

GRUPPO  MONDADORI

43rd ESN EUROPEAN CONFERENCE

Investors Presentation



*Antonio Porro – CEO
Alessandro Franzosi – CFO*

May 19th, 2022

AGENDA

- 1. Mondadori Group in a nutshell**
2. FY 2021 Highlights
3. 1Q 2022 Results
4. FY 2022 Outlook

Mondadori Group in a nutshell – FY 2021

GRUPPO MONDADORI



Businesses

 **MONDADORI LIBRI**

 **MONDADORI RETAIL**

 **MONDADORI MEDIA**

BOOKS

RETAIL

MEDIA

Brands



% on 2021 Revenue

55%

21%

24%

% on 2021 EBITDA

84%

5%

11%


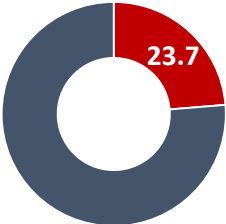
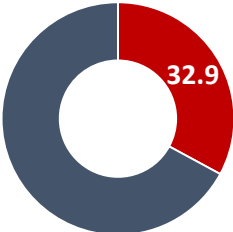
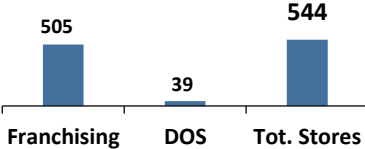



2021 EBITDA Margin

19.9%

2.9%

6.0%

Mondadori Group in a nutshell

BOOKS	Trade	Education	Retail				
<p>Market Shares % (2021)</p> 	 <p><i>Leader</i></p> <p><i>E-book: 6.7% of editorial rev.</i></p>	 <p><i>Leader</i></p>	<p>First bookshops network</p> 				
MEDIA							
MEDIA	Areas	Print	Digital				
 <p>Multimedia publisher, leader in Italy</p>	<p><i>Leadership</i></p> <table border="1"> <tr> <td>TV</td> <td>Food</td> </tr> <tr> <td>Tech & Science</td> <td>Health & Wellness</td> </tr> </table>	TV	Food	Tech & Science	Health & Wellness	 <p>10.3 mn readers</p>	 <p>+110 Social Accounts</p>
TV	Food						
Tech & Science	Health & Wellness						

Mondadori Key Investment Proposition



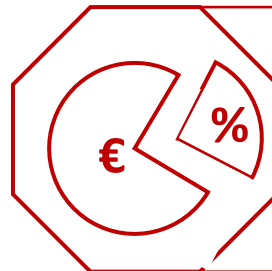
**Almost a «pure»
Book player**



**Strong & Steady
Cash Generation**



**Continued
profitability
improvement**



**Return to a stable
Dividend Policy**

AGENDA

1. Mondadori Group in a nutshell

2. FY 2021 Highlights

Executive Summary
Results vs Guidance
Strategic Repositioning

3. 1Q 2022 Results

4. FY 2022 Outlook



Group results beat expectations

Vs 2020:

- Revenue and EBITDA grow across all business areas

Vs 2019:

- Core revenue steady
- Sharp increase in profitability

Best net result achieved by the Group in last 10 years
After 10 years, return to dividend with payout ratio = 50%



Stronger Group financial structure

Improved cash-conversion:
FCF over € 50 mn

NFP net of D Scuola acquisition: cash positive



Growing focus on the Books area

In 2021, strong M&A activity with 6 deals

Acquisition of D Scuola, Mondadori's biggest deal in last 15 years, together with Rizzoli Libri

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Group results beat expectations

	GOALS	RESULTS
REVENUE	Single digit growth vs FY20	+8.5%
Adj. EBITDA	Margin > 13% > €100 mn	Margin = 13.1% € 105.7 mn
Net Result	Strong increase (also thanks to «one-off»)	€44.2 vs 4.5 mn
Ord. Cash Flow	€60-65 million	€68.2 million
Free Cash Flow	~ €50 million	€52.1 million
NFP bef. IFRS16	Cash ~ €35 mn (or net debt €100 mn incl. D Scuola)	Cash = €37.4 mn (or net debt €94.8 mn incl. D Scuola)

After more than 10 years, Mondadori returns to a Shareholder Remuneration Policy:

the Board of Directors has proposed the payout of a **dividend of € 8.5 cents**
(equal to approximately € 22.1 million)*

Pay-out ratio = 50%

Dividend Yield = 4.2%
at 31/12/2021
(Share performance 2021 =
+35.1%)

* Calculation based on the number of shares outstanding at today's date

AGENDA

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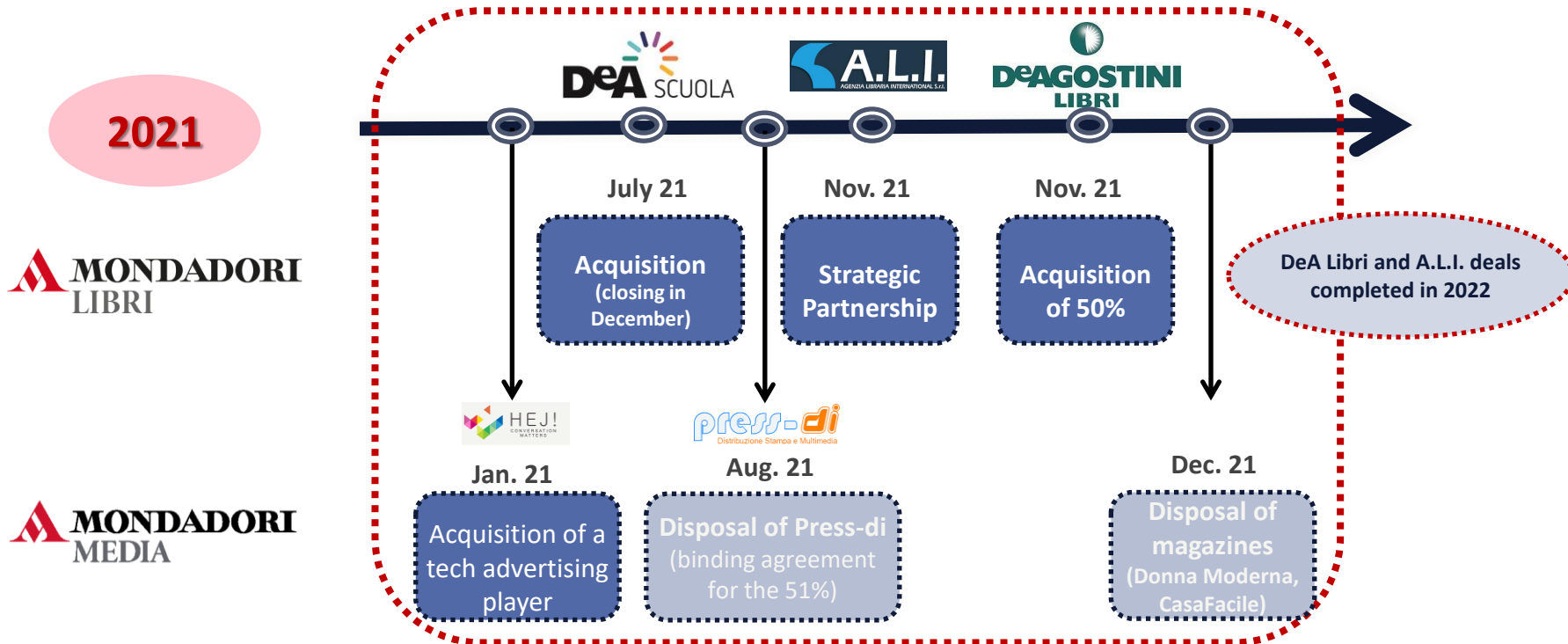
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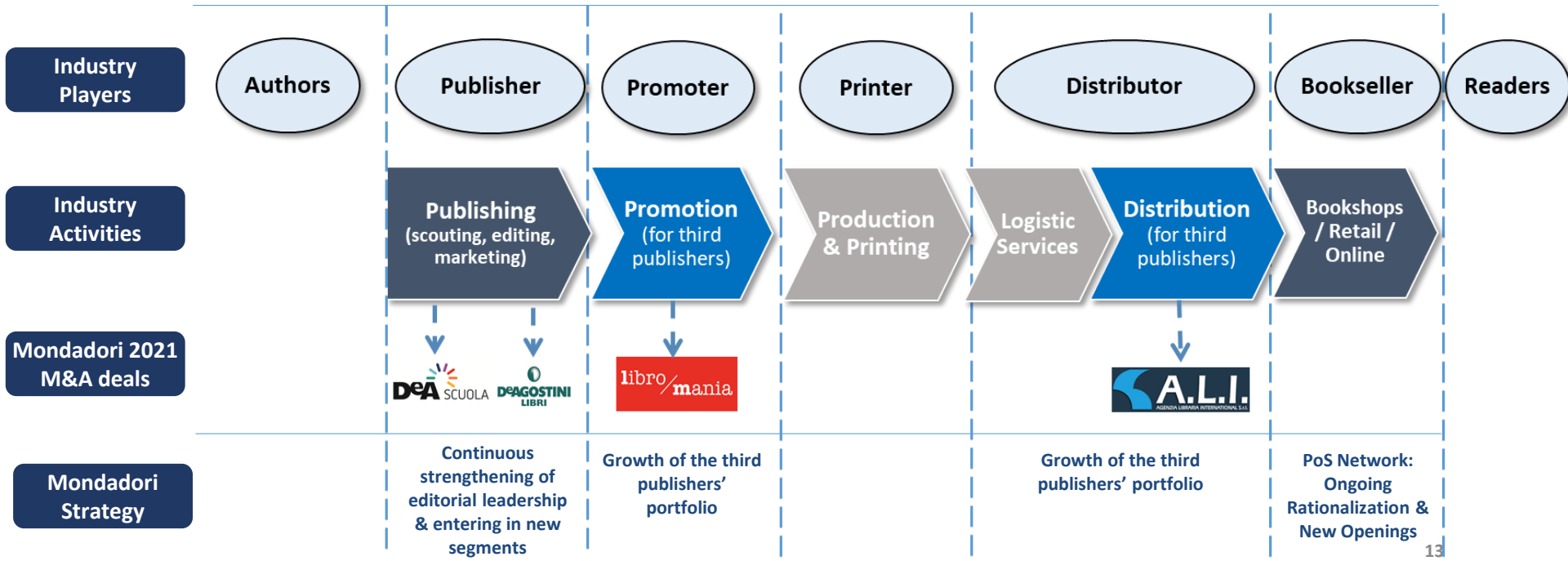
Thanks to the 6 M&A deals in 2021 ...

- Core business competitive strengthening – Books & Digital
- Disposal of non-core asset



... that allowed Mondadori to increase focus on Books...

The Publishing Value Chain & Mondadori increasing integration throughout the industry



... and to continue the rationalization of non core assets...

