for € 12,494 thousand (€ 11,010 thousand at 31 December 2023) and those from associates for € 271 thousand (€ 563 thousand at 31 December 2023) and those from associates refer to trade transactions carried out under standard market conditions. The breakdown by company and the changes versus 2023 are shown in Annex C1.

Receivables from customers amount to € 282 thousand (€ 233 thousand at 31 December 2023):

Trade receivables Receivables from customers (Euro/thousands)	31/12/2024	31/12/2023
Receivables from customers	295	248
Provision for bad debts	(13)	(15)
Total trade receivables	282	233

The changes in the provision for bad debts of € 13 thousand (€ 15 thousand at 31 December 2023) are detailed below:

Trade receivables Receivables from customers - Provision for bad debts (Euro/thousands)	31/12/2024	31/12/2023
Balance at beginning of year	15	14
Changes in the year:		
- allocation	—	1
- utilizations	(2)	—
Total provision for bad debts	13	15

The provision, considered appropriate to cover possible risks of insolvency, was determined following a thorough analysis completed on customer creditworthiness and credit positions at risk of collection.

11. Other current financial assets

"Other current financial assets", amounting to € 29,243 thousand (€ 25,231 thousand at 31 December 2023), includes:

Other current financial assets (Euro/thousands)	31/12/2024	31/12/2023
Financial receivables:		
- Financial receivables from subsidiaries	29,117	25,194
- Other financial receivables	127	37
Total financial receivables	29,243	25,231
Total other current financial assets	29,243	25,231

Financial receivables from subsidiaries of € 29,117 thousand (€ 25,194 thousand at 31 December 2023) include current account transactions negotiated at interest rates in line with market rates.

The breakdown by company and the changes versus 2023 are shown in Annex C1.

12. Cash and cash equivalents

"Cash and cash equivalents", amounting to € 101,210 thousand (€ 39,120 thousand at 31 December 2023), comprises:

Cash and cash equivalents (Euro/thousands)	31/12/2024	31/12/2023
Cash and cash on hand	—	—
Bank deposits	101,210	39,120
Total cash and cash equivalents	101,210	39,120

The fair value of cash and cash equivalents at 31 December 2024 was equal to the relevant book value.

The changes in the item are explained in the statement of cash flows.

It should be noted that there are no restrictions on the use of cash and cash equivalents, except for the indications provided in Note 16 - Financial liabilities.

LIABILITIES

13. Equity

The share capital of € 67,979 thousand is fully underwritten and paid up and is divided into 261,458,340 ordinary shares with a par value of € 0.26 each.

The table below shows an analysis of equity with regard to the origin, availability and possible distribution of each single sub-item:

Nature/description (Euro/thousands)	Amount	Possible use	Portion Available	Portion Distributable
Share Capital	67,979			
Profit reserves:				
- legal reserve	13,596	B	13,596	
- extraordinary reserve	167,390	A,B,C	167,390	167,390
IAS/IFRS:				
- reserves for investments measured at equity	2,743	B	2,743	
- post-employment discounting reserve	601	B	601	
- Performance Share reserve	2,259	B	2,259	
- Cash Flow Hedge reserve	2,830	B	2,830	
Treasury shares	(1,544)		(1,544)	(1,544)
Total	255,855		187,876	165,846

Key: A: for capital increases - B: to cover losses - C: for distribution to Shareholders

The table "Changes in equity" includes details regarding the individual sub-items under equity and, specifically:

Treasury shares

The Company holds no. 795,537 treasury shares in its portfolio at 31 December 2024, the result of purchases on the MTA for a total of no. 247,066 treasury shares (equal to 0.094% of the share capital) at an average unit price of € 2.1274 and the allocation to beneficiaries of no. 729,331 shares related to the 2021-2023 Performance Share Plan closed with the approval of the financial statements at 31 December 2023. The valuation of shares held in portfolio amounted to € 1,544 thousand at 31 December 2024.

The purchases were authorized by the Shareholders' Meeting of 24 April 2024, following expiry of the term relating to the previous authorization approved on 27 April 2023, and are instrumental in the implementation of the future long-term incentive plan (Performance Share) approved at the same meeting for the 2024-2026 period. This is an additional plan to those approved by the Shareholders' Meeting on 27 April 2023 and 28 April 2022 for the three-year period 2023-2025 and the three-year period 2022-2024 respectively. The share purchase programme to cover existing plans will end during the first quarter of 2025.

Other reserves

"Other reserves" includes:

- A legal reserve of € 13,596 thousand, unchanged versus the prior year;
- An extraordinary reserve of € 167,390 thousand (€ 136,349 thousand);
- Other reserves, including the reserve for changes in investments that are not recorded in the Income Statement, and the translation reserve, amounting to € 2,743 thousand (€ 1,705 thousand).

14. Provisions

"Provisions", amounting to € 3,784 thousand (€ 4,141 thousand at 31 December 2023) in the year, is broken down as follows:

Provisions (Euro/thousands)	31/12/2023	Provisions	Utilizations	31/12/2024
Provision for legal risks	3,346	—	(100)	3,246
Provision for other charges	795	538	(795)	538
Total provisions	4,141	538	(895)	3,784

The above provisions are intended to cover potential liabilities from legal disputes, contractual clauses and commitments, and disputes. Other provisions for risks include provisions for staff restructuring costs.

15. Post-employment benefits

Post-employment benefits, amounting to € 1,506 thousand (€ 1,789 thousand at 31 December 2023), are composed exclusively of the provision for post-employment benefits.

Changes in the year are detailed below:

Post-employment benefits - Details (Euro/thousands)	TFR (employee severance indemnity)
Balance at 31/12/2023	1,789
Changes in 2024:	
- utilizations	(389)
- transfers Group companies	21
- discounting	51
- other	34
Balance at 31/12/2024	1,506

The liability relating to post-employment benefits was subject to discounting pursuant to IAS 19.

It should be noted that for the calculation, a discounting rate based on the iBoxx Corporate EUR benchmark, with a 10+ duration and AA rating was used.

As for the prior year, the following assumptions were used to measure the current value of post-employment benefits:

Actuarial assumptions to measure TFR	31/12/2024	31/12/2023
Economic assumptions:		
- increase in cost of living	2.00%	3.00%
- discounting rate	3.38%	3.17%
Demographic assumptions:		
- probability of death	IPS55 tables	IPS55 tables
- probability of disability	INPS-2000 tables	INPS-2000 tables
- probability of leaving for other reasons	14.80%	12.42%
- retirement age	Regulations in force	Regulations in force

It should be noted that the change in the discount rate, from 3.17% to 3.38%, resulted in a decrease in the provision for post-employment benefits of € 11 thousand.

The cost for post-employment benefits in the income statement amounted to € 1,369 thousand and is broken down as follows:

Cost of post-employment benefits (Euro/thousands)	2024	2023
Cost of post-employment benefits allocated to supplementary pension plans	1318	1,259
Financial expense	51	66
Total cost of post-employment benefits	1,369	1,326

The "Actuarial (gains)/losses" are recognized in a specific reserve under equity, while the financial component is accounted for under financial expense for the period.

16. Financial liabilities

"Non-current financial liabilities", amounting to € 150,224 thousand (€ 89,297 thousand at 31 December 2023), are broken down as follows:

Non-current financial liabilities (Euro/thousands)	Actual interest rate	Maturity over 5 years	31/12/2024	31/12/2023
Medium-long term loans and borrowings	1.108%	—	130,602	69,833
Medium-long term financial payables IFRS 16	—	3,783	19,516	19,464
Liabilities from derivatives	—	—	106	—
Total non-current financial liabilities		3,783	150,224	89,297

"Medium/long-term loans and borrowings" is made up as follows:

- € 15,006 thousand from the amortized cost of the Line A Amortizing Term Loan, taken out with a pool of banks (medium/long-term portion) in May 2021 and coming to maturity in December 2026;
- € 21,603 thousand from the amortized cost of using Line C (Acquisition Line) of the pool loan;
- € 49,879 thousand from the amortized cost of the Term Loan (medium/long-term portion), taken out in December 2024 and coming to maturity in December 2028;
- € 44,282 thousand from the amortized cost of the Term Loan (medium/long-term portion), taken out in September 2024 and coming to maturity in September 2029;
- for € (168) thousand, the amortised cost of the Revolving loan agreement signed in July 2024 (undrawn underlying).

"Medium-long term financial payables IFRS 16" refers to the financial payable originating from the application of the IFRS 16 accounting standard, the changes in the current year of which were as follows:

(Euro/thousands)	31/12/2023	Increas.	Decreas.	Reclass.	31/12/2024
Medium-long term financial payables to third parties - IFRS	19,464	4,134		(4,082)	19,516
Short-term financial payables to third parties - IFRS 16	4,573	—	(4,573)	4,082	4,082
Total financial payables IFRS 16	24,037	4,134	(4,573)	—	23,598

"Payables to banks and other financial liabilities" amounted to € 399,681 thousand (€ 402,781 thousand at 31 December 2023):

Payables to banks and other financial liabilities (Euro/thousands)	31/12/2024	31/12/2023
Financial payables to subsidiaries	350,909	351,587
Short-term loans	43,034	45,833
Short-term financial payables IFRS 16	4,082	4,573
Other financial payables, accrued liabilities and deferred income	1,656	787
Total payables to banks and other financial liabilities	399,681	402,781

Payables to subsidiaries of € 350,909 thousand (€ 351,587 thousand at 31 December 2023) refer mainly to current account transactions negotiated at interest rates in line with market rates. The breakdown by company and the changes versus 2023 are shown in Annex D1.

Short-term loans amounting to € 43,034 thousand (€ 45,833 thousand at 31 December 2023) include: for € 15,833 thousand, the portion of the Line A Amortising Term Loan of the pool loan maturing in December 2025; for € 21,645 thousand, the portion of Line C maturing in 2025; for € 5,556 thousand, the portion maturing in 2025 of the Term Loan disbursed in September 2024.

Other financial payables, accrued expenses and deferred income in the amount of € 1,656 thousand mainly refer to accrued expenses related to interest on loans, calculated on an accrual basis.

Changes in the drawdowns of committed credit lines are shown below:

(Euro/thousands)	Balance 31/12/2023	Utilizations	Repayments	Other changes	Balance 31/12/2024
Term Loan A, maturity December 2026	45,878		(15,833)	795	30,840
Line C, maturity December 2026	59,788	5,000	(21,645)	105	43,248
Term Loan December 2024, maturity December 2028		50,000		(121)	49,879
Term Loan September 2024, maturity September 2029		50,000		(163)	49,837
RCF July 2024, maturity July 2029				(168)	(168)
Total credit lines	105,666	105,000	(37,478)	448	173,636

The above loans are tied, inter alia, to financial obligations (Financial Covenants), checked every six months or year, respectively, Group debt/EBITDA ratio and net financial exposure limits; at the date of drafting of these financial statements, the obligations have been met.

At 31 December 2024, the Leverage Ratio Financial Covenant (debt/EBITDA) resulting from the consolidated annual report was equal to 0.66, far below the cap of 3.25 under the pool loan agreement. The forecasts contained in the medium-term plan show no reasonably foreseeable sign of overshooting the cap in the future.

The Company's overall financial position at 31 December 2024, outlined as per CONSOB recommendations, indicates a net debt of € 419,451 thousand (€ 427,727 thousand at 31 December 2023).

Net financial position (Euro/thousands)	31/12/2024	31/12/2023
- Bank deposits	101,210	39,120
A Liquid funds	101,210	39,120
B Cash equivalents	—	—
C Other current financial assets	29,243	25,231
D Liquidity (A+B+C)	130,453	64,351
- Current bank payables	—	(10,000)
- Financial payables to subsidiaries	(350,909)	(351,587)
- Financial liabilities IFRS 16	(4,082)	(4,573)
- Other current financial payables	(1,656)	(787)
E. Current financial debt	(356,647)	(366,948)
- Loans	(43,034)	(35,833)
F Current portion of non-current financial debt	(43,034)	(35,833)
G Current financial debt (E+F)	(399,681)	(402,781)
H Net current financial debt (G-D)	(269,228)	(338,430)
- Loans	(130,602)	(69,833)
- Financial liabilities IFRS 16	(19,516)	(19,464)
I. Non-current financial debt	(150,224)	(89,297)
J Debt instruments	—	—
K Trade payables and other non-current payables	—	—
L Non-current financial debt (I+J+K)	(150,224)	(89,297)
M Total financial debt (H+L)	(419,451)	(427,727)

For the analysis of the Company's net financial position and the relevant changes, reference should be made to the Cash flow statement in these financial statements.

17. Other current liabilities

"Other current liabilities", amounting to € 11,773 thousand (€ 12,464 thousand at 31 December 2023), is detailed and commented on below:

Other current liabilities (Euro/thousands)	31/12/2024	31/12/2023
Payroll and other payables to personnel	4,478	4,769
Owed to social security and pension bodies	2,221	2,249
Tax payables	4,594	4,511
Cost of post-employment benefits allocated to supplementary pension plans	364	320
Accrued charges and deferred income	24	524
Other payables	93	90
Total other current liabilities	11,773	12,464

Payables to welfare and social security entities of € 2,221 thousand (€ 2,249 thousand at 31 December 2023) include € 896 thousand (€ 839 thousand at 31 December 2023) for contributions on salaries relating to December and paid in January 2025; € 1,325 thousand (€ 1,410 thousand at 31 December 2023) for contributions allocated for deferred salary items.

Tax payables of € 4,594 thousand (€ 4,511 thousand at 31 December 2023) regard IRPEF withholdings on employee salaries and professional fees paid in January 2025 for € 851 thousand (€ 772 thousand at 31 December 2023), payables to subsidiaries for the VAT receivable balance from their settlement in December, following participation in the Group VAT settlement regime for € 3,667 thousand (€ 3,664 thousand at 31 December 2023), and other tax for € 76 thousand.

Post-employment benefits allocated to supplementary pension plans of € 364 thousand (€ 320 thousand at 31 December 2023) refer to pension funds in which post-employment benefits flow, paid in January 2025.

"Accrued liabilities and deferred income" of € 24 thousand (€ 524 thousand at 31 December 2023) was determined on an accrual basis and relate to insurance.

18. Trade payables

"Trade payables" amounted to € 16,920 thousand (€ 17,531 thousand at 31 December 2023):

Trade payables (Euro/thousands)	31/12/2024	31/12/2023
Payables to suppliers	16,350	17,189
Payables due to subsidiaries	278	138
Payables to associates	7	1
Payables to parent company	70	9
Payables to affiliates	214	194
Total trade payables	16,920	17,531

Payables to suppliers amounted to € 16,350 thousand (€ 17,189 thousand as at 31 December 2023). The decrease in the supplier balance is mainly due to the concentration of investments, which took place in the latter part of FY 2023, related to the redevelopment of the Palazzo Niemeyer premises in Segrate.

Payables due to subsidiaries, associated and affiliated companies refer to trade transactions performed at standard market conditions.

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Intercompany trade transactions in 2024 with related parties are explained in Annexes C2 and D2.

19. Revenue from sales and services

Revenue amounted to € 46,025 thousand and mainly consisted of charges to subsidiaries for shared services provided.

Revenue is detailed in the following tables:

Revenue from sales and services (Euro/thousands)	2024	2023
Revenue from the sale of products:		
- magazines/publications	53	122
Revenue from the sale of services:		
- revenue from administrative services	37,689	35,552
- other revenue	8,283	7,407
Total revenue	46,025	43,081

Revenue from administrative services refers to revenue from administrative and IT services provided to Group companies. The item "Other revenue" mainly includes revenues from subsidiaries for the provision of space at their premises in the amount of € 8,283 thousand (€ 7,407 thousand as at 31 December 2023).

Revenue by geographical area:

Geographic area (Euro/thousands)	2024	2023
Italy	45,995	43,081
United Kingdom	30	
Total	46,025	43,081

20. Cost of raw and ancillary materials, consumables and goods

Cost of raw and ancillary materials, consumables and goods amounted to € 392 thousand.

Cost of raw and ancillary materials, consumables and goods (Euro/thousands)	2024	2023
Raw material	8	4
Goods for re-sale	177	178
Consumables and maintenance materials	208	166
Total cost of raw and ancillary materials, consumables and goods	392	348

21. Cost of services

"Costs of services" amounted to € 30,419 thousand. Details are shown in the table below:

Cost of services (Euro/thousands)	2024	2023
IT professional services	7,419	6,779
Consultancy and professional services	3,905	3,379
Third-party collaborations	365	329
Rights and royalties	3	34
Advertising services	335	454
Third party graphical processing	234	168
Logistics	504	307
Newsstands channel fee	17	30
Leases and rentals	9,293	8,278
Fees to Directors and Statutory Auditors	1,295	1,211
Maintenance	1,477	1,613
Catering, security and cleaning services	1,527	1,303
Temporary work, courses and personnel selection	452	767
Utilities (electricity, gas, water)	1,356	1,488
Audit and certification expenses	557	506
Travel and other expense reimbursements	735	670
Other services	945	923
Total cost of services	30,419	28,239

Costs of services record an overall increase compared with the previous year, mainly due to the higher fees for software assistance, included under "Fees and rental" and deriving to a large extent from the continued implementation of cloud-based technology.

22. Cost of personnel

"Cost of personnel" amounted to € 23,172 thousand versus € 23,256 thousand in 2023.

Cost of personnel (Euro/thousands)	2024	2023
Salaries and wages and related costs	17,909	17,637
Capitalisation of payroll costs	(665)	(625)
Performance Shares	608	654
Charging/(recovery) of costs for seconded staff	(2,201)	(2,473)
Social security expense	5,333	5,345
Post-employment benefits, retirement indemnity and supplementary pension scheme plans	2,445	1,932
Allocation/utilisation for risks from personnel reorganisation	(257)	786
Total cost of personnel	23,172	23,256

Cost of personnel includes the net balance between the charging and recovery of costs for staff seconded from and to Group companies.

Capitalisation of payroll costs refers to the cost of resources dedicated to implementing the switch to cloud-based technology, to the development of evolutive SAP and legacy systems.

Labour costs were in line with the previous year.

