

MONDADORI GROUP: AGREEMENT SIGNED FOR THE ACQUISITION OF DE AGOSTINI SCUOLA

Segrate, 12 July 2021 - The Mondadori Group announces the signing today of an agreement with De Agostini Editore S.p.A. - following the negotiations disclosed on 1 July - for the acquisition of 100% of De Agostini Scuola S.p.A., one of Italy's top school textbook publishers.

The company's products are targeted to every level of education - with a marked presence especially in the secondary school segment - through a series of brands including DeA Scuola, Petrini, Marietti Scuola, UTET Università, Cideb-Black Cat and Garzanti Scuola.

The transaction is consistent with the strategy - repeatedly announced by Mondadori - of focusing on the core business of books, in which the Group boasts a longstanding leadership in Trade and is one of the top school textbook players. The acquisition will enable the Company to further strengthen its foothold in the school textbook field, where it currently operates through the publishing houses Mondadori Education and Rizzoli Education.

The value of the transaction has been defined on the basis of an Enterprise Value of € 157.5 million, equal to 7.4 times the reported EBITDA recorded by De Agostini Scuola in 2020. The price will be defined on the basis of the average normalized net financial position over the 12 months before the closing date.

De Agostini Scuola posted in 2020 revenue of € 70.8 million, reported EBITDA of € 21.4 million, with a margin of 30%, and net profit of € 12.2 million. At 31 December 2020, the net financial position stood at a positive (net cash) € 20.8 million.

The agreement, which also makes all of the brands currently covering De Agostini Scuola's school textbook publishing market available to the Mondadori Group, includes the typical representations and warranties for the purchaser.

The consideration for the transaction will be settled in cash at the closing date by drawing on the acquisition-related line of credit, recently defined as part of the loan agreement signed by the Group on 12 May.

Completion of the transaction is subject to the authorizations of law from the competent Antitrust authority.

Mention should be made that the forecasts developed for the current year on the Mondadori Group, previously disclosed to the market, have been prepared on the basis of the current scope; any updates to the above estimates will be announced with a view to the time required to complete the transaction.

The Mondadori Group Management will meet with the financial community at a conference call scheduled today at 6pm. The relevant presentation will be available on 1info (www.1info.it) and on the website www.mondadori.it (Investors section).

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