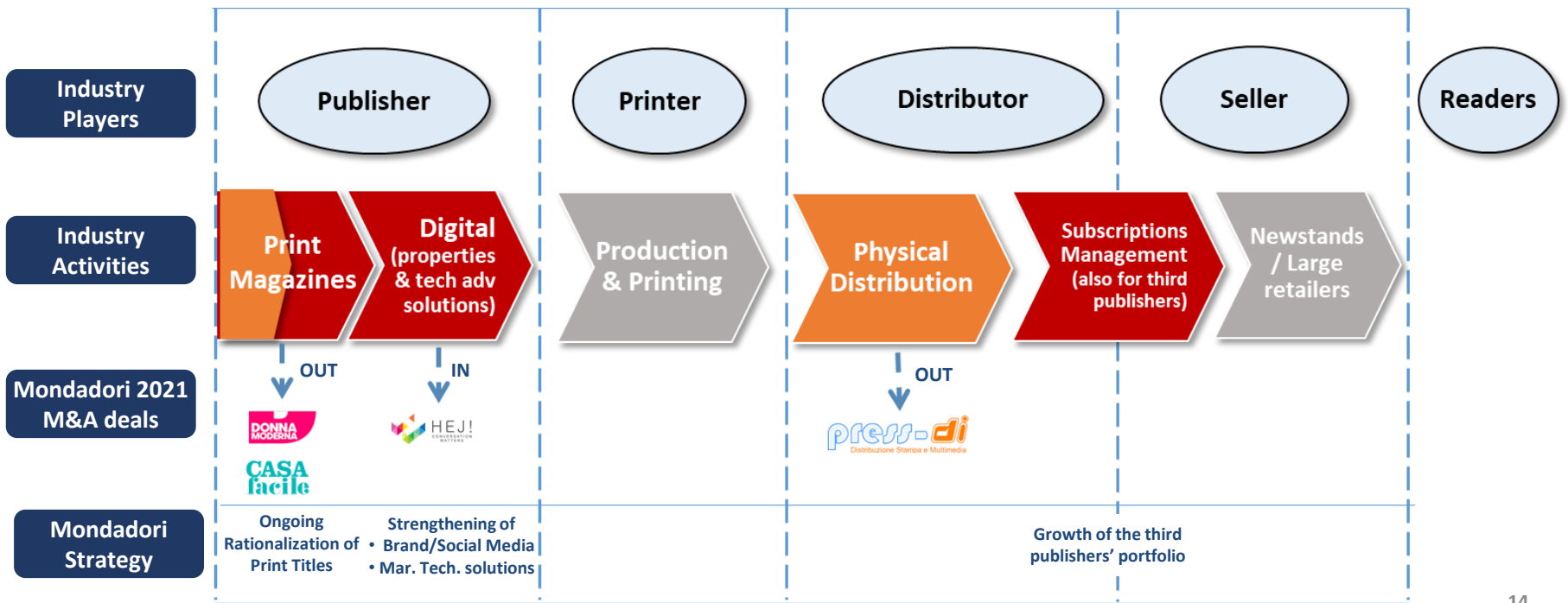
The Media Value Chain

▲ Mondadori Group presence

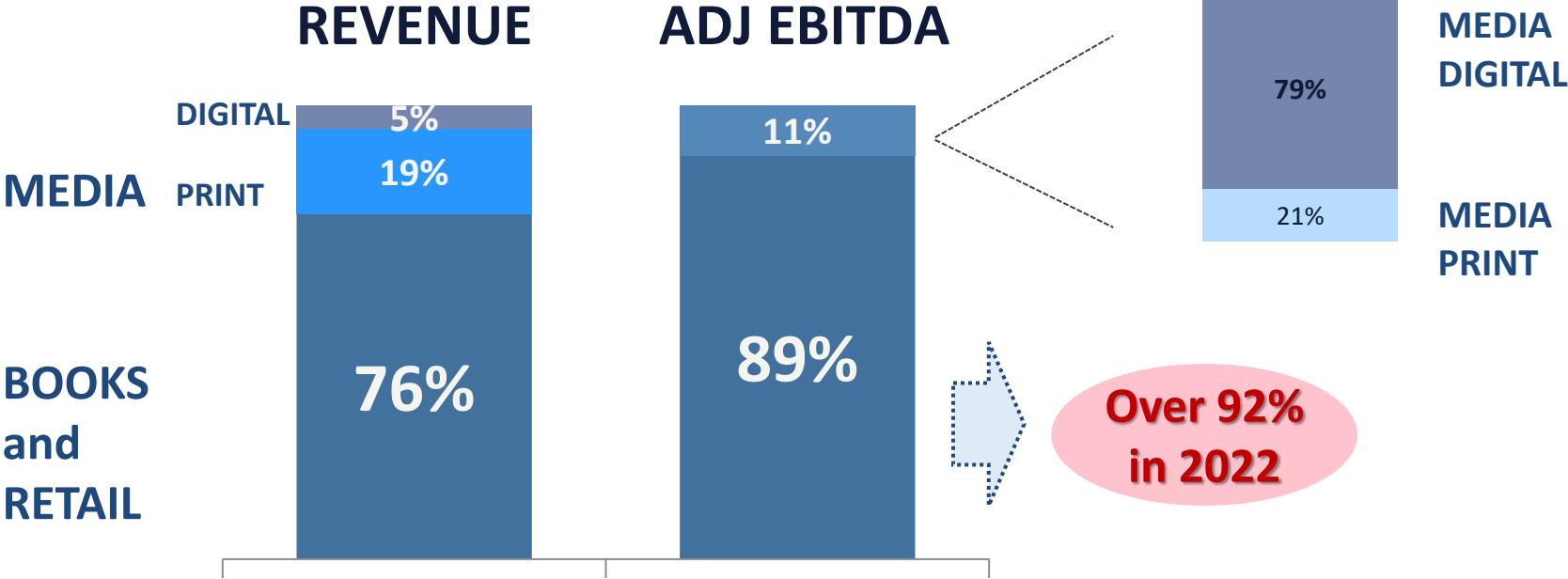
Current activity

No activity

Activity to be dismissed



... the strategic repositioning has been pursued



Books make for over 90% of Group margins today ...

... the rest is generated by digital

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- ▶ *In the first quarter 2022, for the purposes of greater comparability with the first quarter 2021, in column "1Q 2022 LFL", the reclassified Income Statement and Balance Sheet report the **income and financial figures at 31 March 2022 on a like-for-like basis, thus excluding D Scuola** (fully consolidated economically as from 1 January 2022 and financially as from 31 December 2021 following the deal completed on 16 December 2021).*
- ▶ *The contribution of D Scuola in the first quarter can be considered not material due to the seasonality of the Education business which, in the first half of the year, records only the costs of creating editorial content as well as the expense from the promotional activities to support the adoption campaign, postponing the recognition of revenue from the sale of school textbooks to the second half of the year.*
- ▶ *Under IFRS 5, at 31 March 2022 and for the sake of correct comparison also at 31 March 2021, the balance sheet amounts referring to Press-Di Distribuzione Stampa Multimedia S.r.l., the sale of which is currently under review by the Antitrust Authority, and to the publishing activities of the titles "DonnaModerna" and "CasaFacile", which sale is effective from 1 January 2022, are reported under "**Assets (Liabilities) disposed of or being disposed of**".*

Highlights 1Q22 - Executive Summary



Group results improvement

Revenue and EBITDA grow across all business areas

- Revenue increases (+2.9%) vs 1Q21
- Adj. EBITDA +1.3 mn vs 1Q21

LFL



Group financial structure continues to strengthen

Solid cash generation of the business

- Ordinary Cash Flow LTM € 68.9 mn (+14% vs LTM Mar. 21)
- Free Cash Flow LTM € 57.5 mn

NFP before IFRS16 € -135.8 mn or net cash of € 9.6 mn excl. D Scuola acquisition (vs. € -47.9 mn at March 2021)



Growing focus on the Books area

Deals recently concluded:

- acquisition of 50% of DeAgostini Libri;
- strategic partnership in publishing distribution through acquisition of 50% of the A.L.I. Group (first step)

Transaction structure

- Acquisition of **50% of the share capital**
- Acquisition of an **additional 25% of the share capital** on 28 February 2023
- Put&call agreements:** Mondadori has the option to acquire the remaining 25% from approval of the 2024 financial statements (by 30 July 2025)

Strategic Rationale

- Client portfolio of **over 80 distributed publishers**
- A major step towards vertical integration in the books market:** market share tripled* in the **book distribution segment for third parties**, with a view to continuing improvement in the level of service

Price - Financials Target

- Price (50%) € 10.8 million;** the additional 25% based on average EBITDA 2021-2022
- FY 2021 (€ mn, ITA GAAP):** Revenue 65.0 (+77% yoy driven by the Comics segment)

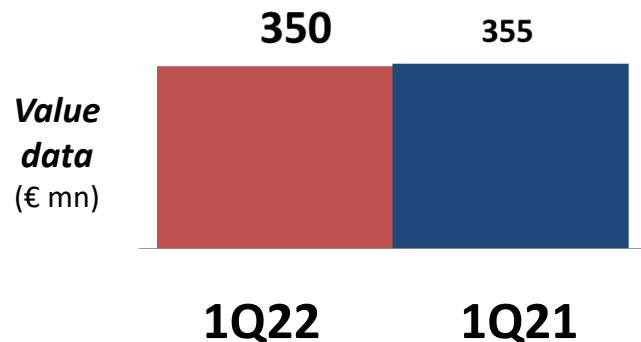
EBITDA	8.8 (+85% yoy)
Net profit	5.9
NFP	positive € 13.5 (cash) up by over € 7 million



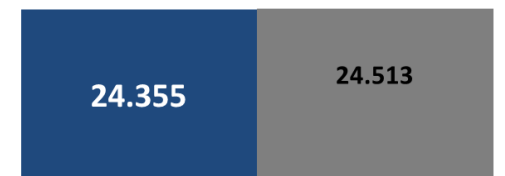
Impact on the Group	FY 22	FY 23
Consolidation impact	At equity as from 1 May	Full as from 1 March
Cash-out	€ 10.8 mn

Consolidation phase after 2021 strong growth

1Q Trade Market



Volume data
(‘000)



1Q Trend

-1.6%
(-2.5%
*net of Profess. &
Comics*)



-0.6%
(-3.5%
*net of Profess. &
Comics*)

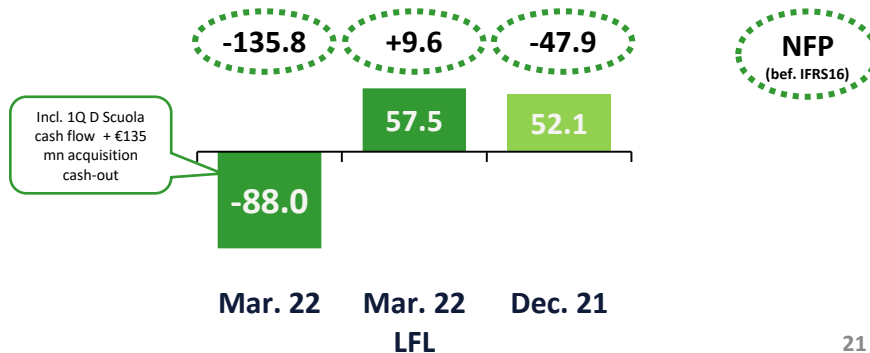
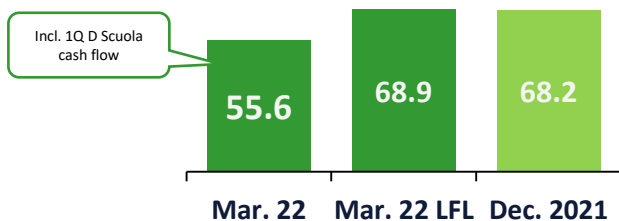
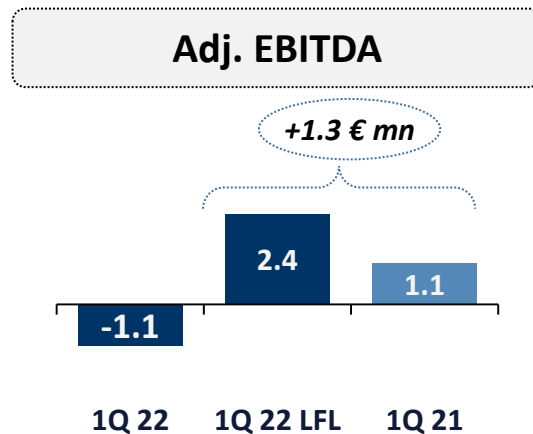
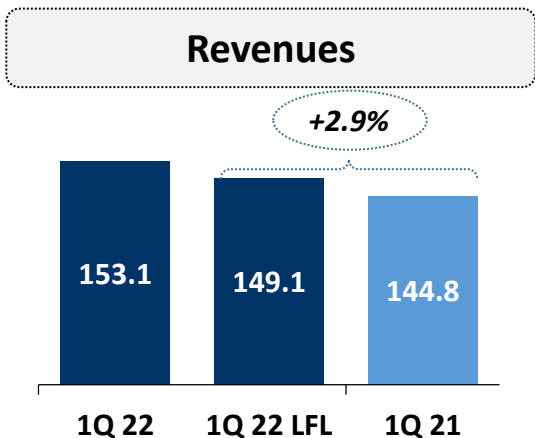
April 2022 Ranking

4 titles in Top10
9 titles in Top20

#	Publisher	Editorial Group
1	MONDADORI	ARNOLDO MONDADORI EDITORE
2	EINAUDI	ARNOLDO MONDADORI EDITORE
3	FELTRINELLI	FELTRINELLI EDITORE
4	RIZZOLI	ARNOLDO MONDADORI EDITORE
5	GIUNTI EDITORE	GIUNTI EDITORE
6	ADELPHI	INDEPENDENT
7	STAR COMICS	INDEPENDENT
8	PANINI COMICS	INDEPENDENT
9	SPERLING & KUPFER	ARNOLDO MONDADORI EDITORE
10	PIEMME	ARNOLDO MONDADORI EDITORE