At 31 December 2024, the Company employed 265 people, an increase of eight compared to 31 December 2023.

Headcount	Actual 31/12/2024	Actual 31/12/2023	Average 2024	Average 2023
Executives	30	28	30	28
Journalists	—	—	—	—
White collars and managers	233	226	226	226
Manual workers	2	3	2	3
Total	265	257	258	257

In the reporting period, there were an average of 258 units (257 units in 2023).

Share-based management incentive plans(Performance Share Plans)

At 31 December 2024, the Mondadori Group has three share-based payment plans in place intended for managers of Group companies and for members of the Board of Directors of the Parent.

The reasons underlying the adoption of the Plans are:

- to create a stronger link between the creation of medium- and long-term value and the remuneration of Management;
- to support Mondadori's growth following the completion of the optimization of its assets, using a system that reflects the growth in the value of the company;
- to encourage teamwork at management level, supporting the shared objective of value creation.

The Board – or its representative, the CEO – has the power to amend the Performance Targets in extraordinary and/or unforeseen situations or circumstances that could have a significant impact on the results of the Group and/or its area of operations. These situations and circumstances could, for example, include mergers, demergers, acquisitions, disposals or spin-offs.

Shares are allocated to the beneficiaries at the end of the vesting period on the basis of pre-established performance targets. Specifically, these targets are related to:

- Total Shareholder Return (TSR) compared to the constituents of the FTSE Italia Mid Cap index (FTSE Italia All Share for the 2022-2024 and 2023-2025 plans), with a weight of 15% (25% for the 2022-2024 and 2023-2025 plans);
- Cumulative EBITDA over the three years, with a weighting of 20%;
- Cumulative Net profit over the three years, with a weighting of 25%;
- Ordinary Cash Flow for the three-year period, with a weighting of 25% (20% for the 2022-2024 and 2023-2025 plans);
- ESG index (Impact Inclusion Index for 2022-2024 and 2023-2025 plans), with a weight of 15% (10% for 2022-2024 and 2023-2025 plans).

For each of the above performance conditions, minimum, target and maximum result levels are set.

When the minimum (90%) is met for EBITDA, Net profit and Ordinary Cash Flow, the number of shares granted is equal to 50% of the target number of options assigned. When the target is met, 100% vests, while with the maximum, the number of shares granted is equal to 120% of the target number of options assigned.

The ESG Index, being the synthesis of three independent and individually measured fields of action, can have an outcome indicator value ranging from 0% to 120%, with a corresponding number of options assigned.

The TSR is calculated, within the three-year period of reference of the Plan, as the difference in value between the share price at the start and at the close of the performance period and considering the value of the dividends distributed in the same period, compared to the performance of Mondadori shares with that of the FTSE Mid Cap index.

They are measured considering the four components of the Plan:

- the "market based" component connected to the measurement of the performance of Arnoldo Mondadori Editore S.p.A. in terms of Total Shareholder Return (TSR);
- the "non-market based" component relating to the achievement of targets on cumulative Net Profit, cumulative EBITDA, cumulative Ordinary Cash Flow and ESG Index.

Pursuant to IFRS 2, the financial instruments underlying the Plan were stated at fair value on their granting.

The fair value measurement, which takes account of the current share price at the granting date, volatility, the expected flow of dividends, the duration of the Plan and the free-risk rate, was entrusted to an independent third-party expert and carried out using a Monte Carlo-type simulation model.

The information documents pursuant to Article 114-bis of Legislative Decree 58/98, which present the characteristics of the above plans, are publicly available in the Governance section of Arnoldo Mondadori Editore S.p.A.'s website (www.gruppomondadori.it), at the registered office and at Borsa Italiana S.p.A..

In first half 2024, the Performance Share Plan for the three-year period 2021-2023 came to maturity. A total of 729,331 shares were assigned, measured at a weighted average price of € 1.8553. The plan envisaged a total cost of € 1,292 thousand and the related reserves set aside during the three-year period were reclassified as available.

The table below shows for each plan the costs recognized in the income statement and the assumptions underlying the fair value measurement.

2024-2026 long-term incentive plan

At 31 December 2024, the cost of the 2024-2026 Performance Share Plan (intended for the Chief Executive Officer and 22 selected Mondadori managers who have an employment and/or directorship relationship with the Company or with its subsidiaries), recognized in the income statement under Cost of personnel, amounted to € 256 thousand.

The total number of shares granted is 346 thousand.

The fair value of shares was determined based on the following assumptions:

Granting date	01/06/2024
Residual life at granting date (in months)	31
Expected volatility of the share price	24.32%
Interest rate (3 year EURIRS)	3.296%
% on expected dividends	—%
Fair value of share at granting date (Euro)	2.214

2023-2025 long-term incentive plan

At 31 December 2024, the cost of the 2023-2025 Performance Share Plan (intended for the Chief Executive Officer and 17 selected Mondadori managers who have an employment and/or directorship relationship with the Company or with its subsidiaries), recognized in the income statement under Cost of personnel, amounted to € 198 thousand.

The total number of shares granted is 344 thousand.

The fair value of shares was determined based on the following assumptions:

Granting date	02/05/2023
Residual life at granting date (in months)	32
Expected volatility of the share price	28.38%
Risk-free interest rate	3.26%
% on expected dividends	—%
Fair value of share at granting date (Euro)	1.731

2022-2024 long-term incentive plan

At 31 December 2024, the cost of the 2022-2024 Performance Share Plan (intended for the Chief Executive Officer and 12 selected Mondadori managers who have an employment and/or directorship relationship with the Company or with its subsidiaries), recognized in the income statement under Cost of personnel, amounted to € 161 thousand.

The total number of shares granted is 293 thousand.

The fair value of shares was determined based on the following assumptions:

Granting date	1 June 2022
Residual life at granting date (in months)	31
Expected volatility of the share price	33.89%
Risk-free interest rate	1.36%
% on expected dividends	— %
Fair value of share at granting date (Euro)	1.648

23. Sundry expense (income)

Sundry expense (income) (Euro/thousands)	2024	2023
Other revenue and income	(1,279)	(2,060)
Other operating expense	787	817
Total sundry expense (income)	(492)	(1,243)

"Other revenue and income", amounting to € 1,279 thousand (€ 2,060 thousand at 31 December 2023), refers to:

Sundry expense (income) - Other revenue and income (Euro/thousands)	2024	2023
Capital gains and contingent assets	(209)	(60)
Rebates and miscellaneous contributions	(1,068)	(1,973)
Others (claims for damages)	(1)	(26)
Total other revenue and income	(1,279)	(2,060)

"Other operating expense", amounting to € 787 thousand (€ 817 thousand at 31 December 2023), includes:

Sundry expense (income) - Other operating expense (Euro/thousands)	2024	2023
Compensation, settlements and allowances	36	301
Membership fees and disbursements	542	546
Capital loss/contingent liabilities	4	83
Management of trade and other receivables	348	1
Allocation / (Utilization) Provision for sundry risks	(448)	(421)
Other tax and duties	299	296
Sundry expenses	7	13
Total other operating expense	787	817

24. Financial expense (income)

The item, amounting to € 8,198 thousand in expense (€ 5,849 thousand at 31 December 2023), consists of:

Financial expense (income) (Euro/thousands)	2024	2023
Interest from subsidiaries	(844)	(629)
Interest from associates	(39)	(37)
Interest from banks and post offices	(534)	(227)
Financial income from derivatives	(4,283)	(4,121)
Other interest and financial income	(72)	(37)
Total interest and other financial income	(5,773)	(5,050)
Interest expense due to subsidiaries	3,784	900
Interest expense on loans and borrowings	7,252	6,975
Financial expense from derivatives	—	—
Ancillary expense on loans	927	1,131
Commission on loans	560	563
Financial expense from discounting of assets/liabilities	51	66
Interest expense to banks	90	55
Other interest and financial expense	503	398
Total interest and other financial expense	13,166	10,089
Realised currency gains	1	1
Unrealised currency gains	(1)	—
Total (income) loss on currency transactions	—	1
Financial expense (income) IFRS 16	910	809
Total financial expense (income)	8,303	5,849

Net financial expense in 2024 amounted to € 8,303 thousand and increased by € 2,454 thousand versus the prior year, due mainly to:

- higher interest expenses on loans for € 277 thousand net of higher income on derivative contracts related to medium-/long-term hedged loans for € -162 thousand;
- lower ancillary expense on loans of € -204 thousand;
- higher interest income on current accounts for € -307 thousand;
- higher interest expense due to subsidiaries, of € 2,884 thousand, relating to the active positions of the subsidiaries with intercompany current accounts to the parent company;
- higher interest income due from subsidiaries, of € -215 thousand, relating to the passive positions of the subsidiaries with intercompany current accounts to the parent company;
- higher expense, amounting to € 101 thousand, from the application of IFRS 16.

25. Expense (income) from investments

This item is detailed and commented on below:

Expense (income) from investments (Euro/thousands)	2024	2023
Revaluations	(81,178)	(82,631)
Write-downs	62	775
Capital gain/(loss) on sale of investments	—	(1,191)
Total expense (income) from investments	(81,116)	(83,047)

Write-backs refer to:

(Euro/thousands)	2024	2023
Subsidiaries:		
- Mondadori Libri S.p.A.	33,697	36,855
- Mondadori Media S.p.A.	9,156	7,970
- Mondadori Retail S.p.A.	2,242	1,549
- Mondadori Scuola S.p.A.	35,521	35,914
Total subsidiaries	80,616	82,287
Associates:		
- Attica Publications S.A.	562	344
Total associates and joint ventures	562	344
Total write-backs	81,178	82,631

Write-downs, which include the negative performance of the companies and any value adjustments of the investments following impairment testing, refer to:

(Euro/thousands)	2024	2023
Subsidiaries:		
- Mondadori Plai S.r.l.	62	—
Total subsidiaries	62	—
Other companies:		
- Società Europea di Edizioni S.p.A.	—	775
Total other companies	—	775
Total write-downs	62	775

During the year, the company collected dividends for € 70,560 thousand (€ 69,115 thousand in 2023), distributed by the subsidiary Mondadori Libri S.p.A..

26. Income tax

"Income tax" amounted to an income of € 3,368 thousand (€ 2,610 thousand in 2023). The main components for the years 2024 and 2023 are shown in the table below:

Income tax (Euro/thousands)	2024	2023
Income from tax consolidation (IRES tax on income for the year)	(3,765)	(3,273)
IRAP for the year	—	—
Total current taxes	(3,765)	(3,273)
Deferred (pre-paid) tax for IRES	291	8
Deferred (pre-paid) tax for IRAP	(2)	8
Total deferred (pre-paid) tax	289	16
Taxes for previous years	108	647
Allocation / (Utilisation) Provision for tax disputes	—	—
Allocation / (Utilisation) Provision for write-down of tax receivables	—	—
Total income tax expense for the year	(3,368)	(2,610)

As shown in the sections relating to tax receivables and payables, since the Company adheres to the tax consolidation regime of Fininvest S.p.A., it recorded an income from the adhesion to tax consolidation relating to the tax loss of the current year of € 3,765 thousand, which will be paid by the consolidating entity in 2025, and used to offset the current tax profit transferred from Mondadori companies to the consolidating tax entity.

The item "Taxes for previous years" includes a charge of € 108 thousand resulting mainly from an IRES adjustment on FY 2018, as well as an adjustment of deferred tax liabilities.

Reconciliation between the financial statement tax charge and the theoretical tax charge

(Euro/thousands)	2024			2023		
	Net income (loss) before tax	Tax	Current tax rate	Net income (loss) before tax	Tax	Current tax rate
Theoretical IRES tax amount	56,844	13,643	24.00 %	59,801	14,352	24.00 %
Theoretical IRAP tax amount		2,217	3.90 %		2,332	3.90 %
Total theoretical tax amount/rate	56,844	15,859	27.90%	59,801	16,685	27.90%
Actual IRES tax amount	56,844	(3,366)	(5.92) %	59,801	(2,616)	(4.37) %
Actual IRAP tax amount		(2)	— %		6	0.01 %
Total actual tax amount/rate	56,844	(3,368)	(5.92) %	59,801	(2,610)	(4.36) %
Theoretical tax amount/rate	56,844	15,859	27.90%	59,801	16,685	27.90%
Effects of investments	(77,032)	(18,488)	(30.92) %	(78,988)	(18,957)	(39.02) %
Effects of non-deductible interest expense	5,351	1,284	2.15 %	5,517	1,324	2.73 %
Effect of prior years' tax	451	108	0.18 %	2,707	650	1.34 %
Effect of provision for tax litigation	—	—	— %	0	0	— %
Effects of other permanent increases	546	131	0.22 %	653	157	0.32 %
Effects of different taxable amount for IRAP	(9,246)	(2,219)	(3.71) %	(9,694)	(2,327)	(4.79) %
Effects of other permanent decreases	(189)	(43)	(0.07) %	(590)	(142)	(0.29) %
Current tax amount/rate		(3,368)	(5.92) %		(2,610)	(4.36) %

27. Commitments and contingent liabilities

The following table shows Company commitments at 31 December 2024:

(Euro/thousands)	31/12/2024	31/12/2023
Guarantees, sureties, endorsements:		
- in favour of subsidiaries	15,000	15,000
- in favour of other companies	20,965	21,435
Total	35,965	36,435

Guarantees, sureties, endorsements:

- **in favour of subsidiaries:** € 15,000 thousand (€ 15,000 thousand in 2023) refer mainly to letters of patronage issued in favour of subsidiaries, mainly Mondadori Retail S.p.A..
- **in favour of other enterprises:** € 20,965 thousand (€ 21,435 thousand) refer to counter-guarantees issued by the Company against sureties issued by credit institutes:
 - in the interest of the Lombardy Regional Revenue Agency Office, the Italian Ministry of Production Activities and Ministry of Economic Development to support premium contests of € 2,548 thousand;
 - to the Lombardy Regional Inland Revenue Office for VAT reimbursements of € 17,105 thousand;
 - € 1,312 thousand to other organizations and companies regarding guarantees on leases or other contracts entered into by the Company.

Contingent liabilities (pending disputes)

For the years 2004-2005, the Central Division of the Lombardy Region, through tax assessments, submitted findings relating to IRAP (2004) and to the application of a 12.50% withholding tax on the interest paid on a loan stock in favour of a subsidiary (years 2004-2005).

With regard to IRAP 2004, the Court of Cassation, by order No. 3380 of 3 February 2022, referred the dispute back to the Court of Justice of the second instance because it found that there was a failure to state reasons in the previous judgement. By appeal filed on 28 September 2022, the Company resumed the case before the aforementioned Court. The Revenue Agency entered an appearance, abandoning the dispute. In judgement no. 1896/2023, filed on 9 June 2023, the Lombardy Tax Court of Second Instance acknowledged the abandonment of the tax claim.

Instead, as regards the finding relating to the withholding on interest in the year 2004, with the same judgement no. 1896/2023 mentioned previously, the Lombardy Tax Court of Second Instance confirmed the legitimacy of the recovery as taxation. On 25 January 2024, the Company filed an appeal against this judgement before the Court of Cassation. To date, the related hearing for discussion has not yet been scheduled.

In connection with the specified dispute regarding withholdings on interest in 2004, after the Company lost in the second instance proceedings, on 25 September 2023, the Revenue-Collections Agency served the Company with the payment notice by means of which it demanded, by way of provisional collection pending judgement, payment "inter alia" of interests. The Company appealed against the payment notice before the Milan Tax Court of First Instance. The Court of First Instance, in judgement 4335/2024 given on 5 November 2024, in granting the request made by the Company, ordered the annulment of the role relating to the request for payment of interest. The deadline for the Revenue-Collections Agency to file an appeal is now pending.

As regards the finding relating to the withholding on interest in the year 2005, after the Regional Tax Court of Milan, with judgement no. 6900/2017 rejected the appeal, the Company appealed to Cassation. In a judgement filed on 8 March 2023, the Court of Cassation declared that the matter in dispute in relation to the notification of the penalties had ceased and the Court referred the dispute to the second instance Court of Justice on matters of taxation. In particular, the Supreme Court of Cassation, upholding the Company's arguments, followed the interpretative position expressed on the subject of the "beneficial owner" by the Court of Justice in its most recent rulings, which were also implemented in the national context, and, to that effect, the court quashed the contested decision, referring the case back to the second instance Court of Justice, in a different composition, for the assessment of the factual elements of the case. By appeal filed on 26 October 2023, the

Company resumed the case before the Lombardy Tax Court of Second Instance. In Judgement no. 1377/2024, filed on 13 May 2024, the Lombardy Tax Court of Second Instance rejected the appeal for reinstatement lodged by the Company. The Company appealed this judgement in Cassation, filed on 23 December 2024. To date, the related hearing for discussion has not yet been scheduled.

In connection with the specified dispute regarding withholdings on interest in 2005, after the company lost in the second instance proceedings, on 23 September 2024, the Revenue-Collections Agency served the Company with the payment notice by means of which it demanded, by way of provisional collection pending judgement, payment "inter alia" of interests. In FY 2024, the Company made payment of € 487,949.34 and appealed against the payment notice before the Milan Tax Court of First Instance. To date, the hearing for discussion has not yet been scheduled.

On 24 January 2023, the Revenue Agency – Regional Directorate of Lombardy – Major Taxpayers Office, notified communication of start of audit for IRES, IRAP and VAT purposes on tax year 2017. It was concluded on 26 September 2023 with the notification of the formal report of findings, which showed a finding relative to transfer pricing regulations pursuant to Article 110, subsection 7 of the Consolidated Law on Income Tax, relative to the rate applied by the Company to the subsidiary Mondadori France, to which it had granted a loan. According to the auditors, the active rate that the Company had applied to the subsidiary is not consistent with transfer pricing regulations, consequently impacting the income statement in terms of greater interest income (and consequently higher IRES taxable income) equal to € 3,651,253.

The assessment, which confirmed the findings set forth in the formal report of findings, despite the brief submitted by the Company, was notified by certified e-mail on 18 December 2023.

Before the deadline for preparing the appeal passed, on 12 February 2024, the Consolidating Company Fininvest S.p.A. submitted the IPEC Form, whereby it requested that previous losses be discounted, thereby reducing the higher taxable income assessed by 80% and consequently redetermining sanctions and interest.

On 15 April 2024, the Company filed an appeal before the Milan Tax Court of First Instance. The hearing for discussion was held on 13 November 2024. In judgement no. 685/2025, filed on 13 February 2025, the Milan Tax Court of First Instance fully upheld the Company's grounds for appeal. The deadline for the Revenue-Collections Agency to file an appeal is now pending.

As a consequence of the tax audit on the 2017 tax year, on 21 August 2024, the Revenue Agency – Regional Directorate of Lombardy – Major Taxpayers Office, notified a questionnaire on the 2018 tax year, concerning the same requests on transfer pricing pursuant to Article 110, paragraph 7 of the Consolidated Law on Income Tax, relating to the interest rate applied to Mondadori France on the loan granted by AME. On 3 October 2024, the Company responded to the questionnaire with a memorandum. On 19 November 2024, by means of a certified e-mail, the Revenue Agency – Regional Directorate of Lombardy – Major Taxpayers Office, notified the draft of the deed on the 2018 tax year concerning the same issues raised on 2017. On 19 November 2024, the Company notified the comments to the draft deed by means of certified e-mail. On 4 March 2025, the Revenue Agency – Regional Directorate of Lombardy – Major Taxpayers Office, notified by means of certified e-mail the assessment notice confirming the findings contained in the deed. Given the favourable ruling on the year 2017, the Company will follow the litigation route on the year 2018 as well.

On 24 December 2024, the Revenue Agency – Regional Directorate of Lombardy – Major Taxpayers Office, notified the Company of deed no. TMBCR1O00062/2024 relating to VAT for the year 2019, contesting the non-submission of the surety guaranteeing the Group's credit for the tax year 2018 used as a set-off in the Group's liquidation. The deed is the conclusion of a series of cross-examinations with the Office that began in February 2023, during the course of which the Company asserted its reasons by submitting defence briefs, which are also referred to in the deed outline itself. On 17 February 2025, the Company submitted its observations on the outline of the deed, pending the scheduling of the cross-examination with the Revenue Agency. Considering the risk of loss not probable at the moment, the Company did not deem it necessary to set aside a provision for risks.

28. Non-recurring (income) expense

Pursuant to Consob Resolution no. 15519 of 27 July 2006, it should be noted that the Company did not recognise any non-recurring expenses (income) during the financial year 2024.

29. Related Parties

Transactions carried out with related parties, including intercompany transactions, do not qualify as either atypical or unusual, since they refer to standard business activities performed by Group companies. When performed out of the scope of standard conditions or when they are imposed by specific regulatory conditions, transactions with related parties are in any case carried out under market conditions.

Annexes C1, C2, D1, D2 detail the operating and financial impacts of transactions with parent companies, subsidiaries, associates and affiliates performed in 2024 and 2023.

30. Financial risk management and other information required under IFRS 7 and IFRS 9

In carrying out its business activities, the Company is exposed to various financial risks, including interest rate risk, exchange rate risk, price risk, credit/counterparty risk, issuer risk and liquidity risk.

The Company drafted a "General Policy for Financial Risk Management" aimed at regulating and defining financial risk management. The Policy also envisaged the setting up of a Risk Committee, whose task is to identify any changes.

The Company analyzes and measures its exposure to financial risks for the purpose of defining management and hedge strategies. The criteria used by the Company to measure the risks include the sensitivity analysis of positions subject to risk, involving mark-to-market analysis of variations and/or future cash flow variations in regard to variations in risk factors.

The overall Policy objective is to minimize financial risks, by using appropriate tools available on the market. Financial derivative instruments are exclusively used to hedge against financial risks directly referring to Arnoldo Mondadori Editore S.p.A. or its subsidiaries.

Financial derivative instruments may not be used for speculative purposes.

Specific company functions are responsible for risk management and monitoring and reports are drafted periodically for each type of risk.

Interest rate risk

Interest rate risk refers to the possibility that losses are incurred in net financial income, in terms of lower yield from an asset or increased liability costs (existing or potential) as a result of interest rate fluctuations.

Interest rate risk is therefore correlated to interest rate uncertainty. The key objective of interest rate risk management is to reduce exposure of the Company's financial margin against market interest rate fluctuations.

The Company's exposure to this risk mainly relates to medium- and long-term loans, in particular:

- the loan granted by a pool of banks with a maturity date of December 2026, entered into in May 2021;

- the revolving bilateral loan maturing in July 2029, entered into in July 2024;
- the amortising bilateral Term Loan maturing in September 2029, entered into in September 2024;
- the bullet bilateral Term Loan maturing in December 2028, entered into in December 2024.

Interest rate risk hedging is ensured through interest rate swap contracts, converting exposure from floating to fixed rate.

In particular:

- on the A Term Loan Line of the pool loan, a -0.086% weighted average fixed rate 3-month Euribor, comprising four interest rate swaps with a notional value of € 31.7 million, coming to maturity in December 2026;
- on Line C of the pool loan, drawn down for € 43.3 million, a -0.098% weighted average fixed rate 3-month Euribor, comprising four interest rate swap forward start 31 January 2022 with a notional value of € 40.0 million, coming to maturity in December 2026;
- on the amortising bilateral Term Loan maturing in September 2029, entered into in September 2024, hedged at 2.303%, fixed rate, against 6-month Euribor, for € 50 million;
- on the bullet bilateral Term Loan maturing in December 2028, entered into in December 2024, hedged at 2.139%, fixed rate, against 3-month Euribor, for € 50 million.

The characteristics of the payables are contained in Note 16 - Financial liabilities.

The following table shows the findings of the sensitivity analysis, with indication of the relevant impact on income statement and equity, gross of any tax effects, pursuant to IFRS 7.

Sensitivity analysis (Euro/millions)	Underlying	Interest rate increase/(decrease)	Income (expense)	Equity increase (decrease)
2024	(262.3)	1.0%	(1.3)	4.5
2023	(275.5)	1.0%	(2.0)	2.7
2024	(262.3)	(1.0) %	1.3	(4.2)
2023	(275.5)	(1.0) %	2.0	(1.9)

While identifying the potential impact correlated to positive and negative interest rate variations, floating-rate loans were also analyzed.

The basic assumptions underlying the sensitivity analysis are:

- an initial parallel shift of the interest curve of + 100/-100 base points;
- all the other risk variables remain constant;
- same analysis performed both on the current year and the prior year.

Currency risk

Currency risk refers to a set of negative effects on the margin or the value of an asset or a liability as a result of exchange rate fluctuations.

The Company is not particularly exposed to exchange rate risks. At 31 December 2024, there are no exchange derivatives in place.

Liquidity risk

Liquidity risk refers to the possibility that the Company may not be able to meet payment obligations as a result of its inability to raise new funds (funding liquidity risk), or its inability to sell assets on the market (asset liquidity risk), thereby being forced to sustain overly high costs for the purpose of meeting obligations.

The Company's exposure to liquidity risk refers to existing loans and borrowings:

- pool loan with a maturity date of December 2026, entered into in May 2021;
- revolving bilateral loan maturing in July 2029, entered into in July 2024;
- bilateral Term Loan amortising loan maturing in September 2029, entered into in September 2024;
- the bullet bilateral Term Loan maturing in December 2028, entered into in December 2024.

In addition, if deemed necessary, the Company may resort to pre-authorized short-term credit lines.

For further information on current and non-current financial liabilities, reference should be made to Note 16 - Financial liabilities.

At 31 December 2024, liquidity risk was managed by the Company through the following tools:

- bank and post office deposits totaling € 111.3 million;
- committed credit lines totaling € 350 million (€ 175 million of which unused) and uncommitted credit lines of € 223.1 million, unused at 31 December 2024.

The table below details the Company's exposure to liquidity risk and the relevant maturity dates:

Liquidity risk (Euro/millions)	Analysis of maturity dates at 31/12/2024						Total
	<6 months	6-12 months	1-2 years	2-5 years	5-10 years	> 10 years	
Trade payables	16.5						16.5
Medium-long term intercompany loans	—						—
Medium-long term third-party loans	24.6	23.9	74.2	38.2	—	—	160.9
Other financial liabilities:							
- committed lines							—
- uncommitted lines	1.6						1.6
Other liabilities	0.1						0.1
Intercompany payables	351.2						351.2
Total	394.0	23.9	74.2	38.2	—	—	530.4
Derivatives on rate risk	0.4	0.1	0.2	(1.7)	—	—	(1.0)
Total exposure	393.7	23.8	74.0	39.9	—	—	531.3

Liquidity risk (Euro/millions)	Analysis of maturity dates at 31/12/2023						Total
	<6 months	6-12 months	1-2 years	2-5 years	5-10 years	> 10 years	
Trade payables	17.2						17.2
Medium-long term intercompany loans	—						—
Medium-long term third-party loans	1.6	17.0	17.4	77.0	—	—	112.9
Other financial liabilities:							
- committed lines							—
- uncommitted lines	30.8						30.8
Other liabilities	0.6						0.6
Intercompany payables	351.7						351.7
Total	401.9	17.0	17.4	77.0	—	—	513.3
Derivatives on rate risk	2.0	1.4	1.9	2.0	—	—	7.2
Total exposure	400.0	15.6	15.5	75.0	—	—	506.1

Maturity dates were analysed by using undiscounted cash flows and the amounts were accounted for by taking into account the first date upon which payment becomes due. For this reason, uncommitted credit lines are shown in the first column.

For the purpose of meeting liquidity requirements, the Company relies on credit lines and liquidity, and cash flow from operations.

Credit risk

Credit risk refers to the possibility of incurring financial losses as a result of counterparty default in complying with contractual obligations.

A special type of credit risk is represented by the counterparty/replacement risk in case of derivative exposure. In this case, the risk is associated with any deferred gains as a result of the possibility that the counterparty fails to meet its contractual obligations and thus no positive cash flow is generated in favour of the Company. In the case of the Company, this potential risk is limited, since the counterparties of derivative instrument contracts are leading financial institutions with high ratings.

The objective is to limit the risk for losses due to the unreliability of market counterparties or to the difficulty of converting or replacing existing financial positions. Hence, transactions with non-authorized counterparties are not allowed.

When approving the Policy, the Board of Directors also approved a list of authorized counterparties for financial risk hedging. Transactions with such authorized counterparties are constantly monitored and reports are periodically drafted.

There is virtually no risk of trade credit for the Company which has trade relations almost exclusively with its subsidiaries and associates to which it provides services in the areas of Administration, Management Control and Planning, Treasury and Finance, Purchasing, IT, Human Resources, Logistics, Legal and Corporate Affairs, and External and Institutional Relations. The balance relating to trade receivables is monitored throughout the year, to ensure that the amount of exposure to losses is kept low.

The table below shows maximum exposure to credit risk for financial statements items. Maximum risk exposure is accounted for before the effects of mitigation deriving from compensation agreements and guarantees.

Credit risk (Euro/millions)	31/12/2024	31/12/2023
Deposits	101.2	39.1
Securities held for trading		
Receivables and loans:		
- trade receivables and other current financial assets	45.5	41.0
- trade receivables and other non-current financial assets	1.6	2.0
- guarantees		
Total maximum exposure to credit risk	148.3	82.1

As to trade receivables, the table below illustrates the Company's exposure to credit risk by geographical area and business area:

Credit risk concentration	(Euro/millions) 31/12/2024	(Euro/millions) 31/12/2023	% 31/12/2024	% 31/12/2023
By business area:				
Corporate & Shared Services	13.0	11.8	99.8 %	99.7 %
Magazines (Print)	—	—	0.2 %	0.3 %
Total	13.0	11.8	100.0 %	100.0 %
By geographical area:				
Italy	13.0	11.8	100.0 %	100.0 %
Other Countries	—	—	—	-
Total	13.0	11.8	100.0 %	100.0 %

Below is a description of the management criteria used for the main business segments:

Corporate & Shared Services

Receivables related to Corporate & Shared Services refer to Administration, Planning and Control, Treasury and Finance, Procurement, IT, Human Resources, Logistics, Legal and Corporate Affairs, and External and Institutional Relations performed centrally for subsidiaries and affiliates.

Price risk

Price risk refers mainly to changes in the market price of equity instruments and the impairment of financial assets/liabilities as a result of changes in commodity prices. The key objective of price risk management is to reduce the impact of fluctuations in the price of raw materials on the financial results of the Company.

Other information required under IFRS 7 and IFRS 9

The table below summarizes financial assets and liabilities classified based on the categories defined by IFRS 9 and the relevant fair value.

(Euro/millions)	Classification							
	Book value						Fair value	
	Total		of which current		of which non-current		31/12/2024	31/12/2023
	31/12/2024	31/12/2023	31/12/2024	31/12/2023	31/12/2024	31/12/2023		
- Financial assets classified as "held for trading" measured at fair value with changes booked to the income statement (securities)	—	—	—	—	—	—	—	—
Receivables and loans:								
- cash and cash equivalents	101.2	39.1	101.2	39.1	—	—	101.2	39.1
- trade receivables	0.3	0.2	0.3	0.2	—	—	0.3	0.2
- other financial assets	4.3	5.4	3.2	3.9	1.0	1.4	4.3	5.4
- receivables due from subsidiaries, associates, affiliates	42.4	37.3	41.9	36.8	0.5	0.5	42.4	37.3
Available-for-sale financial assets (investments)	0.1	0.1	0.1	0.1	—	—	0.1	0.1
Cash flow hedges	—	—	—	—	—	—	—	—
Total financial assets	148.3	82.1	146.8	80.2	1.5	1.9	148.3	82.1
Financial liabilities classified as "held to collect", measured at amortized cost or fair value with adjustments recognized in the income statement:	-	-	-	-	-	-	-	-
- trade payables	16.5	17.2	16.5	17.2	—	—	16.5	17.2
- payables to banks and other financial liabilities	175.4	117.1	44.8	47.2	130.6	69.8	180.6	140.2
- payables to subsidiaries, associates, affiliates	351.2	351.7	351.2	351.7	—	—	351.2	351.7
Cash flow hedges	0.1	—	—	—	0.1	—	0.1	—
Total Financial liabilities	543.2	486.0	412.5	416.2	130.7	69.8	548.4	509.2

The table below summarises income and expense recognised in the income statement and attributable to financial assets and liabilities, classified according to the categories defined by IFRS 9:

Income and loss from financial instruments (Euro/millions)	2024	2023
Net income on derivative instruments	4.3	4.1
Interest income on financial assets:		
- intercompany receivables	0.9	0.7
- other financial assets	0.6	0.3
Income from financial assets:		
- income from securities "held for trading"		
Total income	5.8	5.1
Net loss on derivative instruments		
Interest expense due on financial liabilities:		
- loans	8.7	8.7
- other	0.6	0.5
Losses from financial instrument impairment:		
- trade receivables	0.3	
Expense from financial assets:		
- expense from securities "held for trading"		
Total expense	9.7	9.1
Total	(3.9)	(4.1)

31. Fair value measurement

Some of the Company's financial assets and liabilities are measured at fair value at each balance sheet date. The table below provides information on the measurement of the abovementioned fair value:

Financial assets/liabilities (Euro/thousands)	Fair value at 31/12/2024	Fair value hierarchy	Measurement method and main inputs
Interest rate swap contracts	2,247	Level 2	Discounted cash flow Future cash flows are discounted based on the forward rate curve expected at the end of the period and on the contractual fixing rates, also taking the counterparty default risk into account
Investments in other companies	63	Level 3	Fair value determined using measurement techniques with regard to unobservable market variables.

32. Events after year end

There were no significant events after year end.

33. Information pursuant to Law 124/2017 Article 1, paragraph 125bis

In 2024, the company received the following government grants in the form of tax credits:

- € 91 thousand, recognised to the extent of 15% of the expenditure incurred in FY 2022 for technological innovation 4.0 activities pursuant to Article 1, paragraphs 198, 199, 201, 203-207, of Law No. 160 of 27 December 2019 and the related implementing decree of 26 May 2020 ("Transition 4.0" Decree) issued by the Ministry of Economic Development.

34. Information pursuant to Article 149-duodecies of CONSOB Issuer Regulation

The table below, prepared pursuant to Article 149-duodecies of the CONSOB Issuer Regulation, shows the fees paid in 2024 (net of ancillary expenses) for auditing and other services provided by EY S.p.A. and by other entities belonging to the same network.

Service	Entity providing the service	Beneficiary of the service	Fee Euro/thousands
Auditing	EY S.p.A.	Arnoldo Mondadori Editore S.p.A.	432
Certification services (1)	EY S.p.A.	Arnoldo Mondadori Editore S.p.A.	91
Other services (2)	Other EY network entities	Arnoldo Mondadori Editore S.p.A.	247
Total			770

1) Include audit of the Non-Financial Statement and other certification work

2) Other services include compliance endorsements on tax returns and due diligence services

35. Other Information

Effects of the conflict between Russia and Ukraine

The Company clarifies that the continued conflict between Russia and Ukraine has not had any direct impact on the economic-financial position; the indirect effects, such as the increase in the cost of commodities, electricity and transport, were attenuated during 2024 compared with the previous year.

Effects resulting from climate change

The Company, by virtue of its sector, is not particularly exposed to the consequences of climate change; however, it remains sensitive to these issues and has therefore implemented, or has planned to implement, energy efficiency initiatives, aimed at reducing the emission of greenhouse gases (CO₂).

In particular, paragraph ESRS E1 – Climate Change of Sustainability Reporting, to which reference is made, lists these initiatives.

Macroeconomic impacts

Arnoldo Mondadori Editore S.p.A., by adopting a hedging policy for its medium- to long-term exposure, neutralised over the years the increases in interest rates resulting from the monetary policies implemented by central banks and the consequent increase in the borrowing costs charged by credit institutions.

Modest effects were recorded by the Company in relation to the costs of very short-term financing (hot money) with which the Company finances its exposure deriving from net working capital.

Overall, the cost (average interest rate) borne by the Company in the financial year 2024 was 1.79%.