Highlights – 1Q22

€ mn



Revenues and Adj. EBITDA by Business Area - 1Q 22

€ mn

Revenues

	1Q 22	1Q 22 LFL	1Q 21	Var. %	Var. % LFL
Books	76.2	72.0	71.6	+6.5%	+0.7%
Retail	37.2		33.4	+11.4%	
Media	47.1		46.8	+0.7%	
Corporate & Shared Services	9.5		9.8	(2.3%)	
Intercompany	(16.9)	(16.7)	(16.6)	+1.5%	+0.6%
Total	153.1	149.1	144.8	+5.7%	+2.9%

+14% yoy Book

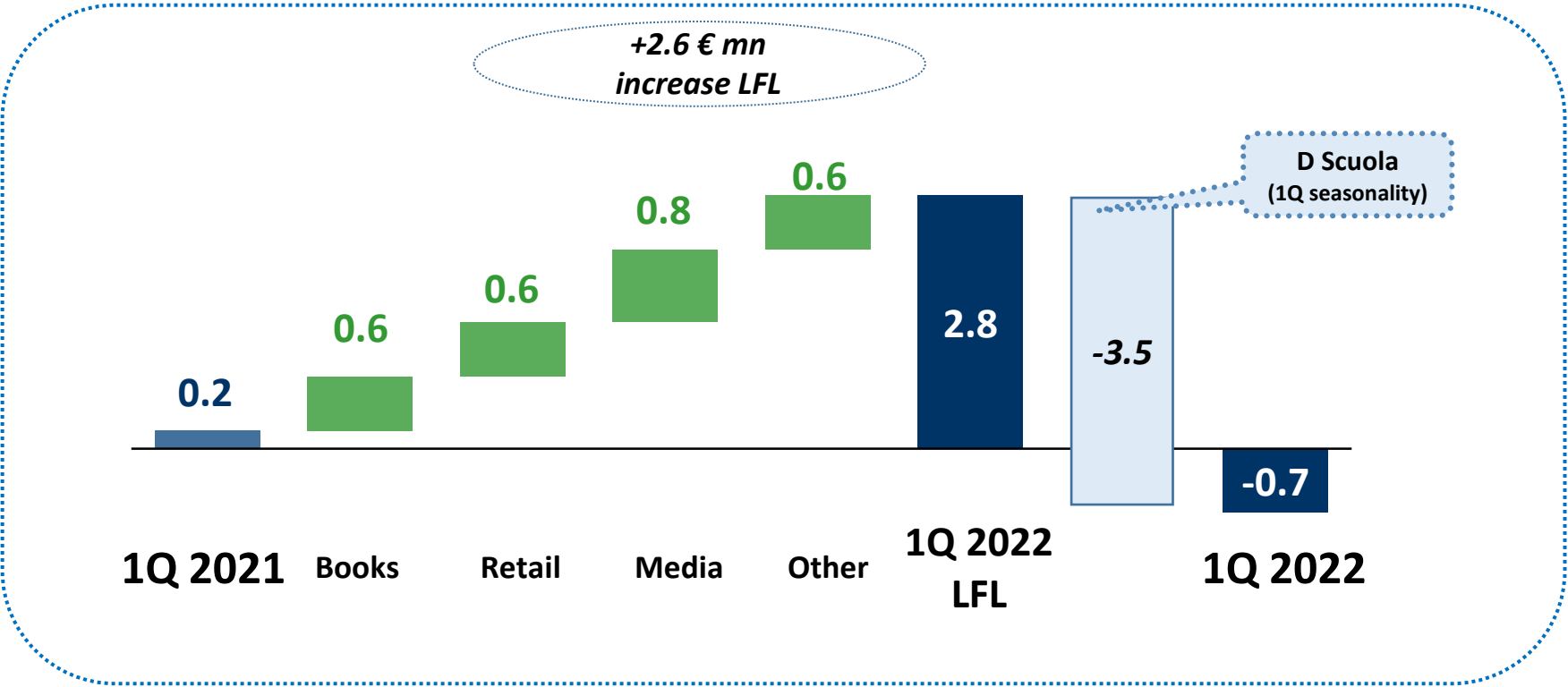
+9.2%
same titles

Adj. EBITDA

	1Q 22	1Q 22 LFL	1Q 21	Var.	Var. LFL
Books	(2.1)	1.5	0.6	(2.7)	0.8
Retail	0.3		(0.4)	0.8	
Media	2.0		2.0	(0.0)	
Corporate & Shared Services	(1.2)		(1.0)	(0.2)	
Intercompany	(0.2)	(0.2)	(0.1)	(0.1)	(0.1)
Total	(1.1)	2.4	1.1	(2.2)	1.3

Reported EBITDA by Business Area – 1Q22

€ mn



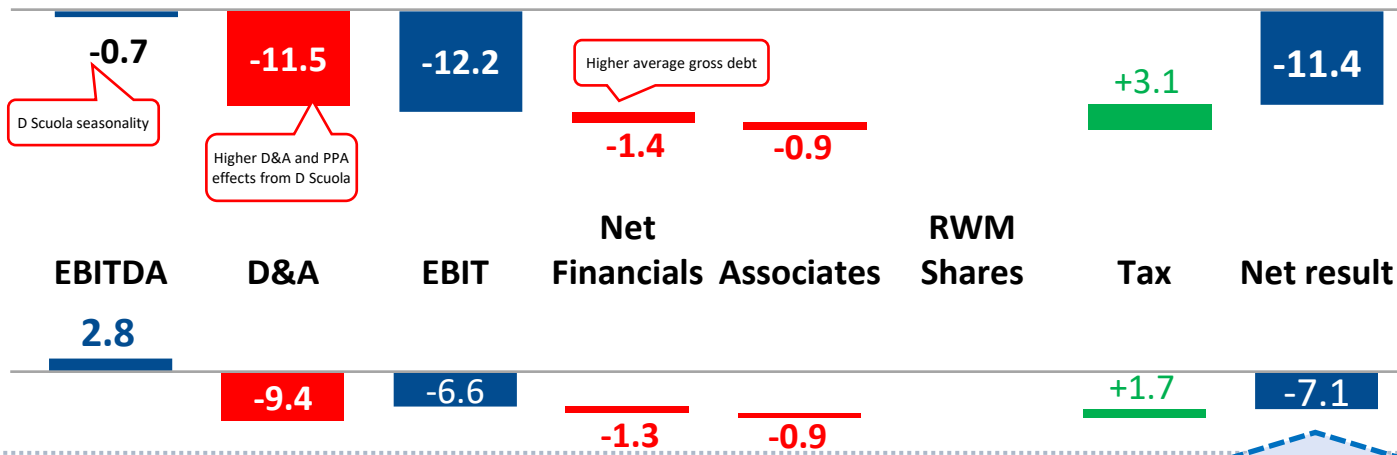
From EBITDA to Net Result - 1Q22

€ mn

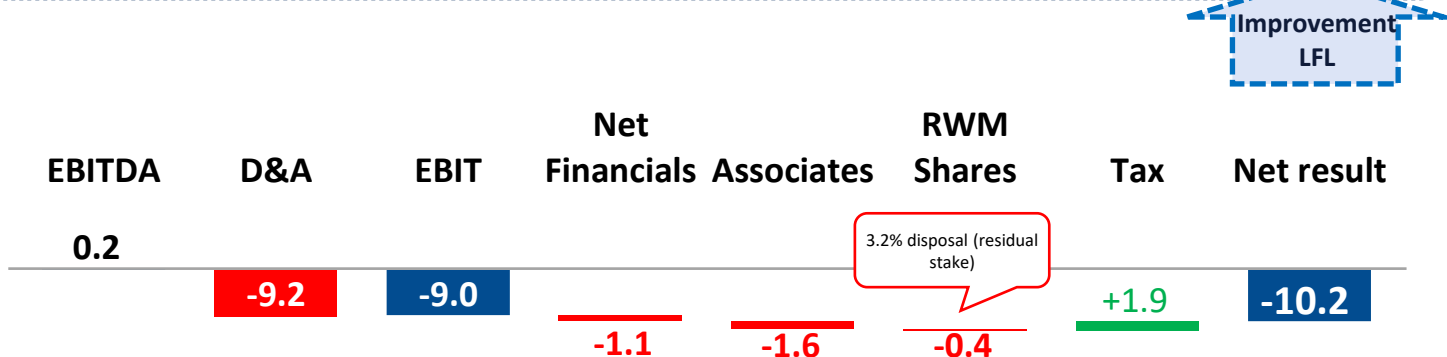
1Q 2022

Incl. D Scuola

Excl. D Scuola



1Q 2021

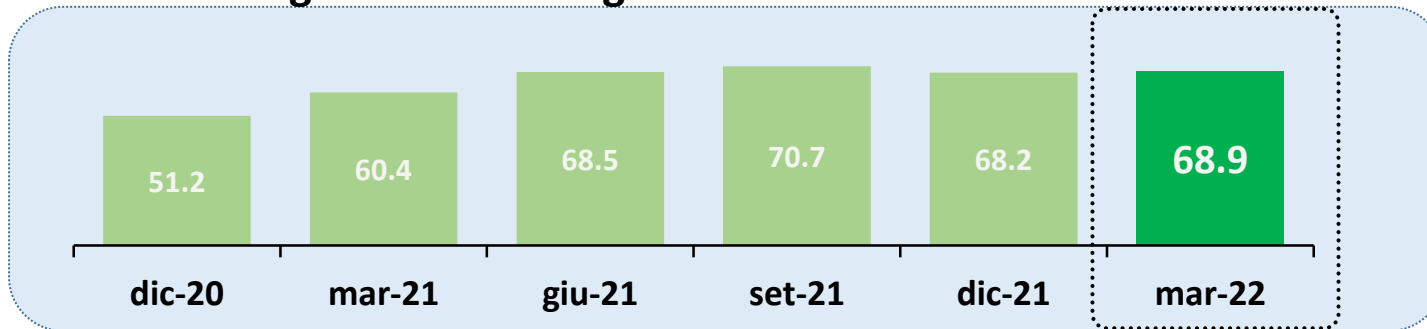


LTM Cash Flow & NFP - Mar 22

€ mn

Strong business cash generation confirmed

Ordinary
Cash Flow
(LFL)



Ordinary Cash Flow = Operating CF net of taxes and net financials; LTM in the quarterly results

Net Debt 1Q
Seasonality

+41.0

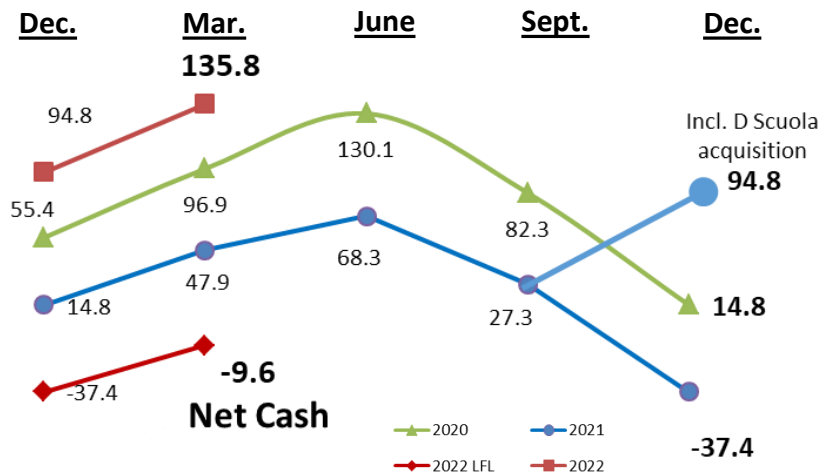
+41.5

+33.1

+27.8

LFL

NFP
Evolution
(no IFRS16)



Mar 2022

NFP decrease by
57.5 € mn YoY
(LFL, bef. IFRS16)

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FY22 Outlook – Guidance confirmed

1Q in line with 2022 Target*

REVENUE

**Mid-single
digit growth**

Adj. EBITDA

Growth > 20%

NET RESULT

Double-digit increase

ORDINARY CASH FLOW

Flat
(due to higher one-off capex)

FREE CASH FLOW

(incl. M&A deals announced, before
dividends)

€40-45 million



NFP/Adj. EBITDA IFRS16

<1.1x (from 1.4x PF 2021)
<0.6x bef. IFRS16 (from 0.9x PF 2021)

Capital Allocation Strategy - active investment policy and steady return on capital through a solid capital and financial structure

*Invest in the
business*

*Value
enhancing
acquisitions*

*Return to
Shareholders*

- **Investment in organic growth and business consolidation:**
 - ✓ Content development in school textbook publishing
 - ✓ Selective strengthening of the Retail network
- **M&A (Focus Books and Digital Media)**
 - ✓ Completion of announced transactions
 - ✓ Pursuit of opportunities in Book publishing segments still untapped by the Group
 - ✓ Completion of the rationalization process of the titles held in portfolio
- **Growing and sustainable Dividend Policy over next three years = 40% Ordinary Cash Flow**
(floor min. DPS 2021 = € 8.5 cents - 32% of Ord. Cash Flow)



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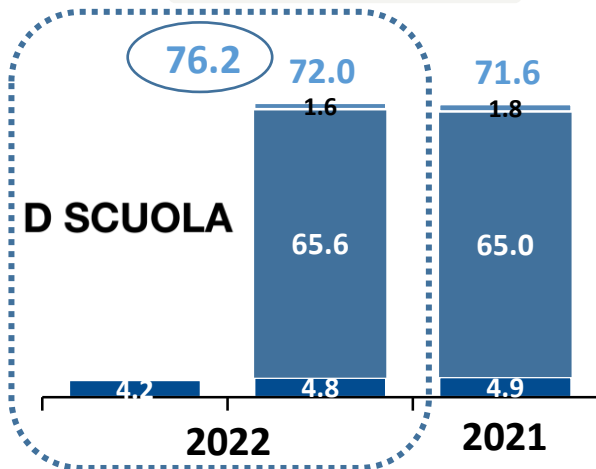
BACK-UP

1Q22 Business Area - Books

€ mn

Revenue +6.5%

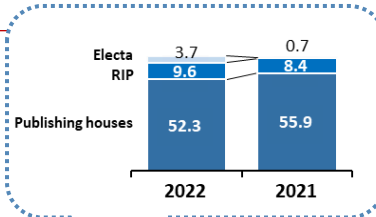
+0.7% lfl



Distribution and services

Trade +0.6 mn

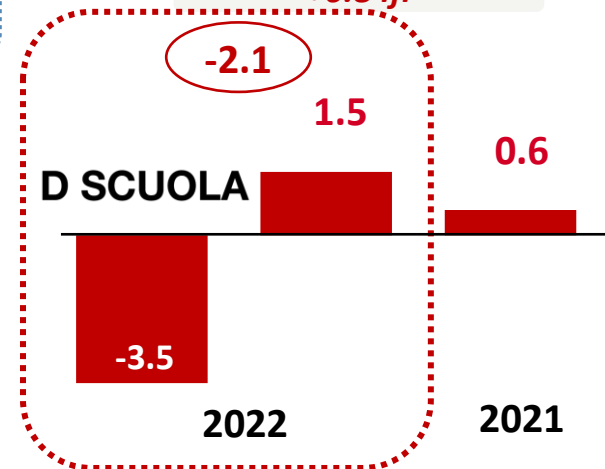
Education -0.1 mn



Publishing houses

Adj. EBITDA € -2.7 mn

+0.8 lfl



D SCUOLA

REVENUE

- **Trade: +0.9% yoy**, driven by the strong increase of RIP (+14.8%) and by the upswing in museum activities, despite a more significant publishing plan in the second half of the year versus 2021
 - E-books/Audiobooks: 7.2% of total (-11% yoy)
- **Education: revenue steady on a like-for-like basis** (1Q irrelevant due to high seasonality)

Adj. EBITDA

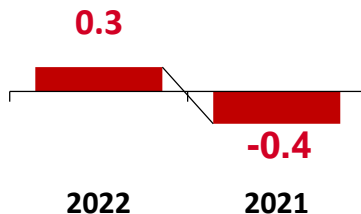
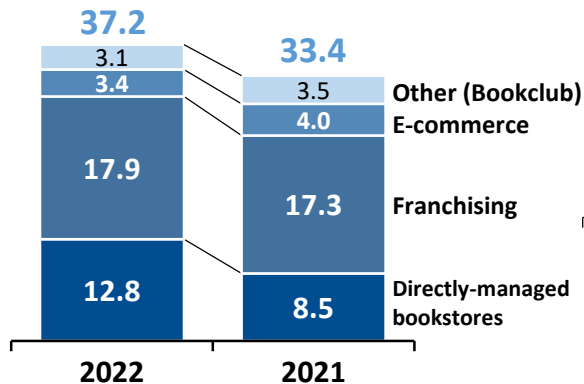
- **Adjusted EBITDA** - on a like-for-like basis - **up by € 0.8 million** thanks to the growth in RIP revenue and the upswing in revenue relating to the management of museums and cultural assets; the school business, therefore D Scuola, recorded a loss in the first part of the year owing to strong seasonality

1Q22 Business Area - Retail

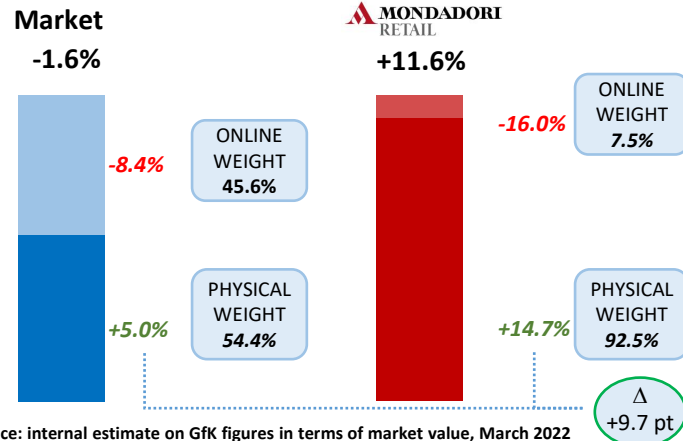
€ mn

Revenue +11.4%

Adj. EBITDA +0.8 € mn



Books Market 1Q 2022



Source: internal estimate on GfK figures in terms of market value, March 2022

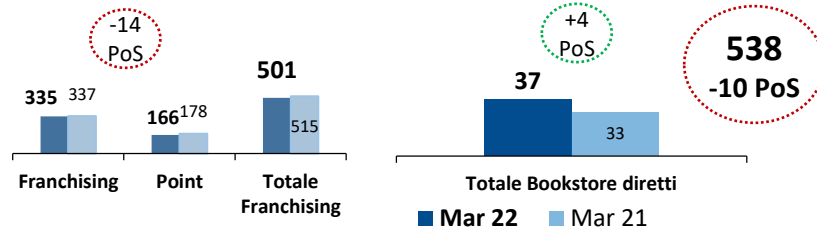
REVENUE

- **Books (85% of total):** revenue up by approximately 14%
- **Directly-managed PoS (+50%)** reported a sharp recovery in revenue following the lifting of restrictions and the development of the network
- **Franchised PoS (+3%)** continued their upward trend
- **Online** dropped, in line with the market

Adj. EBITDA

Adjusted EBITDA improved significantly thanks to the growth in revenue and continued cost containment, renovation and development of the physical store network

PoS network: ongoing rationalization



1Q22 Business Areas – Media Markets

€ mn

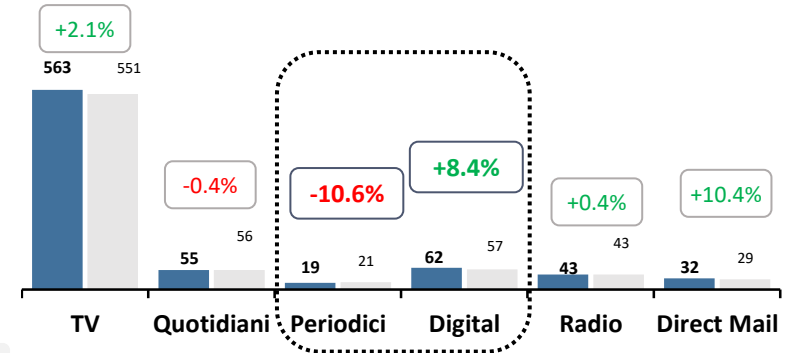
2022 Magaz. Circulations Trend

-9.8%



2022 ADV Market

+3.8%



2022

21.8%

2021

20.2%

P.F. (titles sold year-end 2021)

2022

2021



21.8%

22.6%

HEARST magazines

5.5%

5.0%



5.2%

5.5%

File Italia Edizioni

7.2%

7.8%



13.4%

13.8%

CONDÉ NAST

2.5%

2.7%

Others

22.7%

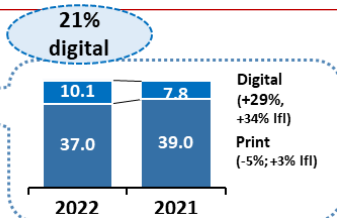
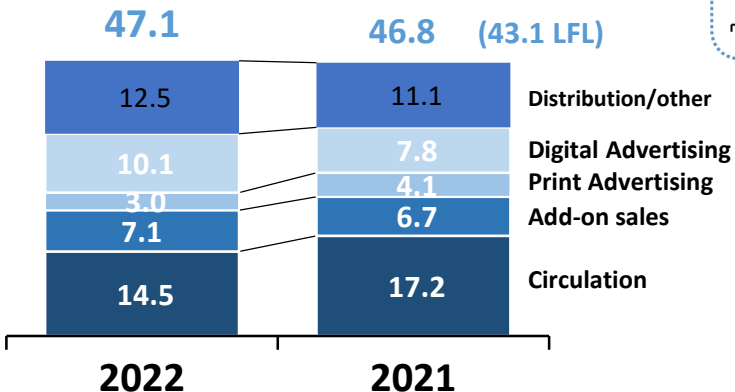
22.4%

Source: Adv. – Nielsen (Feb. 2022), value data, excl. Search. social. classified & OTT

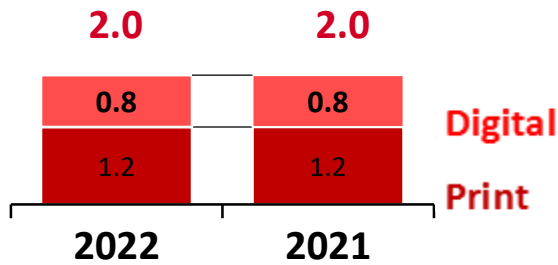
1Q22 Business Areas – Media

€ mn

Revenue +0.7%
(+9.2% lfl of brands)



Adj. EBITDA flat



REVENUE

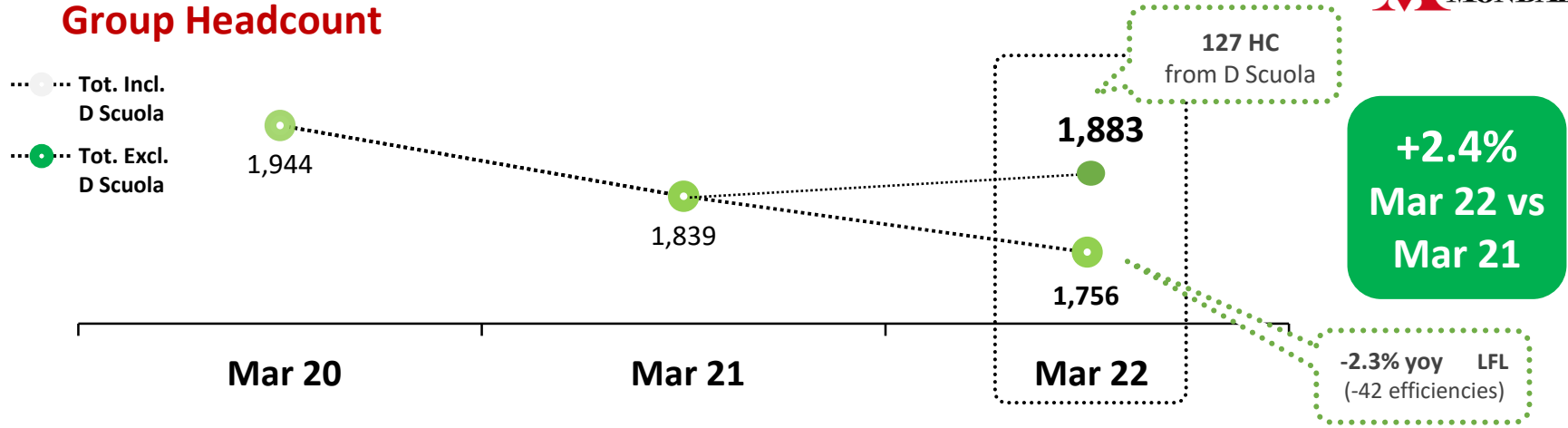
- **Advertising revenue up by 10%** (23% on a like-for-like basis of portfolio); weight of **digital advertising** revenue: ≈77% (vs. 66% in 1Q21), which **grew by 34% (lfl)** thanks to Adkaora
- **Circulation revenue:** -2.8% yoy on a like-for-like basis, thanks to the performance of television titles
- **Revenue from add-on sales:** +7.6%, due mainly to a successful initiative in gifts
- **Distribution and others:** approx. +13%