As regards the impairment test, conducted for the purpose of verifying the sustainability of the book values of certain asset items, it should be noted that the cash flows used incorporate the impacts of the inflationary trend triggered by the macroeconomic scenario, while the discount rates reflect the aforementioned impact in borrowing costs. Upon completion of the impairment test, the value of goodwill relative to Abscondita S.r.l., amounting to € 254 thousand, needed to be written down entirely, as more fully described in the section on impairment testing (Note 4).

36. Proposed resolution of the board of directors

Dear Shareholders,

if you agree with our proposals, we invite you to adopt the following resolutions:

"1. The Shareholders' Meeting of Arnoldo Mondadori Editore S.p.A., convened in ordinary session, having reviewed the draft financial statements for the year ended 31 December 2024, the Directors' Report on Operations, having regard to the certification referred to in Article 154-bis, fifth paragraph of Legislative Decree 58/1998, issued by the Financial Reporting Manager, and having taken note of the Statutory Auditors' Report and the Independent Auditors' Report,

resolves:

- *to approve the Financial Statements at 31 December 2024 and the Board of Directors' Report on Operations, including all the information and results contained therein."*

"2. The Shareholders' Meeting of Arnoldo Mondadori Editore S.p.A., in ordinary session,

- having regard to the financial statements for the year ended 31 December 2024, approved by today's Shareholders' Meeting;

- having regard to the proposed resolutions submitted;

- having acknowledged that the legal reserve is equal to one fifth of the share capital, in compliance with Article 2430, paragraph 1, of the Italian Civil Code;

resolves:

- *to allocate the net profit resulting from the financial statements of Arnoldo Mondadori Editore S.p.A. at 31 December 2024, equal to € 60,211,494.34 entirely to the non-distributable reserve from the measurement of investments at equity (Article 2426, paragraph 4, of the Italian Civil Code)."*

"3. The Shareholders' Meeting of Arnoldo Mondadori Editore S.p.A., in ordinary session, having regard to the proposed resolutions submitted;

resolves:

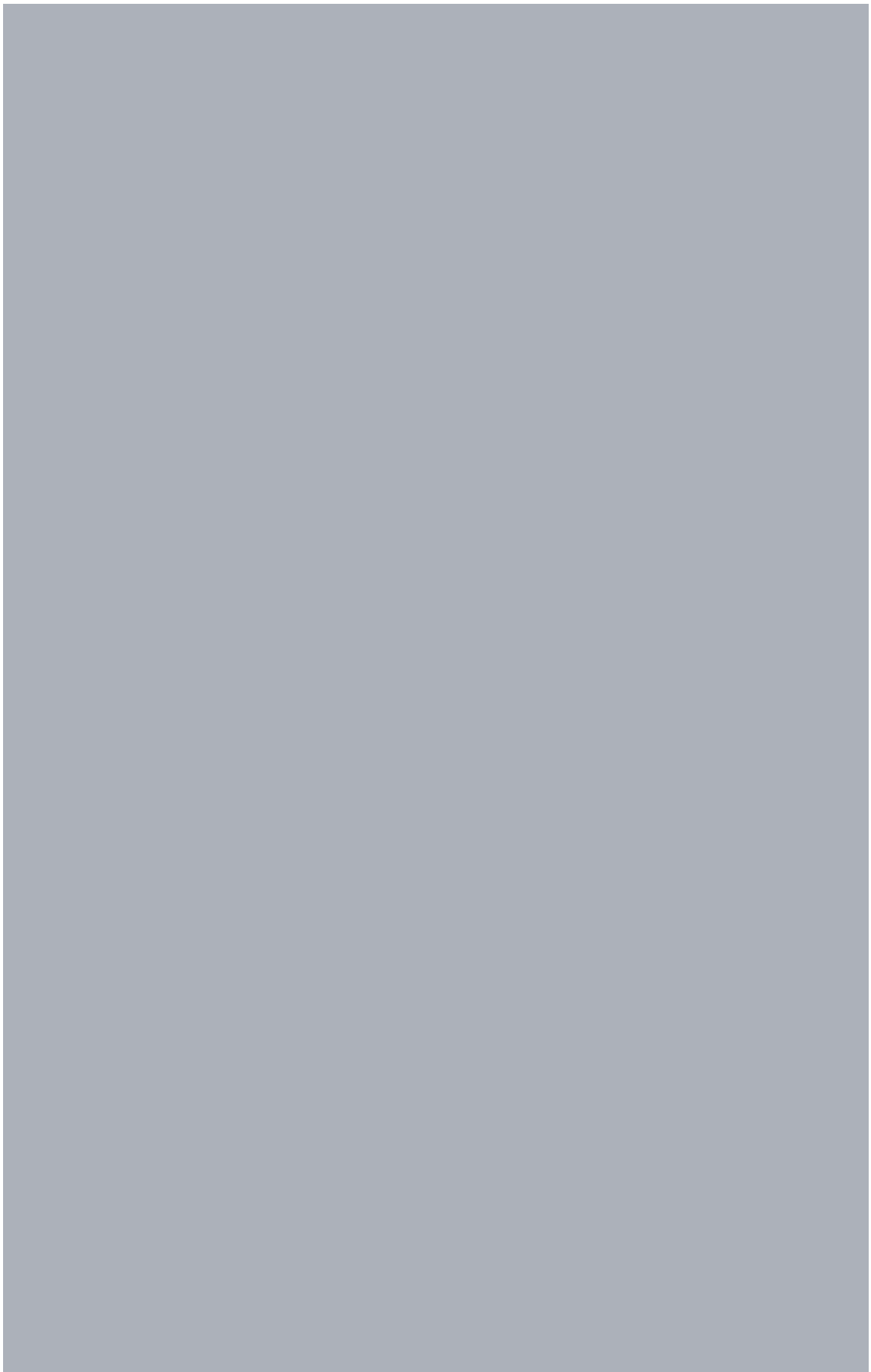
to distribute to the Shareholders, a dividend for the total unit amount of € 0.14, gross of tax, for each ordinary share (net of treasury shares) outstanding at the record dates, indicated below, drawing the relating amount from the distributable portion of the extraordinary reserve (included in the equity item "Other reserves and profit/(loss) carried forward").

The dividend will be paid, also in accordance with the provisions of the "Regulations for markets organised and managed by Borsa Italiana S.p.A.", in two equal tranches, according to the following amounts, terms and conditions:

- unit amount of € 0.07 for each ordinary share (net of treasury shares) outstanding at the record date stated below, from 21 May 2025 (payment date), with ex-dividend date no. 25 on 19 May 2025 (ex date) and with the date of entitlement to payment of the dividend, pursuant to Article 83-terdecies of the TUF (record date), on 20 May 2025;*
- unit amount of € 0.07 for each ordinary share (net of treasury shares) outstanding at the record date stated below, from 26 November 2025 (payment date), with ex-dividend date no. 26 on 24 November 2025 (ex date) and with the date of entitlement to payment of the dividend, pursuant to Article 83-terdecies of the TUF (record date), on 25 November 2025."*

For the Board of Directors
The Chairman
Marina Berlusconi

A handwritten signature in dark ink, appearing to read 'Marina Berlusconi', is positioned below the printed name.



ANNEXES TO THE FINANCIAL STATEMENTS

ANNEX A: STATEMENT OF INVESTMENTS

Description (Euro/thousands)	Register ed office	Share Capital	Equity	Profit (loss) for the year 2024	Total equity	Ownership share	Shareholders' equity	Balance sheet value of equity stake
Subsidiaries:								
Mondadori Retail S.p.A.	Milan	2,000	13,675	2,242	15,917	100 %	15,917	18,417
Mondadori Media S.p.A.	Milan	1,000	42,453	9,542	51,995	100 %	51,995	51,968
Mondadori Libri S.p.A.	Milan	30,050	182,275	30,381	212,656	100 %	212,656	235,227
Mondadori Scuola S.p.A.	Milan	50	339,468	8,844	348,312	100 %	348,312	383,103
Mondadori Plai S.r.l.	Milan	100	900	(62)	838	100 %	838	838
Total							629,718	689,553
Associates:								
Attica Publications S.A. (a)	Athens	4,590	7,338	1,036	8,374	42 %	3,517	7,756
Total							3,517	7,756
Other companies:								
Consorzio Edicola Italiana	Milan	60			—	17%	—	11
Consuledit S.c.a.r.l. (in liquidation)	Milan	20			—	10%	—	1
Immobiliare Editori Giornali S.r.l.	Rome	830			—	8 %	—	51
Total							0	63
Total direct equity investments							633235	697,372

(a) Consolidated figures at 31 December 2023

Note: the amounts refer to balance sheet and income statement figures, in accordance with the accounting standards adopted for the preparation of the financial statements of the individual associates

ANNEX B1: MAIN INDIRECT SUBSIDIARIES AND ASSOCIATES AT 31 December 2024

Description (Amounts in currency/thousands)	Registered office	Currency	Share Capital	Equity	Profit (loss) for the year 2024	Total equity	Group interest	Equity in foreign currency	Equity in Euro (a)
Subsidiaries:									
Electa S.p.A.	Milan	Euro	1,594	11,043	2,790	13,833	100 %	13,833	13,833
Direct Channel S.p.A.	Milan	Euro	3,120	3,865	192	4,057	100 %	4,057	4,057
AdKaora S.r.l.	Milan	Euro	15	1,462	3,957	5,419	100 %	5,419	5,419
Giulio Einaudi Editore S.p.A.	Turin	Euro	23,920	37,277	13,789	51,066	100 %	51,066	51,066
Mondadori Education S.p.A.	Milan	Euro	10,608	78,823	14,098	92,921	100 %	92,921	92,921
Mondadori Scienza S.p.A.	Milan	Euro	2,600	3,266	502	3,768	100 %	3,768	3,768
Rizzoli Education S.p.A.	Milan	Euro	42,405	86,110	6,086	92,196	100 %	92,187	92,187
Rizzoli Bookstore Inc.	New York	US\$	3,499	372	(223)	149	100 %	149	138
Rizzoli International Publications Inc.	New York	US\$	26,900	44,681	2,539	47,220	100 %	47,215	43,718
Chelsea Green Publishing Company US	Chelsea	US\$	36	3,079	657	3,736	100 %	3,736	3,459
Hej! S.r.l.	Milan	Euro	18	1,728	646	2,374	100 %	2,374	2,374
D Scuola S.p.A.	Milan	Euro	5,000	34,677	14,216	48,893	100 %	48,893	48,893
De Agostini Libri S.r.l.	Novara	Euro	100	1,495	(284)	1,211	50 %	606	606
Libromania S.r.l.	Milan	Euro	20	442	59	501	100 %	501	501
Edizioni Star Comics S.r.l.	Perugia	Euro	1,000	5,811	3,417	9,228	51 %	4,706	4,706
A.L.I. Agenzia Libreria International S.r.l.	Cornaredo	Euro	156	12,239	4,767	17,006	75 %	12,755	12,755
Il Castello S.r.l.	Cornaredo	Euro	10	5,316	1,220	6,536	75 %	4,902	4,902
Grafiche Bovini S.r.l.	Perugia	Euro	70	2,541	175	2,716	100 %	2,716	2,716
Star Shop S.r.l.	Perugia	Euro	50	1,199	170	1,369	51 %	698	698
Fatto in casa da Benedetta S.r.l.	Altidona	Euro	119	718	615	1,332	51 %	679	679
Digital Advertising & Engagement S.L.	Madrid	Euro	6	351	815	1,166	100 %	1,166	1,166
Total									390,561

Description	Registered office	Currency	Share Capital	Equity	Profit (loss) for the year 2024	Total equity	Group interest	Equity in foreign currency	Equity in Euro (a)
(Amounts in currency/thousands)									
Associates:									
Edizioni EL S.r.l. (b)	Trieste	Euro	620	6,779	2,144	8,923	50 %	4,462	4,462
Press-Di Distribuzione Stampa e Multimedia S.r.l.	Milan	Euro	200	934	167	1,101	20 %	220	220
Bookrepublic Webnovels S.r.l.	Milan	Euro	612	1,830	(1,022)	808	51 %	412	412
Mondadori Seec (Beijing) Advertising Co. Ltd	Beijing	Cny	40,000	19,394	(8,699)	10,695	50 %	5,348	686
Total									5,780

(a) Exchange rates December: USD Euro 1.08; Cny Euro 7.79

(b) Figures at 31/12/2023

RELATED PARTIES

ANNEX C1: RECEIVABLES FROM SUBSIDIARIES AND ASSOCIATES AT 31 December 2024

Current account transactions and financial receivables (Euro/thousands)	31/12/2024	31/12/2023
Subsidiaries:		
Abscondita S.r.l.	174	117
Mondadori Media S.p.A.	17,467	16,551
Mondadori Libri S.p.A.	917	—
Hej! S.r.l.	386	—
De Agostini Libri S.r.l.	1,758	1,307
Edizioni Star Comics S.r.l.	—	2,485
Zenzero S.r.l.	—	378
Libromania S.r.l.	130	41
AdKaora S.r.l.	4,218	3,886
Power S.r.l.	259	234
Webboh S.r.l.	—	196
Fatto in casa da Benedetta S.r.l.	795	—
SE Studio Editoriale S.r.l.	38	—
Star Shop S.r.l.	1,367	—
Grafiche Bovini S.r.l.	1,608	—
Associates:		
Attica Publications S.A.	500	500
Total	29,617	25,695
Percentage on item	92.3%	81.7%

Trade transactions (Euro/thousands)	31/12/2024	31/12/2023
Subsidiaries:		
AdKaora S.r.l.	54	96
Electa S.p.A.	366	406
Giulio Einaudi Editore S.p.A.	324	323
Mondadori Education S.p.A.	1,226	733
Mondadori Media S.p.A.	832	1,653
Mondadori Libri S.p.A.	3,443	3,089
Mondadori Retail S.p.A.	2,326	2,280
Mondadori Scienza S.p.A.	—	126
Mondadori Scuola S.p.A.	—	6
Direct Channel S.p.A.	487	614
Hej! S.r.l.	41	44
D Scuola S.p.A.	1,307	585
Rizzoli Education S.p.A.	1,130	654
Zenzero S.r.l.	24	20
De Agostini Libri S.r.l.	133	234
Libromania S.r.l.	25	35
Edizioni Star Comics S.r.l.	252	44
A.L.I. S.r.l.	303	51
Power S.r.l.	—	13
Webboh S.r.l.	—	4
Fatto in casa da Benedetta S.r.l.	30	—
Grafiche Bovini S.r.l.	122	—
Il Castello S.r.l.	68	—
Associates:		
Bookrepublic Webnovels S.r.l.	37	207
Press-Di Distribuzione Stampa e Multimedia S.r.l.	235	356
Parent company:		
Fininvest S.p.A.	—	—
Affiliates:		
Il Teatro Manzoni S.p.A.	—	10
Mediamond S.p.A.	—	207
Total	12,765	11,583
Percentage on item	97.8%	98.0%

Receivables for income tax and other tax receivables (Euro/thousands)	31/12/2024	31/12/2023
Parent company: Fininvest S.p.A.	3,904	3,332
Subsidiaries:		
AdKaora S.r.l.	181	211
Mondadori Media S.p.A.	1,087	326
Mondadori Scienza S.p.A.	63	—
Hej! S.r.l.	283	270
Power S.r.l.	3	—
Webboh S.r.l.	101	—
Zenzero S.r.l.	140	—
Libromania S.r.l.	20	—
Total	5,782	4,139
Percentage on item	41.0%	35.5%

RELATED PARTIES

ANNEX C2: INTERCOMPANY TRANSACTIONS IN 2024

Related parties (Euro/thousands)	Revenue from sales and services	Other income	Financial income	Income from investments*	Total
Subsidiaries:					
Abscondita S.r.l.	—	—	4	—	4
AdKaora S.r.l.	451	—	105	—	556
Direct Channel S.p.A.	1,536	—	—	—	1,536
Electa S.p.A.	1,409	—	—	—	1,409
Giulio Einaudi Editore S.p.A.	1,422	—	—	—	1,422
Mondadori Education S.p.A.	3,882	—	—	—	3,882
Mondadori Media S.p.A.	7,169	—	352	9,156	16,677
Mondadori Libri S.p.A.	11,990	—	223	33,697	45,910
Mondadori Retail S.p.A.	7,004	—	36	2,242	9,282
Mondadori Scienza S.p.A.	716	—	—	—	716
Mondadori Scuola S.p.A.	5	—	—	35,521	35,526
Rizzoli Education S.p.A.	3,417	—	—	—	3,417
Hej! S.r.l.	201	—	6	—	207
De Agostini Libri S.r.l.	651	—	34	—	685
D Scuola S.p.A.	3,524	—	—	—	3,524
Edizioni Star Comics S.r.l.	332	—	21	—	353
Zenzero S.r.l.	117	—	3	—	120
Libromania S.r.l.	125	—	2	—	127
A.L.I. S.r.l.	413	—	—	—	413
Il Castello S.r.l.	56	—	—	—	56
Power S.r.l.	90	—	5	—	95
Star Shop S.r.l.	—	—	32	—	32
Fatto in casa da Benedetta S.r.l.	24	—	4	—	28
Grafiche Bovini S.r.l.	100	—	17	—	117
Webboh S.r.l.	67	—	1	—	68
Total	44,701	—	845	80,616	126,162

Related parties (Euro/thousands)	Revenue from sales and services	Other income	Financial income	Income from investments	Total
Associates:					
Attica Publications S.A.	—	—	39	562	601
Book Republic Webnovels S.r.l.	30	—	—	—	30
Press-Di Distribuzione Stampa e Multimedia S.r.l.	776	—	—	—	776
Total	806	—	39	562	1,407
Fininvest Group Company: Mediamond S.p.A.	158	—	—	—	158
Total	158	—	—	—	158
Total	45,665	—	884	81,178	127,727
Percentage on item	99.2%	n.s.	n.s.	100.0%	n.s.