Adj. EBITDA

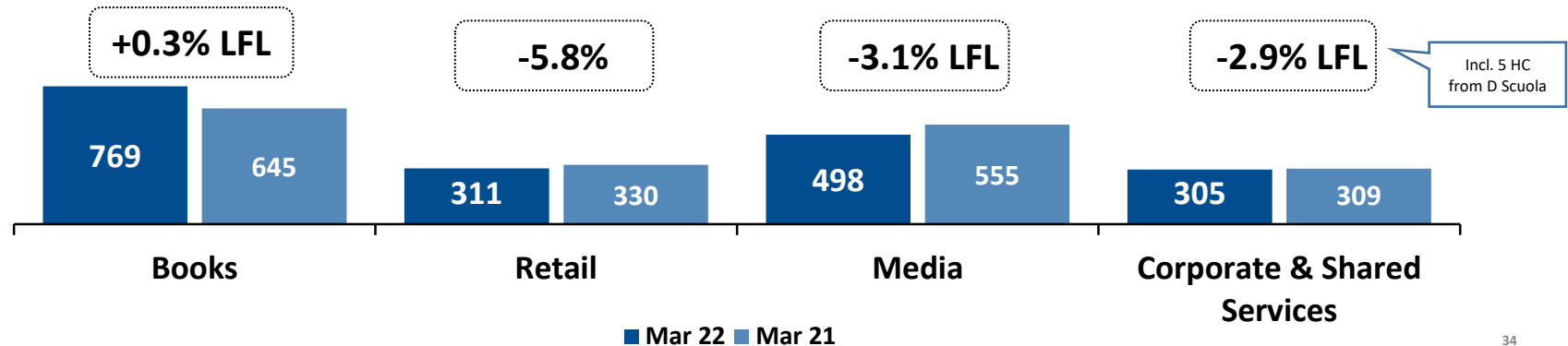
- Adj. EBITDA steady at € 2 mn, as a result of:
- **digital activities:** growth in the MarTech segment but higher editorial and development costs for the launch of *The Wom*
 - **print activities:** the continued **measures to contain** operating costs offset the increase in industrial costs

1Q22 Headcount Evolution

Group Headcount



Headcount by BU



€ millions	1Q 2022		1Q 2022 LFL		1Q 2021		Var. %	Var. % lfl
REVENUE	153.1		149.1		144.8		5.7%	2.9%
INDUSTRIAL PRODUCT COST	49.7	32.4%	48.4	32.4%	43.2	29.9%	14.8%	11.9%
VARIABLE PRODUCT COSTS	21.4	14.0%	21.2	14.2%	24.7	17.0%	(13.2%)	(14.2%)
OTHER VARIABLE COSTS	34.2	22.3%	31.2	20.9%	28.6	19.8%	19.5%	8.9%
STRUCTURAL COSTS	12.6	8.2%	11.9	8.0%	12.5	8.6%	0.6%	(4.9%)
EXTENDED LABOUR COST	36.8	24.0%	34.5	23.1%	35.1	24.2%	4.7%	(1.9%)
OTHER EXPENSE (INCOME)	(0.5)	(0.3%)	(0.4)	(0.3%)	(0.4)	(0.3%)	n.s.	(2.3%)
ADJUSTED EBITDA	(1.1)	(0.7%)	2.4	1.6%	1.1	0.7%	n.s.	125.3%
RESTRUCTURING COSTS	0.2	0.1%	0.2	0.1%	0.9	0.6%	(80.8%)	(80.8%)
EXTRAORDINARY EXPENSE (INCOME)	(0.6)	(0.4%)	(0.6)	(0.4%)	(0.1)	(0.1%)	n.s.	n.s.
EBITDA	(0.7)	(0.4%)	2.8	1.9%	0.2	0.2%	n.s.	1178.9%
AMORTIZATION AND DEPRECIATION	8.1	5.3%	6.0	4.0%	5.9	4.1%	35.8%	1.4%
IMPAIRMENT AND WRITE-DOWNS	0.0	0.0%	0.0	0.0%	0.0	0.0%		
AMORTIZATION AND DEPRECIATION IFRS 16	3.5	2.3%	3.4	2.3%	3.3	2.3%	6.6%	2.7%
EBIT	(12.2)	(8.0%)	(6.6)	(4.4%)	(9.0)	(6.2%)	n.s.	n.s.
FINANCIAL EXPENSE (INCOME)	0.8	0.5%	0.8	0.5%	0.6	0.4%	35.8%	35.8%
FINANCIAL EXPENSE IFRS 16	0.6	0.4%	0.6	0.4%	0.5	0.4%	10.5%	8.2%
FINANCIAL EXPENSE (INCOME) FROM SECURITIES VALUATION	0.0	0.0%	0.0	0.0%	0.4	0.3%	n.s.	n.s.
EXPENSE (INCOME) FROM INVESTMENTS	0.9	0.6%	0.9	0.6%	1.6	1.1%	n.s.	(45.2%)
EBT	(14.4)	(9.4%)	(8.8)	(5.9%)	(12.1)	(8.4%)	n.s.	n.s.
TAX EXPENSE (INCOME)	(3.1)	(2.0%)	(1.7)	(1.1%)	(1.9)	(1.3%)	n.s.	(14.1%)
GROUP NET RESULT	(11.4)	(7.5%)	(7.1)	(4.8%)	(10.2)	(7.0%)	n.s.	n.s.

The item *Extended Labour Cost* includes costs for collaborations and temporary employment

1Q2022 Balance Sheet

€ millions	1Q 2022	1Q 2022	1Q 2021	Var. %	Var. %
		LFL			LFL
TRADE RECEIVABLES	116.8	115.6	132.7	(12.0%)	(12.9%)
INVENTORY	131.7	123.6	121.4	8.4%	1.8%
TRADE PAYABLES	190.7	170.0	175.5	8.6%	(3.2%)
OTHER ASSETS (LIABILITIES)	(10.4)	(5.7)	(17.6)	n.s.	(67.6%)
NET WORKING CAPITAL CONTINUING OPERATIONS	47.4	63.5	61.0	(22.3%)	4.2%
DISCONTINUED OR DISCONTINUING ASSETS (LIABILITIES)	(2.0)	(2.0)	(5.0)	(60.7%)	(60.7%)
NET WORKING CAPITAL	45.4	61.6	56.0	(18.9%)	9.9%
INTANGIBLE ASSETS	353.0	189.1	194.1	81.9%	(2.6%)
PROPERTY, PLANT AND EQUIPMENT	15.0	15.0	16.2	(7.0%)	(7.4%)
INVESTMENTS	17.0	17.0	18.7	(9.0%)	(9.1%)
NET FIXED ASSETS WITH NO RIGHTS OF USE IFRS 16	385.1	221.1	228.9	68.2%	(3.4%)
ASSETS FROM RIGHTS OF USE IFRS 16	78.0	76.0	81.2	(3.9%)	(6.4%)
NET FIXED ASSETS WITH RIGHTS OF USE IFRS 16	463.1	297.0	310.1	49.3%	(4.2%)
PROVISIONS FOR RISKS	47.2	45.3	40.2	17.6%	12.8%
POST-EMPLOYMENT BENEFITS	32.3	27.5	30.0	7.5%	(8.3%)
PROVISIONS	79.5	72.8	70.2	13.3%	3.8%
NET INVESTED CAPITAL	429.0	285.8	295.9	45.0%	(3.4%)
SHARE CAPITAL	68.0	68.0	68.0	0.0%	0.0%
RESERVES	155.0	155.0	106.2	45.9%	45.9%
PROFIT (LOSS) FOR THE PERIOD	(11.4)	(7.1)	(10.2)	n.s.	n.s.
GROUP EQUITY	211.6	215.9	164.0	29.0%	31.6%
NON-CONTROLLING INTERESTS' EQUITY	0.0	0.0	0.0	n.s.	n.s.
EQUITY	211.6	215.9	164.0	29.0%	31.6%
NET FINANCIAL POSITION NO IFRS 16	135.8	(9.6)	47.9	n.s.	n.s.
NET FINANCIAL POSITION IFRS 16	81.5	79.5	83.9	(2.8%)	(5.3%)
NET FINANCIAL POSITION	217.4	69.9	131.8	64.9%	(47.0%)
SOURCES	429.0	285.8	295.9	45.0%	(3.4%)

March 2022 - Group LTM Cash Flow

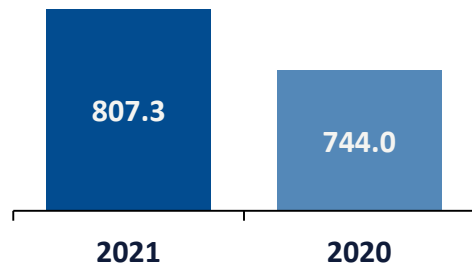
€ milioni	LTM		
	1Q 2022	1Q 2022 LFL	FY 2021
PFN INIZIALE INCLUSO IFRS16	(131,8)	(131,8)	(97,6)
PASSIVITA' FINANZIARIE APPLICAZIONE IFRS16	(83,9)	(83,9)	(82,8)
PFN INIZIALE ESCLUSO IFRS16	(47,9)	(47,9)	(14,8)
EBITDA ADJUSTED (ESCLUSO IFRS16)	88,5	92,2	91,0
CCN E FONDI	14,2	18,1	10,3
CAPEX ESCLUSO IFRS16	(26,0)	(24,5)	(22,0)
CASH FLOW OPERATIVO	76,7	85,8	79,3
PROVENTI E (ONERI) FINANZIARI ESCLUSO IFRS16	(2,6)	(2,6)	(2,4)
IMPOSTE	(18,1)	(13,9)	(13,9)
CASH FLOW ORDINARIO ATTIVITA' IN CONTINUITA'	56,0	69,3	62,9
CF ORDINARIO ATTIVITA' DISMESSE O IN DISMISSIONE	(0,4)	(0,4)	5,3
CASH FLOW ORDINARIO	55,6	68,9	68,2
RISTRUTTURAZIONI	(8,1)	(8,1)	(6,9)
IMPOSTE STRAORDINARIE	3,6	3,6	3,4
AUMENTO CAPITALE/DIVIDENDI TERZI E COLLEGATE	(0,4)	(0,4)	(0,1)
ACQUISIZIONI/DISMISSIONI	(135,3)	(3,1)	(8,7)
ALTRE ENTRATE E USCITE	(3,4)	(3,4)	(3,8)
CF STRAORDINARIO ATTIVITA' DISMESSE O IN DISMISSIONE	(0,3)	(0,3)	(0,3)
CASH FLOW STRAORDINARIO	(143,6)	(11,5)	(16,2)
FREE CASH FLOW	(88,0)	57,5	52,1
POSIZIONE FINANZIARIA NETTA ESCLUSO IFRS16	(135,8)	9,6	37,3
EFFETTI IFRS16 DEL PERIODO	2,5	4,5	0,7
POSIZIONE FINANZIARIA NETTA FINALE	(217,2)	(69,7)	(44,7)

FY21 Group Financials

€ mn

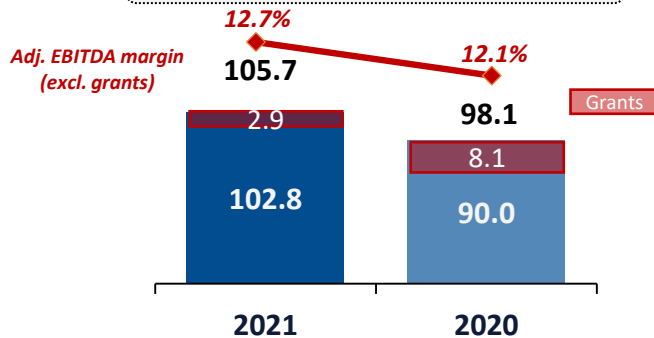
+8.5%

Revenue



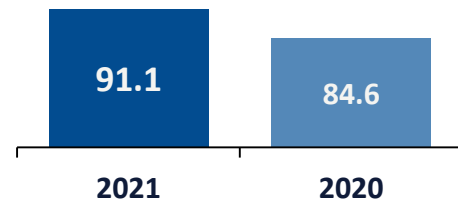
+7.7 € mn

Adj. EBITDA



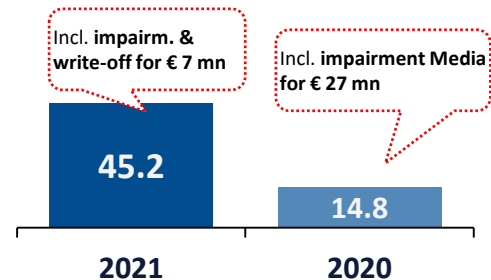
+6.5 € mn

EBITDA



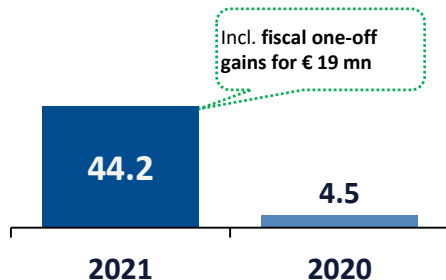
+30.4 € mn

EBIT



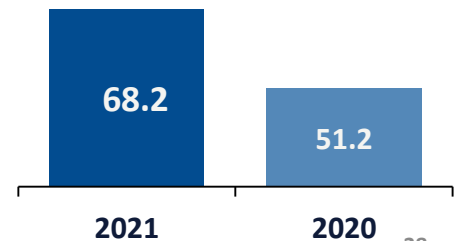
+39.7 € mn

Net Result



+17 € mn

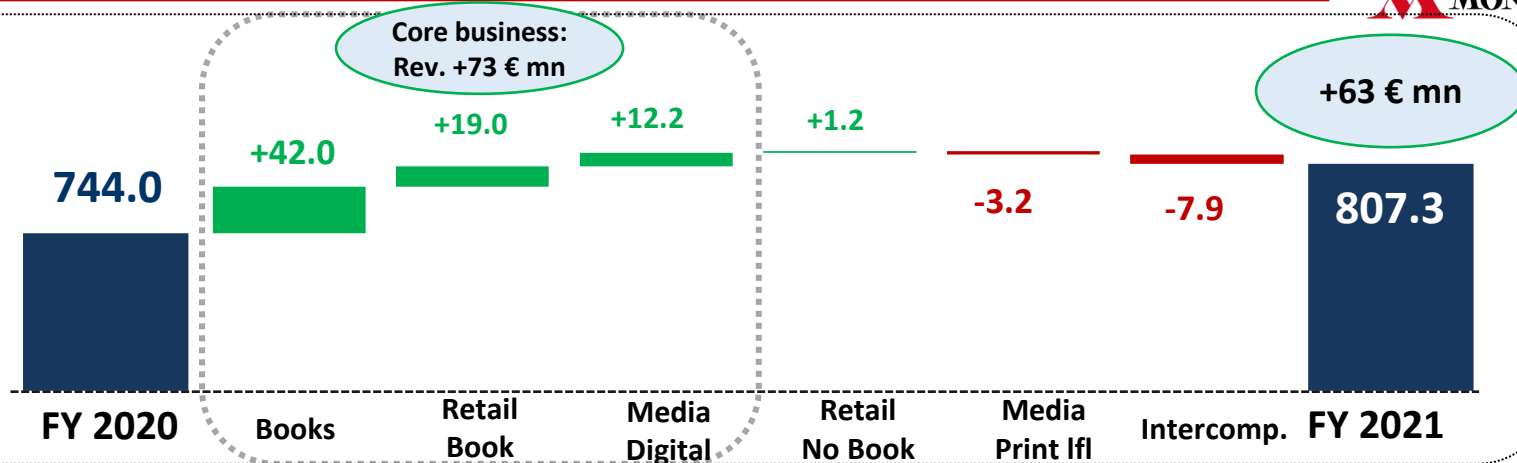
Ordinary Cash Flow



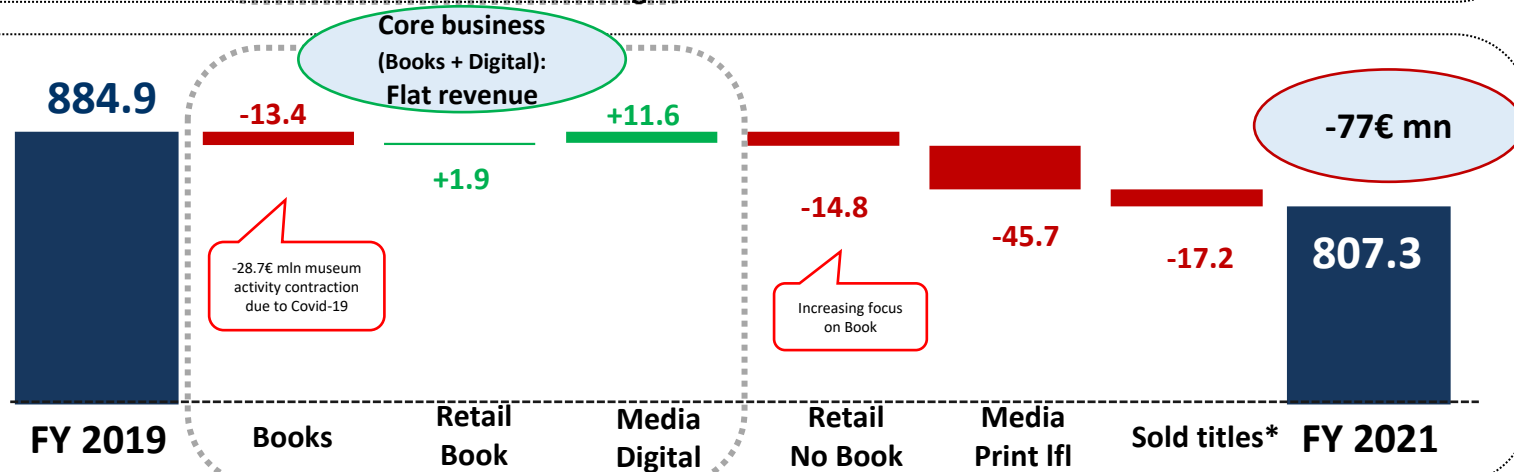
FY 21 vs FY 20-19 Revenue

€ mn

VS FY 2020



VS FY 2019

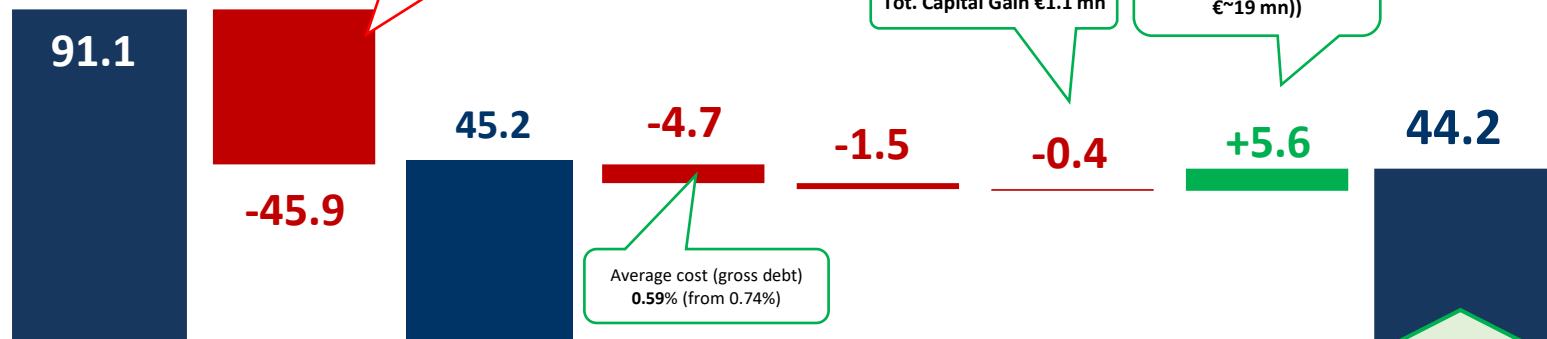


* TuStyle, Confidenze, Starbene, Sale e Pepe, Cucina Moderna

From EBITDA to Net Result FY21

€ mn

FY 2021



FY 2020

EBITDA

D&A

EBIT

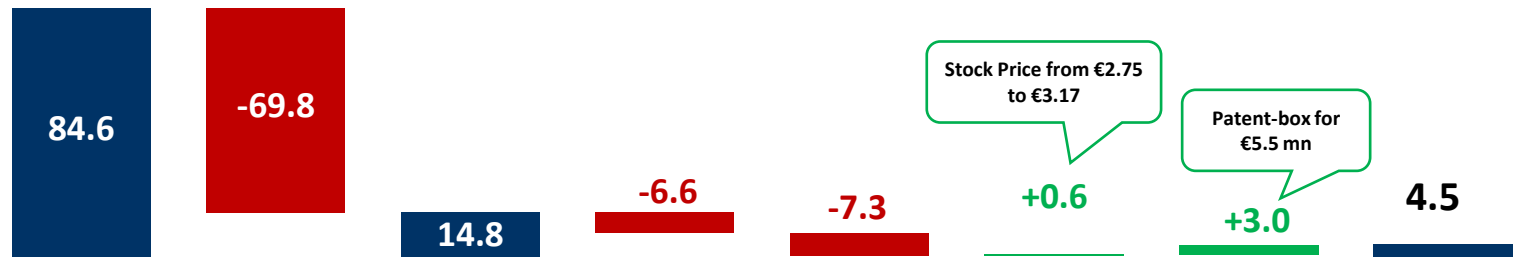
Net Financials

Associates

RWM Shares

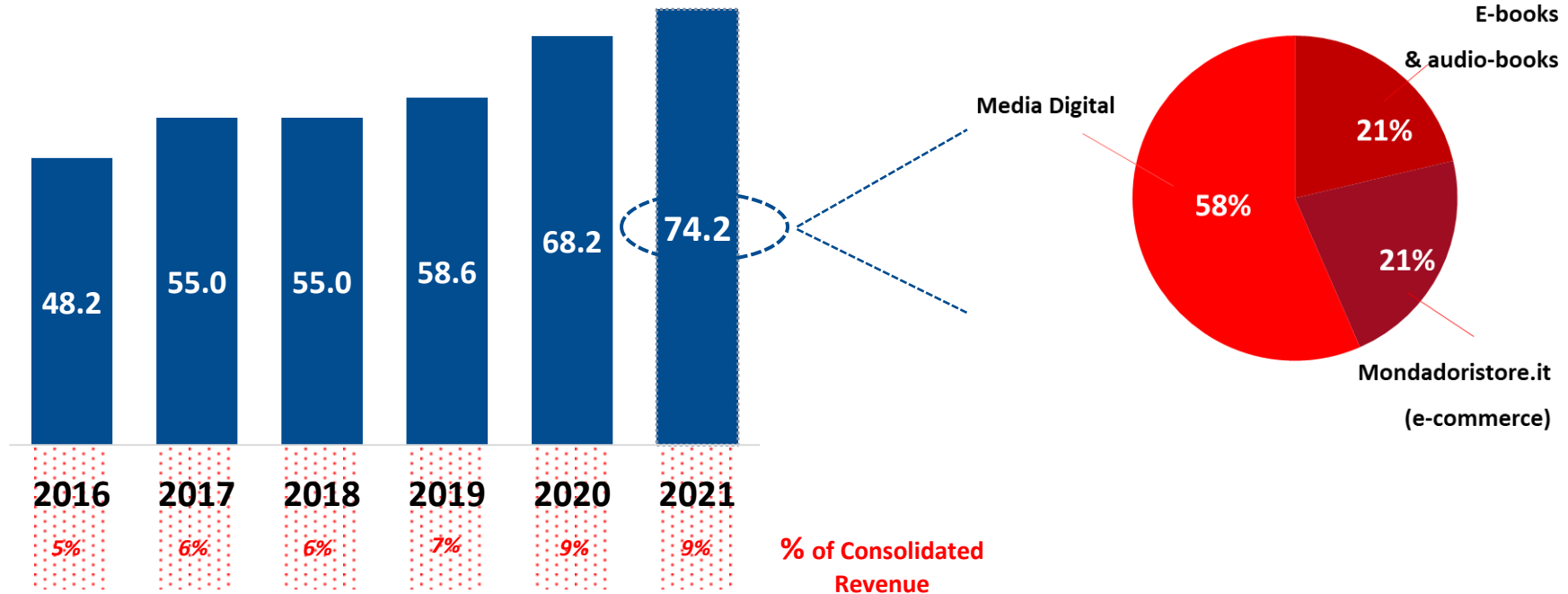
Taxes

Net Result



€ mln

2021 DIGITAL REVENUE



FY – 4Q 21 Revenue and Adjusted EBITDA by Business Area

€ mn

Revenue

	4Q 21	4Q 20	Var. %	FY 21	FY 20	Var. %
Books	116.3	106.8	+8.9%	465.0	422.9	+9.9%
Retail	59.6	51.7	+15.3%	173.9	153.7	+13.1%
Media	56.6	53.5	+5.7%	206.6	197.6	+4.5%
Corporate & Shared Services	11.3	11.9	(5.2%)	40.9	45.1	(9.3%)
<i>Intercompany</i>	(25.3)	(21.9)	+15.8%	(79.0)	(75.4)	+4.8%
Total	218.4	202.1	+8.1%	807.3	744.0	+8.5%

Adj. EBITDA

	4Q 21	4Q 20	Var.	FY 21	FY 20	Var.
Books	13.1	20.1	(6.9)	92.6	87.5	+5.0
Retail	3.4	1.8	+1.6	5.1	1.3	+3.9
Media	4.7	4.7	(0.1)	12.4	7.9	+4.5
Corporate & Shared Services	(1.0)	(0.2)	(0.8)	(4.2)	(0.6)	(3.6)
<i>Intercompany</i>	0.5	0.7	(0.2)	(0.1)	1.9	(2.1)
Total	20.7	27.1	(6.4)	105.7	98.1	+7.7

2020: museum grants for €8.1 mn

Different corporate charges allocation criteria

Intercompany stock

FY 21 Highlights – ESG strategy in Mondadori



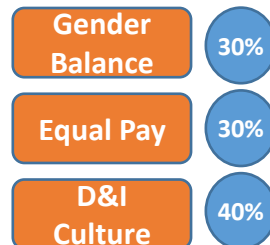
Our tangible commitment is to leverage on Diversity to be innovative, competitive, and to attract and retain talent, in short, to create long-term value.

Governance structured through creation of a D&I function (reporting directly to the CEO), aimed at the:

- Promotion of change and an **inclusive culture**
- Implementation of a **KPI system** to oversee the effectiveness of actions taken