* Income from investments in indirect subsidiaries is shown in direct subsidiaries

RELATED PARTIES

ANNEX D1: PAYABLES TO PARENT COMPANY, SUBSIDIARIES, ASSOCIATES AND AFFILIATES

at 31 December 2024

Current account transactions and financial payables (Euro/thousands)	31/12/2024	31/12/2023
Subsidiaries:		
Direct Channel S.p.A.	12,797	12,523
Electa S.p.A.	23,771	26,382
Giulio Einaudi Editore S.p.A.	33,012	32,620
Mondadori Education S.p.A.	78,057	66,514
Mondadori Libri S.p.A.	1	13,800
Mondadori Scienza S.p.A.	7,897	8,864
Grafiche Bovini S.r.l.	—	504
Rizzoli Education S.p.A.	91,338	86,574
D Scuola S.p.A.	55,014	38,867
Mondadori Plai S.r.l.	174	—
Mondadori Scuola S.p.A.	5,895	31,550
Hej! S.r.l.	—	793
Mondadori Retail S.p.A.	10,768	7,551
A.L.I. S.r.l.	22,222	20,925
Il Castello S.r.l.	4,578	4,120
Edizioni Star Comics S.r.l.	4,657	—
Zenzero S.r.l.	380	—
Webboh S.r.l.	348	—
Total	350,909	351,587
Percentage on item	66.7%	75.1%

Trade transactions (Euro/thousands)	31/12/2024	31/12/2023
Subsidiaries:		
Giulio Einaudi Editore S.p.A.	—	2
Mondadori Media S.p.A.	110	104
Mondadori Libri S.p.A.	148	3
Direct Channel S.p.A.	—	1
Mondadori Retail S.p.A.	14	15
Mondadori Scienza S.p.A.	6	16
Associates:		
Press-Di Distribuzione Stampa e Multimedia S.r.l.	7	1
Parent company:		
Fininvest S.p.A.	70	19
Affiliates:		
RTI S.p.A.	13	13
Publitalia '80 S.p.A.	188	181
Mediamond S.p.A.	12	—
Fininvest Real Estate&Services S.p.A.	1	—
Total	569	355
Percentage on item	3.4%	2.0%

Other payables (Euro/thousands)	31/12/2024	31/12/2023
Subsidiaries:		
Giulio Einaudi Editore S.p.A.	132	67
Mondadori Education S.p.A.	534	540
Electa S.p.A.	32	82
Mondadori Libri S.p.A.	1,417	1,933
Mondadori Retail S.p.A.	70	50
Direct Channel S.p.A.	40	70
Edizioni Star Comics S.r.l.	78	56
Rizzoli Education S.p.A.	327	376
Mondadori Scienza S.p.A.	—	32
D Scuola S.p.A.	429	459
A.L.I. S.r.l.	142	—
Il Castello S.r.l.	8	—
Grafiche Bovini S.r.l.	458	—
Total	3,667	3,665
Percentage on item	31.1%	29.4%

RELATED PARTIES

ANNEX D2: INTERCOMPANY TRANSACTIONS IN 2024

Related parties (Euro/thousands)	Raw and ancillary materials,	Services	Cost of personnel	Other expense	Financial expense	Expenses from investments*	Total
Subsidiaries:							
AdKaora S.r.l.	—	(31)	—	—	—	—	(31)
Electa S.p.A.	—	(9)	(59)	—	342	—	274
Giulio Einaudi Editore S.p.A.	—	(6)	(172)	—	419	—	241
Mondadori Education S.p.A.	—	(17)	(226)	—	788	—	545
Mondadori Media S.p.A.	16	142	177	—	—	—	335
Mondadori Libri S.p.A.	—	(282)	(740)	—	5	—	(1,017)
Mondadori Retail S.p.A.	—	(41)	(721)	13	51	—	(698)
Mondadori Scienza S.p.A.	—	3	—	—	119	—	122
Mondadori Scuola S.p.A.	—	—	—	—	143	—	143
Direct Channel S.p.A.	—	(1)	—	1	177	—	177
Hej! S.r.l.	—	—	—	—	7	—	7
D Scuola S.p.A.	—	17	(226)	—	437	—	229
Rizzoli Education S.p.A.	—	(11)	(226)	—	929	—	693
De Agostini Libri S.r.l.	—	(5)	—	—	—	—	(5)
Zenzero S.r.l.	—	—	—	—	1	—	1
A.L.I. S.r.l.	—	—	—	—	270	—	270
Il Castello S.r.l.	—	—	—	—	63	—	63
Webboh S.r.l.	—	—	—	—	1	—	1
Grafiche Bovini S.r.l.	—	—	—	—	2	—	2
Edizioni Star Comics S.r.l.	—	(74)	—	—	28	—	(46)
Star Shop S.r.l.	—	(22)	—	—	—	—	(22)
Mondadori Plai S.r.l.	—	—	—	—	1	62	63
TOTAL	16	(338)	(2,190)	14	3,784	62	1,348

* Expense from investments in indirect subsidiaries is shown in direct subsidiaries

Related parties (Euro/thousands)	Raw and ancillary materials,	Services	Cost of personnel	Other expense	Financial expense	Expenses from investments*	Total
Associates:							
Press-Di Distribuzione Stampa e Multimedia S.r.l.	—	13	(11)	—	—	—	2
Total	—	13	(11)	—	—	—	2
Parent company:							
Fininvest S.p.A.	—	127	—	—	—	—	127
FININVEST GROUP COMPANIES:							
Fininvest Real Estate&Services S.p.A.	—	7	—	—	—	—	7
Publitalia '80 S.p.A.	165	(5)	—	—	—	—	160
Total	165	2	—	—	—	—	167
Total	181	(196)	(2,201)	14	3,784	62	1,644
Percentage on item	46%	n.s.	n.s.	n.s.	n.s.	100%	n.s.

* Expense from investments in indirect subsidiaries is shown in direct subsidiaries

ANNEX E: FINANCIAL HIGHLIGHTS OF SUBSIDIARIES PREPARED ACCORDING TO IAS INTERNATIONAL ACCOUNTING STANDARDS

(Euro/thousands)	Mondadori Retail	Mondadori Media	Mondadori Libri	Mondadori Scuola	Mondadori Plai
Period at	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024
Balance Sheet					
Assets					
Intangible assets	2,927	52,221	21,166	—	—
Property, plant and equipment	22,761	416	101	—	—
Assets from rights of use	37,788	73	239	—	—
Investments	—	31,047	121,401	338,983	700
Non-current financial assets	—	2,450	—	—	—
Deferred tax assets	3,857	11,408	24,644	—	2
Other non-current assets	—	6	853	—	—
Total non-current assets	67,333	97,621	168,404	338,983	702
Tax receivables	212	3,401	2,746	3,493	—
Other current assets	1,576	764	43,173	—	—
Inventory	52,722	2,646	36,391	—	—
Trade receivables	23,085	18,795	90,861	—	—
Other current financial assets	10,768	—	—	5,895	174
Cash and cash equivalents	1,852	44	—	—	—
Total current assets	90,215	25,650	173,171	9,388	174
Total Assets	157,548	123,271	341,575	348,371	876
Liabilities					
Share Capital	2,000	1,000	30,050	50	100
Share premium reserve	—	26,549	69,410	—	—
Other reserves and profit/loss carried forward	11,675	14,904	82,815	339,418	800
Profit (Loss) for the year	2,242	9,542	30,381	8,844	(62)
Total Equity	15,917	51,995	212,656	348,312	838
Provisions	1,049	4,982	2,643	—	—
Post-employment benefits	2,538	2,260	5,533	—	—
Non-current financial liabilities	—	2,661	—	—	—
Financial liabilities IFRS 16	33,866	43	147	—	—
Deferred tax liabilities	39	8,646	1,041	—	—
Other non-current liabilities	—	—	—	—	—
Total non-current liabilities	37,492	18,592	9,364	—	—
Income tax payables	897	—	2,824	—	—
Other current liabilities	10,015	11,823	40,104	1	—
Trade payables	86,671	21,728	75,420	58	38
Payables to banks and other financial liabilities	—	19,101	1,108	—	—
Financial liabilities IFRS 16	6,556	32	99	—	—
Total current liabilities	104,139	52,684	119,555	59	38
Total liabilities	157,548	123,271	341,575	348,371	876

(Euro/thousands)	Mondadori Retail	Mondadori Media	Mondadori Libri	Mondadori Scuola	Mondadori Plai
Financial year	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024
Income statement					
Revenue from sales and services	205,319	84,668	196,391	—	—
Decrease (increase) in inventory	(1,202)	(21)	(288)	—	—
Cost of raw and ancillary materials, consumables and goods	133,154	6,749	17,335	—	—
Cost of services	40,875	47,951	137,782	75	65
Cost of personnel	15,368	25,437	23,182	—	—
Sundry expense (income)	666	(6,959)	(327)	2	—
EBITDA	16,458	11,511	18,707	(77)	(65)
Amortisation and impairment loss on intangible assets	1,060	4,664	1,549	—	—
Depreciation and impairment loss on property, plant and equipment	3,975	203	71	—	—
Amortisation/depreciation and impairment loss of assets from rights of use	7,066	41	118	—	—
Operating income (loss)	4,357	6,603	16,969	(77)	(65)
Financial expense (income)	1,151	844	562	(143)	(1)
Expense (income) from investments	—	(5,000)	(18,412)	(5,286)	—
Result before tax	3,206	10,759	34,819	5,352	(64)
Income tax	964	1,217	4,438	(3,492)	(2)
Net profit	2,242	9,542	30,381	8,844	(62)

ANNEX F: FINANCIAL HIGHLIGHTS OF THE MAIN INDIRECT SUBSIDIARIES

(Euro/thousands)	Mondadori Education	Electa	Einaudi	Rizzoli Education	Adkaora	Mondadori Scienza	Direct Channel	Hej!	D Scuola	De Agostini Libri	Libromania	Edizioni Star Comics	A.L.I.	Star Shop
Period at	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024
Balance Sheet														
Assets														
Intangible assets	36,854	142	223	20,154	256	—	1,199	64	12,890	1,218	124	277	292	19
Property, plant and equipment	49	340	117	35	101	23	21	13	65	19	178	513	2,076	1,432
Assets from rights of use	77	14	1,110	124	15	—	60	40	143	38	6	471	4,678	2,823
Investments	—	530	1,332	—	12,597	—	700	—	—	—	—	—	153	—
Non-current financial assets	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Deferred tax assets	1,759	1,849	4,953	1,420	96	420	43	50	1,132	—	64	311	522	132
Other non-current assets	9	—	—	—	—	—	8	—	—	—	—	—	—	—
Total non-current assets	38,748	2,875	7,735	21,733	13,065	443	2,031	167	14,230	1,275	372	1,572	7,721	4,406
Tax receivables	698	717	185	1,132	—	127	41	19	671	269	23	78	269	(87)
Other current assets	477	363	12,030	100	80	124	10,018	19	261	575	1	1,600	276	307
Inventory	13,505	1,641	6,090	8,606	—	143	—	—	7,234	2,165	—	5,134	113	4,143
Trade receivables	4,606	1,894	19,581	4,854	7,768	2,263	4,266	5,996	4,485	2,575	1,383	4,369	18,202	2,941
Other current financial assets	78,056	23,824	33,012	91,338	—	7,897	12,797	—	55,014	—	—	—	22,222	(1,367)
Cash and cash equivalents	2	97	72	—	—	—	393	—	6	—	—	—	18	51
Total current assets	97,344	28,536	70,970	106,030	7,848	10,554	27,515	6,034	67,671	5,584	1,407	11,181	41,100	5,988
Discontinued or discontinuing operations	—													
Total Assets	136,092	31,411	78,705	127,763	20,913	10,997	29,546	6,201	81,901	6,859	1,779	12,753	48,821	10,394

ANNEX F: FINANCIAL HIGHLIGHTS OF THE MAIN INDIRECT SUBSIDIARIES

(Euro/thousands)	Mondadori Education	Electa	Einaudi	Rizzoli Education	Adkaora	Mondadori Scienza	Direct Channel	Hejl	D Scuola	De Agostini Libri	Libromania	Edizioni Star Comics	A.L.I.	Star Shop
Period at	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024
Liabilities														
Share Capital	10,608	1,594	23,920	42,405	15	2,600	3,120	18	5,000	100	20	1,000	156	50
Share premium reserve	16771	60	—	—	—	1	—	254	756	—	27	4,744	—	1,144
Other reserves and profit/loss carried forward	51,444	9,389	13,357	43,705	1,447	665	745	1,456	28,921	1,395	395	67	12,083	5
Profit (Loss) for the year	14,098	2,790	13,789	6,086	3,957	502	192	646	14,216	(284)	59	3,417	4,767	170
Total Equity	92,921	13,833	51,066	92,196	5,419	3,768	4,057	2,374	48,893	1,211	501	9,228	17,006	1,369
Provisions	4,351	6,781	495	2,572	—	1,690	47	—	1,667	165	133	—	—	—
Post-employment benefits	4,705	63	1,104	4,653	381	304	718	118	3,235	192	368	160	556	274
Non-current financial liabilities	—	40	—	—	269	—	—	—	—	—	—	—	9	—
Financial liabilities IFRS 16	54	7	853	80	10	—	39	23	86	27	2	383	4,101	2,342
Deferred tax liabilities	567	2	11	320	4	10	23	—	144	—	17	—	17	15
Other non-current liabilities	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total non-current liabilities	9,677	6,893	2,463	7,625	664	2,004	827	141	5,132	384	520	543	4,683	2,631
Income tax payables	4,487	447	4,060	1,388	860	—	184	172	4,298	—	20	522	123	271
Other current liabilities	8,235	1,656	9,928	8,082	1,642	3,250	17,614	982	8,926	1,588	163	3,241	718	973
Trade payables	20,682	8,509	10,888	18,371	6,525	1,975	6,840	2,127	14,570	1,905	439	3,790	25,541	4,583
Payables to banks and other financial liabilities	65	66	1	54	5,798	—	—	386	20	1,759	131	(4,657)	—	8
Financial liabilities IFRS 16	25	7	299	47	5	—	24	19	62	12	5	86	750	559
Total current liabilities	33,494	10,685	25,176	27,942	14,830	5,225	24,662	3,686	27,876	5,264	758	2,982	27,132	6,394
Liabilities disposed or being disposed of														
Total liabilities	136,092	31,411	78,705	127,763	20,913	10,997	29,546	6,201	81,901	6,859	1,779	12,753	48,821	10,394

ANNEX F: FINANCIAL HIGHLIGHTS OF THE MAIN INDIRECT SUBSIDIARIES

(Euro/thousands)	Mondadori Education	Electa	Einaudi	Rizzoli Education	Adkaora	Mondadori Scienza	Direct Channel	Hej!	D Scuola	De Agostini Libri	Libromania	Edizioni Star Comics	A.L.I.	Star Shop
Financial year	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024
Income statement														
Revenue from sales and services	81,625	20,837	60,173	76,105	26,550	10,425	9,956	10,844	75,528	8,975	2,304	22,251	16,377	31,189
Decrease (increase) in inventory	(1,194)	53	(253)	489	—	43	—	—	(777)	(133)	—	1,529	—	(290)
Cost of raw and ancillary materials, consumables and goods	9,731	5,343	4,026	19,052	46	1,020	1	9	6,597	2,385	1	2,423	20	24,346
Cost of services	39,990	10,104	31,928	37,131	18,428	6,943	7,051	8,922	37,082	5,125	1,607	13,244	7,825	2,643
Cost of personnel	6,857	2,713	5,850	5,661	3,273	2,712	2,258	825	8,219	1,534	472	932	1,478	2,995
Sundry expense (income)	(102)	(1,012)	760	(145)	286	(725)	(356)	127	(302)	8	53	(683)	(17)	119
EBITDA	26,343	3,636	17,862	13,917	4,517	432	1,002	961	24,709	56	171	4,806	7,071	1,376
Amortisation and impairment loss on intangible assets	7,677	18	215	6,431	95	—	176	14	5,655	251	40	48	91	22
Depreciation and impairment loss on property, plant and equipment	23	111	50	16	39	13	9	8	38	8	45	103	688	317
Amortisation/depreciation and impairment loss of assets from rights of use	26	7	331	74	8	—	24	18	67	19	5	129	802	524
Operating income (loss)	18,617	3,500	17,266	7,396	4,375	419	793	921	18,949	(222)	81	4,526	5,490	513
Financial expense (income)	(747)	(337)	(333)	(899)	390	(108)	(162)	5	(399)	57	4	5	(84)	188
Expense (income) from investments	—	—	(1,070)	—	(970)	—	500	—	—	—	—	—	(680)	—
Result before tax	19,364	3,837	18,669	8,295	4,955	527	455	916	19,348	(279)	77	4,521	6,254	325
Income tax	5,266	1,047	4,880	2,209	998	25	263	270	5,132	5	18	1,104	1,487	155
Net profit	14,098	2,790	13,789	6,086	3,957	502	192	646	14,216	(284)	59	3,417	4,767	170

ANNEX G: FINANCIAL HIGHLIGHTS OF ASSOCIATES

(Euro/thousands)	Attica Publications 31/12/2023
Period at	
Balance Sheet	
Assets	
Share capital proceeds to be received	—
Intangible assets	—
Other intangible assets	10,455
Property, plant and equipment	945
Rights-of Use-Assets	
Investments	7
Non-current financial assets	25
Deferred tax assets	2,161
Other non-current assets	138
Total non-current assets	13,731
Tax receivables	—
Other current assets	2,116
Inventory	656
Trade receivables	9,334
Securities and other current financial assets	—
Cash and cash equivalents	4,259
Total current assets	16,365
Discontinued or discontinuing operations	—
Total Assets	30,096
Liabilities	
Share Capital	4,590
Reserves	3,182
Profit (Loss) for the year	1,030
Total Equity	8,802
Provisions	—
Post-employment benefits	433
Non-current financial liabilities	10,294
Deferred tax liabilities	—
Other non-current liabilities	186
Total non-current liabilities	10,913
Income tax payables	117
Other current liabilities	5,193
Trade payables	3,481
Payables to banks and other financial liabilities	1,590
Total current liabilities	10,381
Liabilities disposed or being disposed of	—
Total liabilities	30,096

ANNEX G: FINANCIAL HIGHLIGHTS OF ASSOCIATES

(Euro/thousands)	Attica Publications
Period at	31/12/2023
Income statement	
Revenue from sales and services	19,817
Decrease (increase) in inventory	—
Purchase of raw and ancillary materials, consumables and goods	9,719
Purchase of services	8,558
Cost of personnel	—
Sundry expense (income)	(391)
EBITDA	1,931
Depreciation of property, plant and equipment	—
Amortization of intangible assets	—
Operating income (loss)	1,931
Financial expense (income)	1,091
Expense (income) from investments	(327)
Result before tax	1,167
Income tax	137
Net profit	1,030



Our commitment to sustainability

There are many awareness-raising initiatives that the Group, together with publishers, brands and bookshops, carries out to promote a culture that is increasingly inclusive and attentive to social and environmental sustainability topics. Above: Francesca Rigolio, the Group's Chief Sustainability Officer and a representation of the Mondadori people involved in the **Gender Equality Certification** process; the participants of the 2024 edition of the **Nudge Global Impact Challenge** project; the D&I webinar "Beliefs and assaults" dedicated to Group people; the **#InPiediControLaViolenza** initiative at Palazzo Niemeyer on the occasion of the International Day Against Violence Against Women; the team that worked on the project with Antonio Porro, the Group's Chief Executive Officer.

CERTIFICATION OF THE FINANCIAL STATEMENTS

CERTIFICATION OF THE FINANCIAL STATEMENTS PURSUANT TO ARTICLE 81-TER OF THE CONSOB REGULATION 11971 DATED 14 MAY 1999, WITH AMENDMENTS AND ADDITIONS

1. The undersigned Antonio Porro, in his capacity as CEO, and Alessandro Franzosi, in his capacity as Financial Reporting Manager of Arnoldo Mondadori Editore S.p.A., also in compliance with the provisions set out in Article 154-bis, paragraphs 3 and 4, of Legislative Decree no. 58 of 24 February 1998, hereby certify:

- the adequacy in relation to the characteristics of the company and
- the actual application

of the administrative and accounting procedures for the drafting of the Company's financial statements in 2024.

2. The assessment of the adequacy of the administrative and accounting procedures for the preparation of the Company's financial statements at 31 December 2024 was carried out based on a specific process defined by Arnoldo Mondadori Editore S.p.A. consistent with the Internal Control – Integrated Framework model issued by the Committee of Sponsoring Organizations of the Treadway Commission, which groups together a set of general principles of reference generally accepted at the international level.

3. We also hereby certify that:

3.1 the financial statements at 31 December 2024:

- a) were drafted in compliance with the applicable international accounting standards acknowledged at the EU level pursuant to EC regulation no. 1606/2002 of the EU Parliament and Council of 19 July 2002, as well as with the provisions set out for the implementation of Article 9 of Legislative Decree no. 38/2005;
- b) agree with the results of the accounting records and entries;
- c) provide a true and fair view of the financial position and results of operations of the Company;

3.2 the Report on Operations includes a reliable analysis of performance and results, of the situation of the Company and of the businesses included in the consolidation scope, along with the description of the main risks and uncertainties they are exposed to.

12/03/2025

CEO
Antonio Porro



The Financial Reporting

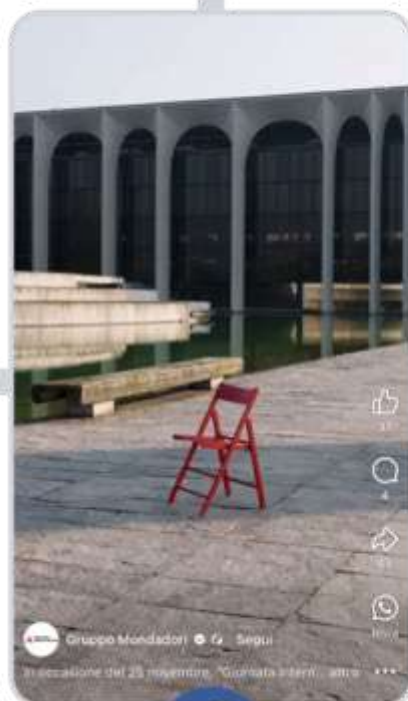
Alessandro Franzosi





All-round communication on social media

There are more than 200 social profiles, including corporate and brand profiles, through which the Mondadori Group communicates with its stakeholders. An ongoing account of the Company's activities, initiatives and people, to foster a direct dialogue with the various communities and its stakeholders. This page shows the posts with the most interactions on corporate accounts in 2024.



**STATUTORY AUDITORS' REPORT TO THE SHAREHOLDERS' MEETING
CALLED TO APPROVE THE FINANCIAL STATEMENTS AT 31 DECEMBER
2024
PURSUANT TO ARTICLE 153 OF LEGISLATIVE DECREE NO. 58/1998**

To the Shareholders' Meeting of Arnoldo Mondadori Editore S.p.A.

Dear Shareholders,

the Board of Statutory Auditors of Arnoldo Mondadori Editore S.p.A. (hereinafter also referred to as "the Company") submits its Report, pursuant to Article 153 of Legislative Decree 58/1998 (TUF), to refer on the activities carried out.

The Board of Statutory Auditors was appointed by the Shareholders' Meeting of 24 April 2024 and its term of office expires with the Shareholders' Meeting called to approve the financial statements for the year ended 31 December 2026.

The Board of Statutory Auditors expiring with the Shareholders' Meeting of 24 April 2024 consisted of Ms Sara Fornasiero, Chairman, Ms Flavia Minutillo and Mr Ezio Simonelli, Standing Auditors. The Shareholders' Meeting of 24 April 2024 appointed the Board of Statutory Auditors consisting of the following: Ms Sara Fornasiero, Chairman, Mr Ezio Simonelli and Ms Francesca Meneghel, Standing Auditors.

Following the resignation with effect from 21 December 2024 of Mr Ezio Simonelli, which was communicated to the market on the same date, Mr Emilio Gatto, Alternate Auditor belonging to the same list, presented by the majority shareholder Fininvest S.p.A. at the Shareholders' Meeting of 24 April, from which the resigning Statutory Auditor was drawn, took over the position of Standing Auditor.

The replacement by Mr Emilio Gatto took place in accordance with the provisions of the Bylaws and the provisions of art. 148, par. 1-bis, of the TUF regarding gender distribution in the composition of the control body.

At its meeting of 15 January 2025, the Board of Statutory Auditors conducted the necessary checks to verify that the replacement procedure and related corporate requirements were properly followed, and found no issues.

Pursuant to Legislative Decree no. 58/1998 and Legislative Decree no. 39/2010, EY S.p.A. (hereinafter referred to as the "Independent Auditors") were appointed as Independent Auditors by the Shareholders' Meeting of 17 April 2019 for the 2019-2027 period to carry out the statutory audit of the financial statements and consolidated financial statements, the limited audit of the condensed half-yearly consolidated financial statements, and further activities pursuant to Article 14 of Legislative Decree no. 39/2010. The appointment is also

in line with Regulation (EU) no. 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding the statutory audit of public-interest entities.

During the year ended 31 December 2024, the Board of Statutory Auditors - also in its capacity as "Internal Control and Audit Committee" - carried out the controls and other supervisory activities in compliance with the relevant laws and regulations in force, as well as with the Corporate Governance Code for Listed Companies, the Code of Conduct for Boards of Statutory Auditors of Listed Companies issued by the Italian Association of Public Accountants and Accounting Professionals, and the Communications issued by CONSOB on corporate control and the activities of the Board of Statutory Auditors.

The Board of Statutory Auditors met regularly in 2024, in compliance with the Bylaws and recorded its supervisory activities.

During the year, at the meeting held on 10 March 2025, the Board of Statutory Auditors carried out a self-assessment of the independence of its members, confirming that the requirements of law and of the Corporate Governance Code for Listed Companies had been met, in line also with the provisions contained in the Code of Conduct for Boards of Statutory Auditors of Listed Companies issued by the Italian Association of Public Accountants and Accounting Professionals. In assessing its independence, the Board of Statutory Auditors also took account of the criteria adopted by the Board of Directors to assess the independence requirements of the Directors approved on 18 March 2021. It is acknowledged that no Statutory Auditor had any interest, on their own behalf or of third parties, in any transaction of the Company during the year, and that the members of the Board of Statutory Auditors met the requirements regarding the holding of multiple positions set out in Article 144-*terdecies* of the Issuer Regulation. The assessments of the Board of Statutory Auditors were discussed during the meeting held on 10 March 2025 and included in the Report on Corporate Governance and Ownership Structure.

At the beginning of 2024, the Board of Statutory Auditors, whose term of office ended with the Shareholders' Meeting called to approve the financial statements as of 31 December 2023, assisted by an independent, external consulting firm, proceeded with its mandate-end assessment in compliance with the recommendations of the Corporate Governance Code and as envisaged by the "Rules of conduct of the Board of Statutory Auditors of listed companies", concluding with a positive assessment. Furthermore, in view of the expiry of the term of office, the Board's reflections and recommendations regarding the skills expected of the incoming Statutory Auditors, outlined in the document entitled "Guidelines on the qualitative and quantitative composition deemed optimal of the Board of Statutory Auditors of Arnoldo Mondadori Editore S.p.A.", were also compiled and made available in the Shareholders' Meeting documentation.

The undersigned Board of Statutory Auditors proceeded with its year-end self-assessment in compliance with the recommendations of the Corporate Governance Code and as envisaged by the "Rules of conduct of the Board of Statutory Auditors of listed companies".

The process was documented in meeting minutes. The outcome of this activity, resulting in a positive self-assessment of the Board of Statutory Auditors, with no deficiencies identified either at the individual level or in the functioning of the body as a whole, in line with the aforementioned "Rules of Conduct", was duly recorded at the meeting held on 10 March 2025, and is reported here to provide appropriate information on the results of the process.

With this Report, also in compliance with the guidelines provided by CONSOB with Communication DEM/1025564 of 6 April 2001, as subsequently amended and supplemented, the Board of Statutory Auditors reports on the activities carried out in 2024 for each matter that is subject to supervision as set out in the regulations governing its tasks, despite being aware that some activities may relate to different areas.

Supervision of the compliance with laws, regulations and bylaws

The Board met with all its members virtually always present, 17 times in 2024 and 6 times, including on the date of this report, in 2025; it attended all meetings of the Board of Directors.

In 2024, the Board of Statutory Auditors attended all the meetings of the Control, Risk and Sustainability Committee, the Remuneration and Appointments Committee, and the Committee for Related Party Transactions, either in its entirety or through the Chairman or his delegates. The Board of Statutory Auditors also periodically interacted with the Supervisory Board, at collective meetings, including through the Chairman of the Board of Statutory Auditors, acting also as Chairman of the Supervisory Board, and the Head of Internal Audit, who is a member of the Supervisory Board.

In this context, the Board of Statutory Auditors:

- supervised the compliance with the law and the Bylaws;
- carried out verifications and gathered information from the heads of the various departments, meeting periodically with senior management to exchange information on the progress of operations carried out by the Company, acquiring the information required to supervise, pursuant to Article 149 of Legislative Decree 58/1998, the compliance with the law and the bylaws, compliance with the principles of correct administration and the adequacy of the organisational structure, the internal control system, the administrative-accounting system, also in light of Article 2086 of the Italian Civil Code and Legislative Decree no. 14 of 12 January 2019 (the "Business Crisis and Insolvency Code"), as well as the implementation of corporate governance rules set out in the codes of conduct, and the adequacy of the instructions given to subsidiaries, with no observations to make. In this regard, it acknowledges that the relations with Company staff were built on mutual cooperation, respecting the respective roles and areas of responsibility, and that each body or department fulfilled the information obligations required by applicable legislation; supervised the procedures on the effective implementation of the Corporate Governance Code for Listed Companies adopted by the Company, and verified correct application of the assessment criteria and procedures adopted by the Board to assess the independence

of Directors. The Board of Statutory Auditors also gave a positive assessment of the criteria used by the Board of Directors to verify the continued independence of non-executive Directors classified as independent, in accordance with both the Corporate Governance Code and the requirements of the TUF. The Board also approved the criteria applied to evaluate the materiality of commercial, financial, professional and other compensation-related relationships;

- verified that the Report on Corporate Governance and Ownership Structure contains all the information required by Article 123 bis TUF, as well as other information provided in compliance with the regulations governing issuers listed on regulated markets;
- rendered its opinion in all the cases provided for by law, in particular regard to the remuneration of Directors holding particular responsibilities;
- acknowledges that, in accordance with the recommendations of the joint Bank of Italy-CONSOB-ISVAP document no. 4 of 3 March 2010, the Impairment Test procedure governed by IAS 36 received the favourable opinion of the Control, Risk and Sustainability Committee on 11 February 2025 and was approved by the Board of Directors on 12 February 2025; in this regard, the Board of Statutory Auditors supervised the substantial and formal legitimacy of the impairment process;
- verified that the Report on remuneration policy and compensation paid contains all the information required by Article 123-ter TUF, as well as other information provided in compliance with the regulations governing issuers listed on regulated markets.

Supervision of the compliance with the principles of correct administration and of the relations with subsidiaries or other related parties

In order to supervise the compliance with the principles of correct administration, in addition to having attended, as mentioned above, all meetings of the Board of Directors and the Control, Risk and Sustainability Committee, the Remuneration and Appointments Committee, and the Committee for Related Party Transactions, the Board of Statutory Auditors:

- attended the Shareholders' Meetings, both the ordinary and extraordinary ones held on 24 April 2024 and the extraordinary one held on 18 December 2024. In accordance with the provisions of Article 106 of Decree-Law No. 18 of 17 March 2020, as subsequently converted and amended, the Company arranged for participation and the exercise of voting rights at the aforementioned Shareholders' Meetings exclusively through the Appointed Representative, as provided for under Article 135-undecies of the TUF;
- obtained from the Directors, with the frequency set out in Article 20 of the bylaws, the due information on the activities carried out and on transactions having a significant impact on the balance sheet, income statement and cash flows approved and carried out during the year by the Company and its subsidiaries; this information is fully presented in the Directors' Report on Operations, to which reference should be made. Based on the information made available to the Board of Statutory Auditors, the latter may reasonably

- deem that the above transactions comply with the law and bylaws, and are not openly incautious, risky, or in conflict with the resolutions passed by the Shareholders' Meeting or such as to compromise the integrity of the Company's assets;
- in compliance with the recommendations of CONSOB Resolution DEM/1025564 of 6 April 2001, did not identify any critical issues regarding the transactions having a significant impact on the balance sheet, income statement and cash flows carried out during the year in question, including through subsidiaries, which are summarized in the draft financial statements to which it refers;
 - did not identify atypical or unusual transactions with Group companies, third parties or other related parties which, due to their significance or relevance, nature of the counterparts, object of the transaction, transfer pricing method and timing of the event, may give rise to doubts as to the accuracy/completeness of the information in the financial statements, conflicts of interest, safeguarding of company assets or protection of non-controlling interests;
 - supervised corporate documents and market disclosures, and specifically:
 - o noted that the Directors' Report on Operations accompanying the Financial Statements for 2024 contains adequate information on related party transactions and assessed, pursuant to Article 4, paragraph six, of the Regulation approved by CONSOB with Resolution 17221 of 12 March 2010 as subsequently amended, the compliance of the Related Party Transaction Procedures, adopted by the Board of Directors on 25 November 2010, and subsequently updated at 20 May 2021, in consideration of the regulatory provisions of CONSOB pursuant to Legislative Decree 49/2019, to the principles indicated in CONSOB Regulation adopted with Resolution no. 17221 of 12 March 2010 as subsequently amended. No significant transactions with related parties were carried out in 2024;
 - o assessed that the 2024 Annual Report had been prepared in the single electronic reporting format required by European Commission Delegated Regulation No. 2019/815 of 17 December 2018;
 - o supervised market disclosures, monitoring the adequacy of the relevant procedures.

Supervision of the adequacy of the organizational structure

The Board of Statutory Auditors acquired knowledge of and supervised, within the scope of its duties, the adequacy of the Company's organisational structure, pursuant also to Article 2086 of the Italian Civil Code and Legislative Decree no. 14 of 12 January 2019 (the "Business Crisis and Insolvency Code"), and the adequacy of the instructions given by the Company to its subsidiaries pursuant to Article 114, paragraph 2, of Legislative Decree 58/1998, through:

- the acquisition of information from the heads of the relevant departments;
- the acquisition of information on changes in the organizational structure, supervising the existence, updating and effective dissemination of company directives and procedures;

- meetings and exchange of information with the Boards of Statutory Auditors of the direct subsidiaries relevant to the mutual exchange of data and information, with particular regard to the operation of corporate activities, the reliability of the internal control system and of corporate organization, significant litigation and compliance with the internal procedures issued by the Parent Company. The purpose of the verifications was to obtain information and assessments on the administration and control systems of the subsidiaries, pursuant also to Article 2086 of the Italian Civil Code: the Boards of Statutory Auditors of the companies of the Group did not report any critical points worthy of mention in this regard. All the Boards of Statutory Auditors involved also expressed a positive opinion on the adequacy of the organizational, administrative and accounting system of the respective companies; there was no report of any violations of procedures qualifying as relevant or significant, nor shortfalls or inadequacies in the internal control systems; for the directly controlled foreign companies, the supervisory activity of the Board of Statutory Auditors was developed in association with Internal Audit;
- meetings with the Independent Audit department and analysis of the outcome of specific audits carried out;
- meetings with the Independent Auditors and analysis of the outcome of specific audits carried out, including on foreign subsidiaries.

As part of its supervisory activities, the Board of Statutory Auditors also reviewed and obtained information on the organizational and procedural activities carried out pursuant to Legislative Decree no. 231/2001 as subsequently amended and supplemented, and on the administrative liability of entities for the offences envisaged by such regulations; these activities are presented in the Report on corporate governance and ownership structure, to which reference should be made.

The Board of Statutory Auditors in particular:

- was informed, also through participation in meetings of the Risk and Sustainability Control Committee, the Board of Directors, and the Supervisory Board, about the process of updating the Organisation, Management and Control Model in accordance with Legislative Decree 231/2001;
- supervised the activities carried out in this area in 2024, without reporting any facts or situations to be highlighted in this Report.