- Reshaping of the main **company policies** (selection, promotion and incentives)

2021 first results ...

- Definition of an **Impact Inclusion Index**
- Inclusion of this index as a target in the **Top Management remuneration plans (LTI)**



... in line with UN 2030 Agenda targets



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



Achieve gender equality and empower all women and girls



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Markets – Trade Books 2021

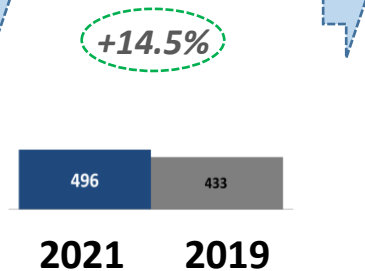
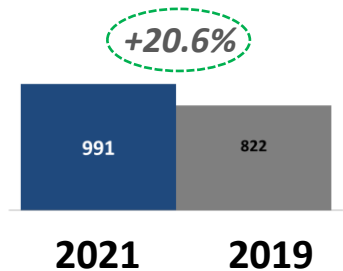
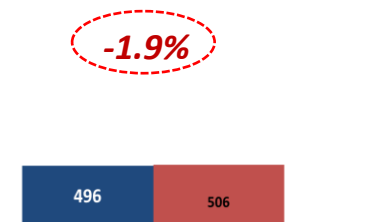
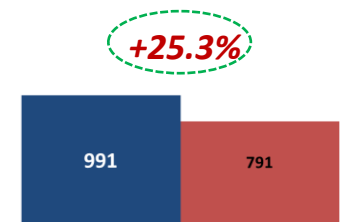
Extraordinary Market Growth vs 2020 and 2019

€ mn

9M Trend

4Q Trend

FY trend

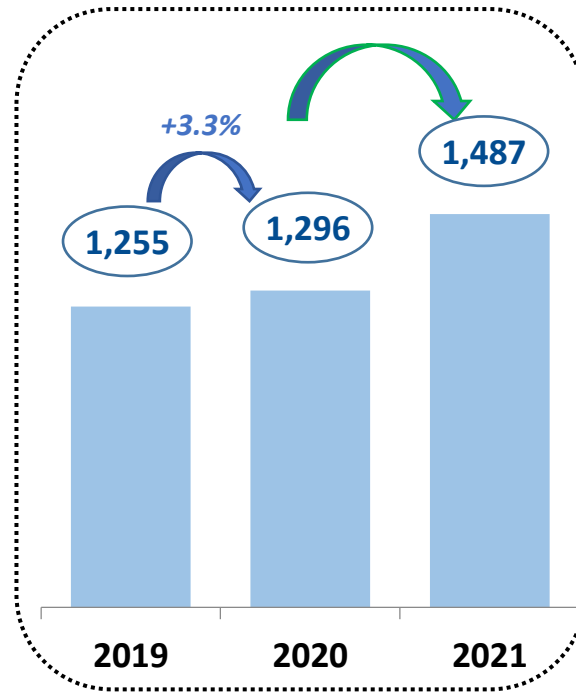


2021 vs 2020 growth

+14.7%
(+12.5% net of Professional & Comics)

2021 vs 2019 growth

+18.5%
(+13.1% net of Professional & Comics)



Market share – Trade Books 2021

Top Ten 2021

#	Title	Author	Publisher
1	L'inverno dei Leoni. La saga dei Florio	Auci Stefania	NORD
2	Cambiare l'acqua ai fiori	Perrin Valérie	E/O
3	Per niente al mondo	Follett Ken	MONDADORI
4	Il sistema. Potere, politica affari: storia segreta della magistratura italiana	Sallusti Alessandro, Palamara Luca	RIZZOLI
5	Tre	Perrin Valérie	E/O
6	La canzone di Achille	Miller Madeline	MARSILIO
7	Una vita nuova	Volo Fabio	MONDADORI
8	La nostra cucina. Fatto in casa da Benedetta. Ricette e storie	Rossi Benedetta	MONDADORI ELECTA
9	Finché il caffè è caldo	Kawaguchi Toshikazu	GARZANTI
10	La disciplina di Penelope	Carofiglio Gianrico	MONDADORI

2 books in Top5

5 books in Top10



3



4

Trade Mkt Shares

GRUPPO MONDADORI 23.7% 24.8%

11.2%

11.3%

1.3%

1.4%

7.6%

7.6%

6.2%

5.9%

Others

50.0%

49.0%

2021

2020

GRUPPO MONDADORI

Hardcover

17.8%

18.7%

Paperback

56.6%

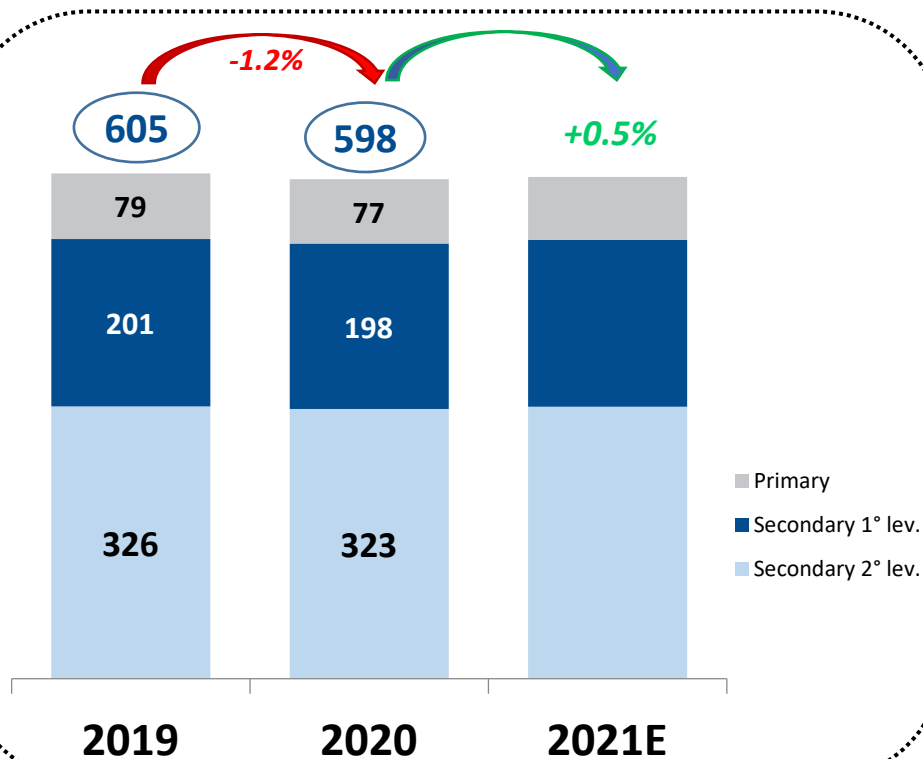
56.6%

Source: GfK, December 2021 (sell-out market values)

Markets – Education Books 2021

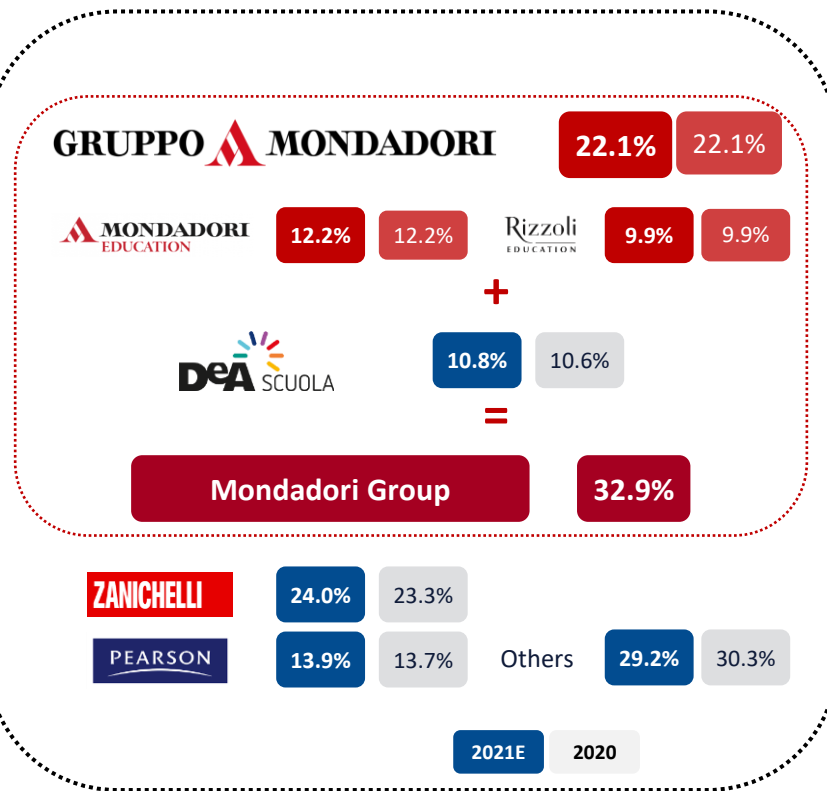
€ mn

2019-2021E Trend



Source: Databank 2020, ESAIE 2020; 2021: Databank recent estimate (July 2021)