Supervision of the internal control and risk management system and the administrative and accounting system

The Board of Statutory Auditors supervised the adequacy of the internal control and risk management system and of the administrative-accounting system, as well as the latter's suitability to correctly represent operations, through:

- review of the positive assessment expressed by the Board of Directors on the adequacy and effective operation of the organisational, administrative and accounting structure, with particular reference to the internal control and risk management system, expressed on 12 March 2025;
- the regular meetings with the Financial Reporting Manager and the review of the certificates issued by him and by the Chief Executive Officer on the adequacy of the administrative and accounting procedures for preparing the financial statements. In this regard, the Board of Statutory Auditors acknowledged, without highlighting any critical issues, that the Financial Reporting Manager was also assigned the responsibility of certifying the Sustainability Report pursuant to Article 154-bis, paragraph 5-ter of Legislative Decree 58/1998, as per the Board resolution of 13 February 2025;
- periodic meetings with the Head of Internal Audit and review of the relating Reports to the Board of Directors on the internal control and risk management system;
- review of Internal Audit reports, as well as information on the outcomes of the monitoring activity on implementation of the remedial actions identified as a result of the audits;
- review of the Reports prepared as part of the Risk Management activities, aimed at representing the main risks of the Group and the related mitigation actions;
- review of the activities performed by the Compliance structure;
- periodic updates on the main disputes of the Company and the Group, monitoring their progress during the year;
- information received from the heads of the relevant departments;
- periodic meetings with the representatives of the Independent Auditors, who informed the Board of the audit strategy, the focus areas, the audits carried out and the relating results, as well as the main issues identified in performing the activity, also in relation to the provisions of Article 19 of Legislative Decree no. 39/2010 and Article 11 of EU Regulation no. 537/2014 as indicated in the section "*Supervision of the statutory audit process and the independence of the Independent Auditors*" of this Report;
- information reports with the Boards of Statutory Auditors of the direct subsidiaries pursuant to Article 151, paragraph 1 and 2, of Legislative Decree 58/1998;
 - attendance in the proceedings of the Control, Risk and Sustainability Committee and, whenever the topics discussed so required, joint discussion with the Committee. The collaboration and discussion with the Control, Risk and Sustainability Committee, also through the organization of joint meetings on issues of common interest, was fruitful and effective and, among other things, allowed the Board of Statutory Auditors to complete the process of analysis on risk control and management, acquiring information additional

to the information obtained independently through ongoing interaction with the Head of Internal Audit and the Risk Management department of the Company. The Board of Statutory Auditors, in particular, acknowledges that during the meetings of the Control, Risk and Sustainability Committee, the relevant verifications were made, in accordance with the provisions of the Corporate Governance Code for Listed Companies and the Committee's Regulations, which were regularly presented to the Board of Statutory Auditors in its capacity as Internal Control and Audit Committee. Specifically, the Board of Statutory Auditors supervised the adequacy and effectiveness of the internal control and risk management system, in relation to the characteristics of the company and the risk profile assumed, the work plan prepared by the Head of Internal Audit, the adequacy of the resources assigned, as well as its organizational effectiveness and efficiency. Additionally, the Board of Statutory Auditors acknowledged that on 26 February 2025 the Control, Risk and Sustainability Committee issued a favourable opinion on the annual assessment of the adequacy of the Internal Control and Risk Management System

- meetings with the Supervisory Board pursuant to Legislative Decree no. 231/2001;
- assessment of the full compliance with the obligations on regulated, inside or requested information by the Supervisory Authorities;

Effective information flows are in place between the Board of Statutory Auditors, the Board of Directors, the Board committees and the Company structures.

The Board of Statutory Auditors has also gathered information from the relevant departments regarding the Sustainability Reporting process. In particular, it:

- verified the presence of an adequate organisational structure responsible for Sustainability Reporting, with sufficient human, financial and IT resources;
- reviewed the directives, procedures and operational practices adopted by the Company to ensure that the consolidated Sustainability Report is timely, complete and reliable, subject to the Board of Directors' responsibility for overseeing the reporting process;
- monitored the adequacy of the administrative and accounting systems, also with respect to Sustainability Reporting;
- monitored the implementation and receipt of adequate periodic information flows, both quantitative and qualitative, necessary for the preparation of the Sustainability Report.

It confirmed that the Consolidated Sustainability Report was prepared by the Directors in accordance with Legislative Decree No. 125/2024 and the internal procedures adopted by the Company to comply with the reporting standards issued by the European Commission under Article 29-ter of Directive 2013/34/EU of the European Parliament and Council of 26 June 2013, offering recommendations or proposals where appropriate to ensure the integrity of the report. Furthermore, the Board verified that the sustainability reporting framework is aligned with Articles 3 and 4 of Legislative Decree No. 125/2024, as well as with the strategic objectives and corporate policies outlined in the business plans. It also confirmed that the reporting includes disclosures on both the impact of the company's activities on the environment, society and governance ("inside-

out”) and the ways in which sustainability-related risks and opportunities affect the company’s financial performance (“outside-in”);

- oversaw the completeness, adequacy and effectiveness of the procedures, processes and organisational structures involved in preparing the Sustainability Report. It also ensured compliance with applicable regulations and verified the correct application of both the subjective and objective scope of the reporting requirements, while acknowledging that responsibility for verifying regulatory compliance and adherence to ESRS standards lies with the external auditor;
- verified that the Directors adhered to all procedural rules concerning the preparation, filing and publication of the Sustainability Report, conducting a comprehensive review of the process underlying the preparation of the Consolidated Sustainability Report, and obtained formal certification from both the Chief Executive Officer and the Executive responsible for Sustainability Reporting. The certification is provided in accordance with the model established by Consob regulation;
- obtained information on the activities planned and undertaken by the Financial Reporting Manager and reviewed the related certification;
- gathered information on the activities planned and carried out by the second-level control functions, with particular attention to the implementation of the risk identification and management system, as well as by the third-level control (internal audit) with respect to sustainability reporting;
- oversaw the certification process of the consolidated sustainability reporting by establishing regular information exchanges with the sustainability reporting auditors and analysing the methodological framework adopted by them.

Supervision of the statutory audit process and the independence of the Independent Auditors

The Independent Auditors issued the reports pursuant to Article 14 of Legislative Decree no. 39/2010, and to articles 10 and 11 of EU Regulation no. 537/2014: these reports do not contain any issues of note or explanatory comments, nor statements made pursuant to letters e) and f) of Article 14, second paragraph, of Legislative Decree no. 39/2010. The Independent Auditors consider the valuation of investments as key points of the audit of the financial statements.

More specifically, the Board examined the Independent Auditors' Reports on the separate financial statements and the consolidated financial statements as at 31 December 2024 issued, pursuant to Article 14 of Legislative Decree 39/2010 and Article 10 of EU Reg. 537/2014, on 25 March 2025 and in which the Independent Auditors certified that:

- the Company's financial statements and the Group's consolidated financial statements at 31 December 2024 provide a true and fair view of the financial position and results of operations at 31 December 2024 and of cash flows for the year, in accordance with the International Financial Reporting Standards adopted by the European Union and the provisions issued in implementation of Article 9 of Legislative Decree no. 38/2005, and are drawn up in accordance with Commission Delegated Regulation (EU) 2019/815 of 17 December 2018;
- the Directors' Report on Operations and certain specific information contained in the Report on Corporate Governance and Ownership Structure indicated in Article 123-bis, paragraph 4, of Legislative Decree no. 58/1998, are consistent with the Company's financial statements and the Group's consolidated financial statements, and have been prepared in accordance with the law;
- the opinion on the separate and consolidated financial statements expressed in the above Reports is in line with the indications in the Additional Report prepared pursuant to Article 11 of EU Regulation 537/2014.

The Board also reviewed the content of the Additional Report pursuant to Article 11 of EU Regulation 537/2014, to be sent to the Governing Body, which contained no aspects to be highlighted in this report.

The Board of Statutory Auditors took note of the assessment by the Independent Auditors, pursuant to Article 123-ter, paragraph 8-bis, of the TUF, of the preparation by the Directors of Section Two of the "Report on remuneration policy and compensation paid".

The Board of Statutory Auditors held regular meetings with the Independent Auditors' managers, also pursuant to Article 150, paragraph 3, of Legislative Decree 58/1998, Article 19, paragraph 1, of Legislative Decree 39/2010, during which no facts or situations arose to be highlighted in this Report.

The Board of Statutory Auditors, as the Internal Control and Auditing committee:

- performed an overarching supervisory review of the relevant matters and processes, verifying compliance with the obligations set out in Legislative Decree No. 125/2024,

which transposes the European Corporate Sustainability Reporting Directive (CSRD) into Italian law. In particular, it confirmed that the Company has prepared the Consolidated Sustainability Report, drafted and approved by the Board of Directors, in accordance with the provisions of Article 4 of the Decree;

- assessed that the above consolidated Sustainability Reporting was accompanied by the Independent Auditors' Report, pursuant to Article 3, paragraph 8 of Legislative Decree 125/2024, which certified that the directors had prepared the consolidated Sustainability Reporting, included in the Directors' Report on Operations as a specific section. Under a specific assignment, on 25 March 2025 the Independent Auditors also issued a "Limited Assurance" certification, with no observations to make, on the conformity of the information provided in the consolidated Sustainability Reporting with the requirements of the above Legislative Decree no. 125/2024 and with the principles, methods and procedures of preparation, as well as with Article 5 of CONSOB Regulation adopted by resolution no. 20267 of 18 January 2018;
- took note of the "Limited Assurance" certification process for the Sustainability Report, including any comments received in time for the Shareholders' Meeting before which the Directors' Report on Operations, containing the relevant section of the Sustainability Report, is presented.

The Board of Statutory Auditors, pursuant to Article 19 of Legislative Decree no. 39/2010, as amended by Legislative Decree no. 135/2016, exchanged information on an ongoing basis with the Independent Auditors, in particular:

- supervised the adoption and monitored compliance with the Company's procedure on the granting of assignments to the Group's Independent Auditors, which envisages specific information and authorization flows and procedures on the granting of such assignments to enable the Board of Statutory Auditors to adequately carry out its supervisory activities. The overall flow of information, which the Board of Statutory Auditors deems adequate, did not identify any critical issues or anomalies that could affect the opinions expressed on the separate and consolidated financial statements of the Company;
- declares that the fees for services other than statutory audit indicated, pursuant to Article 149-duodecies of the Issuer Regulation, in an annex to the 2024 Annual Report, which total € 433,000.00, comply with the limits set out in Article 4, paragraph 2, of EU Regulation 537/2014.

The Independent Auditors have not been assigned tasks that are not permitted under the regulations applicable to Arnoldo Mondadori Editore S.p.A..

Taking into account the statements of independence issued by EY S.p.A. and its transparency report pursuant to Article 18 of Legislative Decree 39/2010, published on its website, as well as the assignments granted to the Independent Auditors and to companies belonging to its network by Arnoldo Mondadori Editore S.p.A. and companies of the Mondadori Group, the Board of Statutory Auditors deems there are no critical aspects

regarding the independence of EY S.p.A.. Complaints pursuant to Article 2408 of the Italian Civil Code.

From the date of the previous Report of the Board of Statutory Auditors up to the date of this Report, the Board of Statutory Auditors identified no omissions or reprehensible events, and confirms that no complaints were received from Shareholders pursuant to Article 2408 of the Italian Civil Code.

During the supervisory activity carried out by the Board of Statutory Auditors in the manner described above, based on the information and data acquired, there were no facts that could imply non-compliance with the law and the bylaws or such as to justify reports to the Supervisory Authority or mention in this report.

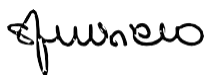
In conclusion, in light of the above, and within the scope of its duties, based on the supervisory activities carried out during the year, the Board of Statutory Auditors, pursuant to Article 153, paragraph 2, of the TUF, has not found any impediment that may prevent the approval of the financial statements for the year ended 31 December 2024, which closes with a net profit of € 60,211,494, or of the proposed resolutions put forward by the Board of Directors in respect of the allocation of the period profit and the distribution of the dividend.

Milan, 25 March 2025

FOR THE BOARD OF STATUTORY AUDITORS

The Chairman

Sara Fornasiero

A handwritten signature in black ink, appearing to read 'S. Fornasiero', written in a cursive style.

Arnoldo Mondadori Editore S.p.A.

Independent auditor's report on the limited assurance of the
Consolidated Sustainability Statement in accordance with
Article 14-bis of Legislative Decree n. 39, dated 27 January
2010

Independent auditor's report on the limited assurance of the Consolidated Sustainability Statement in accordance with Article 14- bis of Legislative Decree n. 39, dated 27 January 2010 (Translation from the original Italian text)

To the shareholders of
Arnoldo Mondadori Editore S.p.A.

Conclusions

We have been appointed to perform a limited assurance engagement pursuant to Articles 8 and 18, paragraph 1, of Legislative Decree n. 125 dated 6 September 2024 (Decree) on the Consolidated Sustainability Statement of Arnoldo Mondadori Editore S.p.A. and its subsidiaries (Group or Mondadori Group) for the year ended on 31 December 2024 (CSS), prepared in accordance with Article 4 of the Decree, included in the specific section of the Management Report.

Based on the procedures performed, nothing has come to our attention that causes us to believe that:

- the Mondadori Group CSS for the year ended on 31 December 2024, has not been prepared, in all material respects, in accordance with the reporting principles adopted by the European Commission pursuant to European Directive 2013/34/EU (*European Sustainability Reporting Standards*, ESRS);
- the information included in the paragraph "*Disclosure pursuant to article 8 of Regulation EU 2020/852 (European Taxonomy Regulation)*" of the CSS has not been prepared, in all material respects, in accordance with Article 8 of European Regulation n. 852 dated 18 June 2020 (*Taxonomy Regulation*).

Elements underlying the conclusions

We have performed a limited assurance engagement in accordance with the Sustainability Reporting Assurance Standard (*Principio di Attestazione della Rendicontazione di sostenibilità*) – SSAE (Italy). The procedures performed in this type of engagement vary in nature and timing compared to those necessary for conducting an engagement aimed at obtaining a reasonable level of assurance and are also less extensive. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the level of assurance that would have been obtained if the engagement aimed to acquire a reasonable level of assurance. Our responsibilities under this Standard are further described in the section "*Auditor's responsibility for the Assurance on the Consolidated Sustainability Statement*" of this report.

We are independent in accordance with the standards and principles regarding ethics and independence applicable to the assurance engagement of the CSS according to Italian law.

Our audit firm applies the *International Standard on Quality Control (ISQM Italy) 1*, under which it is required to establish, implement, and operate a quality management system that includes instructions and procedures on compliance with ethical principles, professional principles, and applicable legal and regulatory provisions.

We believe we have obtained sufficient and appropriate evidence on which to base our conclusions.

Other Matters – Comparative information

The CSS for the year ended on 31 December 2024 contains in the paragraph “Disclosure pursuant to article 8 of Regulation EU 2020/852 (European Taxonomy Regulation)”, the comparative information referred to in Article 8 of the Taxonomy Regulation for the year ended on 31 December 2023, which has not been subjected to verification.

Responsibility of Directors and Board of Statutory Auditors for the Consolidated Sustainability Statement

The directors are responsible for the development and implementation of procedures used to identify the information included in the CSS in accordance with the requirements of the ESRS (Materiality assessment process) and for the description of such procedures in the paragraph “*Description of the process and results of the double materiality assessment*” of the CSS.

The directors are also responsible for the preparation of the CSS, which contains the information identified through the Materiality assessment process, in accordance with the requirements of Article 4 of the Decree, including:

- compliance with *ESRS*;
- compliance with Article 8 of the EU Taxonomy Regulation regarding the information contained in the paragraph “*Disclosure pursuant to article 8 of Regulation EU 2020/852 (European Taxonomy Regulation)*”.

This responsibility entails the establishment, implementation, and maintenance, as required by law, for that part of internal control that they consider necessary in order to allow the preparation of the CSS in accordance with the requirements of Article 4 of the Decree, free from material misstatements caused by fraud or not intentional behaviors or events. This responsibility also includes the selection and application of appropriate methods for processing the information as well as the development of assumptions and estimates regarding specific sustainability information that are reasonable under the circumstances.

The Board of Statutory Auditors is responsible, within the terms provided by the law, for overseeing the compliance with the requirements of the Decree.

Inherent limitations in the preparation of the Consolidated Sustainability Statement

As indicated in paragraph “*Methodology and general criteria for the preparation of the report*”, for the purpose of reporting prospective information in accordance with the ESRS, the directors are required to prepare such information based on assumptions, described in the CSS, regarding events that may occur in the future and possible future actions by the Group. Due to the uncertainty associated with the realization of any future events, both concerning the occurrence itself and regarding the extent and timing of its occurrence, the variations between actual values and prospective information could be significant.

As indicated in the paragraph "*Methodology and general criteria for the preparation of the report*", the information related to Scope 3 greenhouse gas emissions is subject to greater intrinsic limitations compared to Scope 1 and 2, due to the limited availability and accuracy of the data used to define such information, both quantitative and qualitative, related to value chain.

Auditor's responsibility for the Assurance of the Consolidated Sustainability Statement

Our objectives are to plan and perform procedures to obtain a limited level of assurance that the CSS is free from material misstatements, due to fraud or not intentional behaviors or events, and to issue a report containing our conclusions. Errors may arise from fraud or not intentional behaviors or events and are considered significant if it can be reasonably expected that they, individually or in the aggregate, could influence the decisions made by users based on the CSS.

In the context of the engagement aimed at obtaining a limited level of assurance in accordance with the Sustainability Reporting Assurance Standard (*Principio di Attestazione della Rendicontazione di Sostenibilità*) – SSAE (Italy), we exercised professional judgment and maintained professional skepticism throughout the duration of the engagement.

Our responsibilities include:

- considering the risks to identify the information in which a significant error is likely to occur, whether due to fraud or not intentional behaviors or events;
- defining and performing procedures to verify the information in which a significant error is likely to occur. The risk of not detecting a significant error due to fraud is higher than the risk of not detecting a significant error arising from not intentional behaviors or events, as fraud may involve collusion, forgery, intentional omissions, misleading representations, or manipulation of internal controls;
- directing, supervising, and conducting the limited assurance of the CSS and assuming full responsibility for the conclusions regarding the CSS.

Summary of the work performed

An engagement aimed at obtaining a limited level of assurance involves performing procedures to obtain evidence as a basis for formulating our conclusions.

The procedures performed on the CSS were based on our professional judgment and included interviews, primarily with the company personnel responsible for preparing the information included in the CSS, as well as documents analysis, recalculations and other procedures aimed to obtain evidence considered appropriate.

In particular, we performed the following procedures, partly in a preliminary phase before the end of the year and subsequently in a final phase up to the date of issuance of this report:

- understanding the business model, the Group's strategies, and the context in which it operates concerning sustainability issues;

- understanding the processes underlying the generation, detection, and management of the qualitative and quantitative information included in the CSS, including the analysis of the reporting perimeter;
- understanding the process implemented by the Group for identifying and assessing relevant impacts, risks, and opportunities based on the principle of Double Materiality concerning sustainability issues and verifying the related information included in the CSS;
- identifying the information for which there is a likelihood of a significant error risk;
- defining and performing analytical and substantive procedures, based on our professional judgment, to address the identified significant error risks, including:
 - o for the information collected at the Group level:
 - carrying out inquiries and document analysis regarding qualitative information, particularly policies, actions, and targets on sustainability issues, to verify consistency with the evidence collected;
 - performing analytical procedures and limited assurance procedures on a sample basis regarding quantitative information;
 - o for the companies Arnoldo Mondadori Editore S.p.A. and Mondadori Media S.p.A., that we have selected based on their activities and on their contribution to the CSS metrics, we have carried out interviews during which we have had discussions with the Group personnel and have obtained documentary evidence regarding the metrics determination;
- regarding the requirements of Article 8 of the EU Taxonomy Regulation, understanding the process implemented by the Group to identify eligible economic activities and determine their aligned nature based on the provisions of the EU Taxonomy Regulation, and verifying the related information included in the CSS;
- cross-checking the information reported in the CSS with the information contained in the consolidated financial statements in accordance with the applicable financial reporting framework or with the accounting data used for the preparation of the consolidated financial statements or with the management data of an accounting nature;
- verifying the structure and presentation of the information included in the CSS in accordance with the ESRS;
- obtaining the representation letter.

Milan, 25 March 2025

EY S.p.A.
Signed by: Luca Pellizzoni, Auditor

This report has been translated into the English language solely for the convenience of international readers.

Arnoldo Mondadori Editore S.p.A.

Consolidated financial statements as at December 31, 2024

Independent auditor's report pursuant to article 14 of
Legislative Decree n. 39, dated 27 January 2010, and article
10 of EU Regulation n. 537/2014

Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010 and article 10 of EU Regulation n. 537/2014

(Translation from the original Italian text)

To the Shareholders of
Arnoldo Mondadori Editore S.p.A.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Mondadori Group (the Group), which comprise the consolidated balance sheet as at December 31, 2024, the consolidated income statement, the consolidated comprehensive income statement, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and explanatory notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at December 31, 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of Arnoldo Mondadori Editore S.p.A. in accordance with the regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We identified the following key audit matters:

Key Audit Matters	Audit Responses
Valuation of goodwill, intangible assets and other non-current assets	
At December 31, 2024 goodwill, magazines, trademarks and book series, and other non-current assets for a total of Eur 293 million (of which Eur 259 million with an indefinite life) were recognized in the consolidated financial statements and the respective Cash Generating Units (CGUs) were tested for impairment. Impairment tests are conducted by comparing CGUs carrying amounts with the related recoverable amounts, which are determined as the higher between fair value less costs of disposal and value in use. The impairment test process conducted by the Management is complex and is based on assumptions regarding, among others: (i) the forecast of revenues and cash flows included in 2025-2027 plan approved by the Board of Directors (the Plan), and (ii) the determination of appropriate discount rate (WACC) and long-term growth rate (g rate). For such purposes, the evaluation of uncertainties, specific to the industry in which the Company operates and typical of any forecasting activity related to the estimate of revenues and cash flows expected over the period of the Plan, are particularly important in the current market context. Considering the magnitude of the amounts subject to impairment, the judgment required from Management and the complexity of the assumptions used in the estimate of the recoverable amount, we determined that this matter represents a key audit matter. Explanatory notes 6, 7 and 8 include the applicable accounting standards, the valuation criteria and the estimates adopted in connection with such assets. The explanatory note 11 to the balance sheet includes disclosures on the impairment test process.	Our audit procedures in response to this key audit matter included, among others: • understanding of the impairment test process and methodology approved by the Board of Directors; • assessment of the compliance with applicable accounting standards for the methodology adopted in the impairment test process; • assessment of the adequacy of CGUs perimeter and the allocation of carrying values to each CGU; • analysis of the key assumptions and the methodology used for the impairment test process, including: (i) forecasted future revenues and cash flows for the CGUs as included in the Plan, and (ii) the determination of an appropriate WACC and g-rate. With reference to the current year business combinations, we analyzed the accounting approach adopted by the Group, the contractual agreements as well as the documentation prepared by experts who assisted the Group in the process of determining the fair value of the assets and liabilities acquired for the allocation of the price paid. During the course of our procedures, we were also supported by our experts in valuation techniques. Lastly, we assessed the adequacy of the information provided in the consolidated explanatory notes.

Revenue recognition for book sales – estimate of expected returns

The books area revenues for 2024 amounted to Eur 630 million and are accounted for net of actual and expected returns, which amounted to an aggregate of Eur 131 million.

The quantities of books that are expected to be returned in the years subsequent to their sales are subjected to an estimation process based on historical trends, which consider product print runs during the year and other factors that can affect the number of books returned.

We determined that the estimate of the adjustments to revenues due to expected returns represents a key audit matter considering the magnitude of the amounts involved, the discretionary component inherent in the estimation process, and the complexity of the calculation involved in consideration of the large number of publishers, editorial lines and distribution channels of the Group.

Explanatory notes 6 and 7 include the applicable accounting standards, the valuation criteria and the estimates adopted for the revenue recognition of book sales and the estimate of expected returns. Explanatory note 29 of the income statement includes disclosures related to revenues for the fiscal year.

Our audit procedures in response to this key audit matter included, among others:

- understanding of sales returns process implemented by Management in order to determine estimated and actual returns;
- assessment of compliance with applicable accounting standards of the methodology used to recognize adjustments to revenues;
- critical analysis of the key assumptions impacting the estimation of expected returns, based, among others, on the characteristics of publishers, editorial lines and distribution channels;
- substantial analytical procedures and tests of details on a sample basis in order to assess the completeness and accuracy of adjustments to revenues due to returns.

Lastly, we assessed the adequacy of the information provided in the consolidated explanatory notes.

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

The Directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS accounting standards issued by International Accounting Standards Board as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005, and, within the terms provided by the law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Group's ability to continue as a going concern and, when preparing the consolidated financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof. The Directors prepare the consolidated financial statements on a going concern basis unless they either intend to liquidate the Parent Company Arnoldo Mondadori Editore S.p.A. or to cease operations, or have no realistic alternative but to do so.

The statutory audit committee (“Collegio Sindacale”) is responsible, within the terms provided by the law, for overseeing the Group’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

- we have identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- we have obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we have concluded on the appropriateness of Directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to consider this matter in forming our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- we have evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- we have obtained sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We have communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We have provided those charged with governance with a statement that we have complied with the ethical and independence requirements applicable in Italy, and we have communicated them all matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken to eliminate relevant risks or the safeguard measures applied.

From the matters communicated with those charged with governance, we have determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We have described these matters in our auditor's report.

Additional information pursuant to article 10 of EU Regulation n. 537/14

The shareholders of Arnoldo Mondadori Editore S.p.A., in the general meeting held on April 27, 2019, engaged us to perform the audits of the separate and consolidated financial statements of the Company for each of the years ending December 31, 2019 to December 31, 2027.

We declare that we have not provided prohibited non-audit services, referred to article 5, par. 1, of EU Regulation n. 537/2014, and that we have remained independent of the Group in conducting the audit.

We confirm that the opinion on the consolidated financial statements included in this report is consistent with the content of the additional report to the audit committee (Collegio Sindacale) in their capacity as audit committee, prepared pursuant to article 11 of the EU Regulation n. 537/2014.

Report on compliance with other legal and regulatory requirements

Opinion on the compliance with Delegated Regulation (EU) 2019/815

The Directors of Arnoldo Mondadori Editore S.p.A. are responsible for applying the provisions of the European Commission Delegated Regulations (EU) 2019/815 for the regulatory technical standards on the specification of a single electronic reporting format (ESEF – European Single Electronic Format) (the “Delegated Regulation”) to the consolidated financial statements as of December 31, 2024, to be included in the annual financial report.

We have performed the procedures under the auditing standard SA Italia n. 700B, in order to express an opinion on the compliance of the consolidated financial statements as at December 31, 2024 with the provisions of the Delegated Regulation.

In our opinion, the consolidated financial statements as at December 31, 2024 have been prepared in the XHTML format and have been marked-up, in all material aspects, in compliance with the provisions of the Delegated Regulation.

Due to certain technical limitations, some information included in the notes to the consolidated financial statements when extracted from the XHTML format to an XBRL instance may not be reproduced in an identical manner with respect to the corresponding information presented in the consolidated financial statements in XHTML.

Opinion and statement pursuant to article 14, paragraph 2, subparagraph e), e-bis) and e-ter) of Legislative Decree n. 39 dated 27 January 2010 and pursuant to article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998

The Directors of Arnoldo Mondadori Editore S.p.A. are responsible for the preparation of the Report on Operations and of the Report on Corporate Governance and Ownership Structure of Mondadori Group as at December 31, 2024, including their consistency with the related consolidated financial statements and their compliance with the applicable laws and regulations.

We have performed the procedures required under audit standard SA Italia n. 720B, in order to:

- express an opinion on the consistency of the Report on Operations and of specific information included in the Report on Corporate Governance and Ownership Structure as provided for by article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, with the consolidated financial statements;
- express an opinion of the compliance with the laws and regulations of the Report on Operations, excluding the section related to the consolidated sustainability information, and the above mentioned specific information included in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998;
- issue a statement on any material misstatement in the Report on Operations and in certain specific information contained in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998.

In our opinion, the Report on Operations and the specific information contained in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, are consistent with the consolidated financial statements of Mondadori Group as at December 31, 2024.

Furthermore, in our opinion, the Report on Operations, excluding the section related to the consolidated sustainability information, and the specific information contained in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, comply with the applicable laws and regulations.

With reference to the statement required by art. 14, paragraph 2, subparagraph e-ter), of Legislative Decree n. 39, dated 27 January 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.

Our opinion on compliance with applicable laws and regulations does not extend to the section of the Report on Operations related to consolidated sustainability information. The conclusion on the compliance of this section with the applicable standards governing its preparation criteria and the compliance with the disclosure requirements pursuant to article 8 of (EU) Regulation 2020/852 are formulated by us in the attestation report pursuant to article 14-bis of Legislative Decree No. 39 dated 27 January 2010.

Milan, March 25, 2025

EY S.p.A.

Signed by: Luca Pellizzoni, Auditor

As disclosed by the Directors, the accompanying consolidated financial statements of Arnoldo Mondadori Editore S.p.A. constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815. This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

Arnoldo Mondadori Editore S.p.A.

Financial statements as at December 31, 2024

Independent auditor's report pursuant to article 14 of
Legislative Decree n. 39, dated 27 January 2010, and article
10 of EU Regulation n. 537/2014

Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010 and article 10 of EU Regulation n. 537/2014

(Translation from the original Italian text)

To the Shareholders of
Arnoldo Mondadori Editore S.p.A.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Arnoldo Mondadori Editore S.p.A. (the Company), which comprise the balance sheet as at December 31, 2024, the income statement, the comprehensive income statement, the statement of changes in equity and the statement of cash flows for the year then ended, and explanatory notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at December 31, 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS accounting standards issued by International Accounting Standards Board as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We identified the following key audit matter:

Key Audit Matter	Audit Response
Investments valuation The financial statements include investments in subsidiaries, jointly controlled entities and associates accounted for under the equity method, which amount to Eur 697 million, inclusive of goodwill and other intangible assets identified at the acquisition date. The Company performed an impairment test for all Cash Generating Units (CGUs) related to the various investees to which the above-mentioned intangible assets are referred to, by comparing the carrying amounts with the related recoverable amounts, determined as the higher between fair value less costs of disposal and value in use. The impairment test process conducted by the Management is complex and is based on assumptions regarding, among others: (i) the forecast of revenues and cash flows included in 2025-2027 plan approved by the Board of Directors (the Plan), and (ii) the determination of appropriate discount rate (WACC) and long-term growth rate (g rate). For such purposes, the evaluation of uncertainties, specific to the industry in which the Company operates and typical of each forecasting activity related to the estimate of revenues and cash flows expected over the period of the Plan, are particularly important in the current market context. Considering the magnitude of the amounts subject to impairment, the judgment required from Management and the complexity of the assumptions used in the estimate of the recoverable amount, we determined that this matter represents a key audit matter. Explanatory notes 3 and 4 include the applicable accounting standards, the valuation criteria and the estimates adopted in connection with such assets. The explanatory note 4 to the balance sheet includes disclosures on investments, including the impairment test process.	Our audit procedures in response to this key audit matter have included, among others: • understanding of the impairment test process and methodology approved by the Board of Directors; • assessment of the compliance with applicable accounting standards for the methodology adopted in the impairment test process; • assessment of the adequacy of CGUs perimeter and the allocation of carrying value to each CGU; • analysis of the key assumptions and the methodology used for the impairment test process, including: (i) forecasted future revenues and cash flows as included in the Plan, and (ii) the determination of an appropriate WACC and g-rate. With reference to the current year business combinations, we analyzed the accounting approach adopted by the Company, the contractual agreements as well as the documentation prepared by the experts who assisted the Company in the process of determining the fair value of the assets and liabilities acquired for the allocation of the price paid. During the course of our procedures, we were also supported by our experts in valuation techniques. Lastly, we assessed the adequacy of the disclosures provided in the explanatory notes to the financial statements.

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS accounting standards issued by International Accounting Standards Board as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005, and, within the terms provided by the law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Company's ability to continue as a going concern and, when preparing the financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof. The Directors prepare the financial statements on a going concern basis unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The statutory audit committee ("Collegio Sindacale") is responsible, within the terms provided by the law, for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

- we have identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- we have obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we have concluded on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to consider this matter in forming our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- we have evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We have communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We have provided those charged with governance with a statement that we have complied with the ethical and independence requirements applicable in Italy, and we have communicated them all matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken to eliminate relevant risks or the safeguard measures applied.

From the matters communicated with those charged with governance, we have determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We have described these matters in our auditor's report.

Additional information pursuant to article 10 of EU Regulation n. 537/14

The shareholders of Arnoldo Mondadori Editore S.p.A., in the general meeting held on April 17, 2019, engaged us to perform the audits of the separate and consolidated financial statements of the Company for each of the years ending December 31, 2019 to December 31, 2027.

We declare that we have not provided prohibited non-audit services, referred to article 5, par. 1, of EU Regulation n. 537/2014, and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the financial statements included in this report is consistent with the content of the additional report to the audit committee (Collegio Sindacale) in their capacity as audit committee, prepared pursuant to article 11 of the EU Regulation n. 537/2014.

Report on compliance with other legal and regulatory requirements

Opinion on the compliance with Delegated Regulation (EU) 2019/815

The Directors of Arnoldo Mondadori Editore S.p.A. are responsible for applying the provisions of the European Commission Delegated Regulations (EU) 2019/815 for the regulatory technical standards on the specification of a single electronic reporting format (ESEF – European Single Electronic Format) (the “Delegated Regulation”) to the financial statements as of December 31, 2024, to be included in the annual financial report.

We have performed the procedures under the auditing standard SA Italia n. 700B, in order to express an opinion on the compliance of the financial statements as at December 31, 2024 with the provisions of the Delegated Regulation.

In our opinion, the financial statements as at December 31, 2024 have been prepared in the XHTML format in compliance with the provisions of the Delegated Regulation.

Opinion and statement pursuant to article 14, paragraph 2, subparagraph e), e-bis) and e-ter) of Legislative Decree n. 39 dated 27 January 2010 and pursuant to article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998

The Directors of Arnoldo Mondadori Editore S.p.A. are responsible for the preparation of the Report on Operations and of the Report on Corporate Governance and Ownership Structure of Arnoldo Mondadori Editore S.p.A. as at December 31, 2024, including their consistency with the related financial statements and their compliance with the applicable laws and regulations.

We have performed the procedures required under audit standard SA Italia n. 720B, in order to:

- express an opinion on the consistency of the Report on Operations and of specific information included in the Report on Corporate Governance and Ownership Structure as provided for by article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, with the financial statements;
- express an opinion of the compliance with the laws and regulations of the Report on Operations, excluding the section related to the consolidated sustainability information, and the above mentioned specific information included in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998;
- issue a statement on any material misstatement in the Report on Operations and in certain specific information contained in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998.

In our opinion, the Report on Operations and the specific information contained in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, are consistent with the financial statements of Arnoldo Mondadori Editore S.p.A. as at December 31, 2024.

Furthermore, in our opinion, the Report on Operations, excluding the section related to the consolidated sustainability information, and the specific information contained in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, comply with the applicable laws and regulations.

With reference to the statement required by art. 14, paragraph 2, subparagraph e-ter), of Legislative Decree n. 39, dated 27 January 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.

Our opinion on compliance with applicable laws and regulations does not extend to the section of the Report on Operations related to consolidated sustainability information. The conclusion on the compliance of this section with the applicable standards governing its preparation criteria and the compliance with the disclosure requirements pursuant to article 8 of (EU) Regulation 2020/852 are formulated by us in the attestation report pursuant to article 14-bis of Legislative Decree No. 39 dated 27 January 2010.

Milan, March 25, 2025

EY S.p.A.

Signed by: Luca Pellizzoni, Auditor

As disclosed by the Directors, the accompanying financial statements of Arnoldo Mondadori Editore S.p.A. constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815. This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