2021 Market Shares

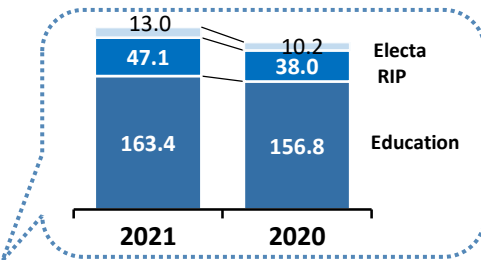
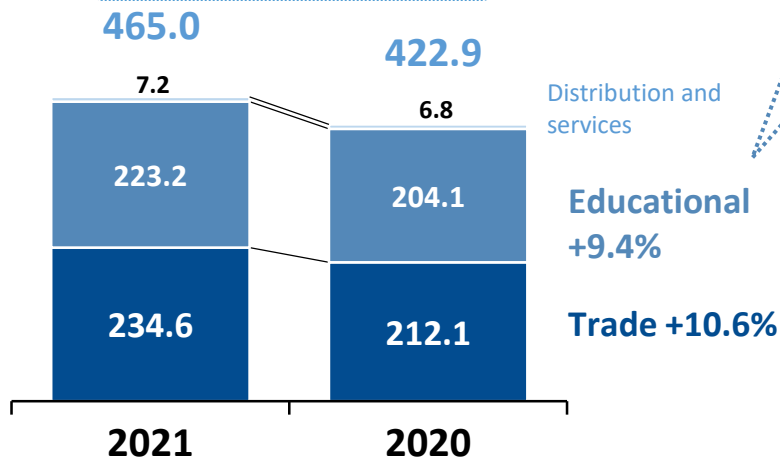


Source: AIE, Oct. 2021

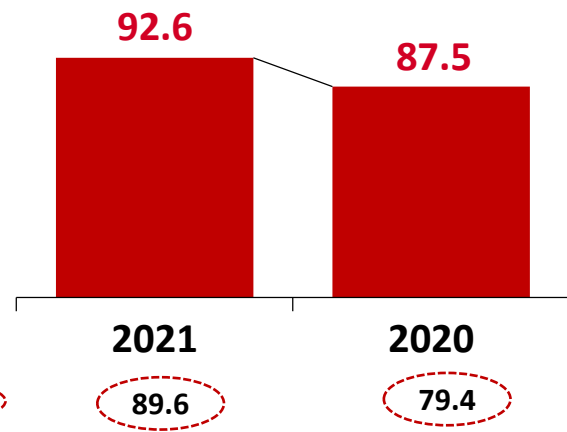
FY21 Business Areas - Books

€ mn

Revenue +9.9%



Adj. EBITDA +5.0 € mn



REVENUE

- **Trade: +10.6% YoY**, as a result of the extraordinary growth of the Books market and the quality of the plans of the publishing houses in 2021
 - E-books/Audiobooks: 6.7% of total (-8.6% yoy and +16.7% vs 2019)
- **Educational: +9.4% YoY** driven by the **positive results of School Textbooks (+4.2%)** and the sharp increase in RIP (+24.1%) as well as the partial recovery of museum activities

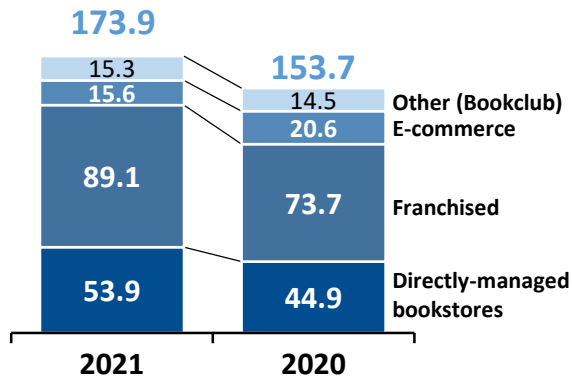
Adj. EBITDA

- **Adjusted EBITDA improves by approximately € 5 million** despite lower relief paid to Electa in the museum segment for approximately € 5 million; net of grants, the yoy increase would be over € 10 million

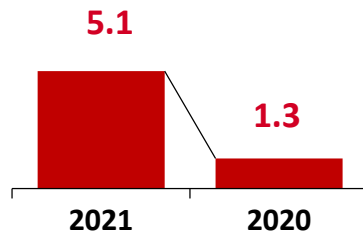
FY21 Business Areas - Retail

€ mn

Revenue +13.1%



Adj. EBITDA +3.9 mn



REVENUE

- **Book**: revenue up by 16.7%
- **Directly-managed PoS (+20.2%)** reported a sharp recovery in revenue following the lifting of restrictions and the development of the network
- The **Franchised** channel (+20.9%) continued its growth, driven by the book product
- **Bookclub** returned to growth (+5.3%) while the **Online** channel is on a downward trend, but growing versus 2019 (-24.5%. +11.9% risp.)

Adj. EBITDA

Adjusted EBITDA improves significantly thanks to:

- recovery of revenue and performance of the Book product
- ongoing effective cost containment actions
- renewal and development of the stores network

Book Market FY2021

Books = 84% of total Store Revenue

Market +14.7%



MONDADORI RETAIL +16.5%



ONLINE WEIGHT 6.4%

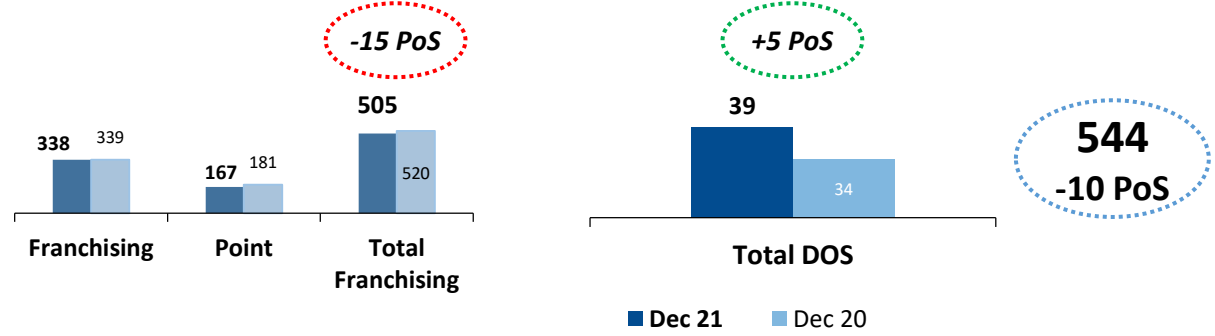
PHYSICAL WEIGHT 93.6%

Δ +7.3pt

Mkt Share 11.4% (11.2% in 2020)

FY21 Business Areas - Retail

PoS network:
ongoing rationalization



Direct PoS network:
reduction in average surface

	2018	2019	2020	2021	21/18
Total sqm	20,423	19,314	16,833	18,867	
Total PoS	35	35	34	39	+4 PoS
Average sqm	583	552	495	484	-17%

FY21 Business Areas – Media

€ mn

2021 Magaz. Circulations Trend

-7.7%



2021

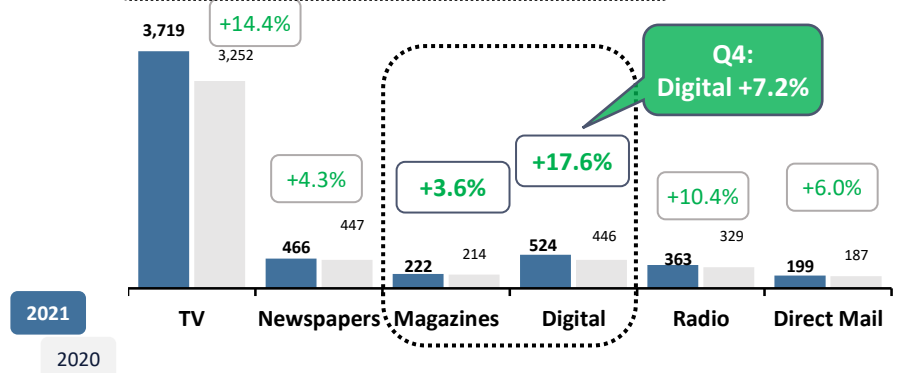
2020

24.1%

24.0%

2021 ADV Market

+12.8%



2018-2021 titles trend



Source: Circulation – Press-di (Dec. 2021), newstands + subs. in value; Adv. – Nielsen (Dec. 2021), value data, excl. Search, social, classified & OTT; Unique Audience: comScore (average 2021)

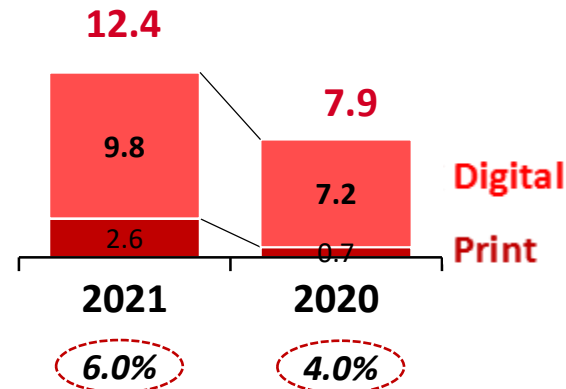
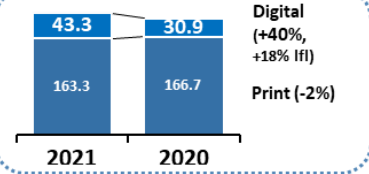
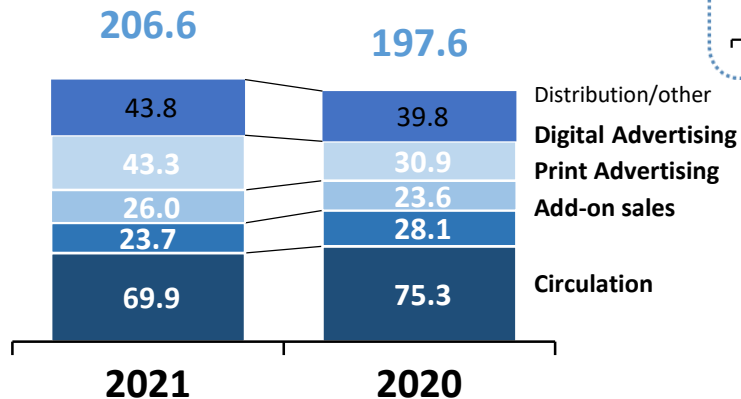
FY21 Business Areas - Media

€ mn

Revenue +4.5%

21% digital revenue

Adj. EBITDA +4.5 € mn



Margin %

6.0%

4.0%

REVENUE

- Advertising revenue up by 27% (+15% on a like-for-like basis); weight of digital adv revenue: ≈62% (vs 57% in 2020). Strengthening of tech-advertising following acquisition of Hej!
- Circulation revenue: -7.1% yoy, in line with the market
- Revenue from add-on sales: -15.8%, due primarily to the unavailability of the DVD product
- Distribution and others: +9.5%

Adj. EBITDA

- Adj. EBITDA improves strongly to € 12.4 mn - with profitability from 4% to 6% - thanks to the:
- stronger contribution from digital (21% of total), with margins in excess of 20%
 - marked improvement in print operations driven by the rebound of advertising sales and the continued effective measures to contain operating costs

- ▶ **EBITDA** is equal to earnings before interest, tax, depreciation and amortization. The Group also provides information on the percentage of EBITDA on net sales.
EBITDA computed 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 EBITDA** is gross operating profit as explained above, net of income and expenses of a non-ordinary nature such as
 - (i) income and expenses from restructuring, reorganization and business combinations;
 - (ii) clearly identified income and expenses not directly related to the ordinary course of business;
 - (iii) as well as any income and expenses from nonrecurring events and transactions as set out in Consob communication DEM6064293 of 28/07/2006.
- ▶ **EBIT** net result for the period before income tax. and other income and expenses.
- ▶ **EBT** net result for the period before income tax.
- ▶ **Net Invested Capital** is equal to the algebraic sum of Fixed Capital, which includes non-current assets and non-current liabilities (net of non-current financial liabilities included in the Net Financial Position) and Net Working Capital, which includes current assets (net of cash and cash equivalents and current financial assets included in the Net Financial Position), and current liabilities (net of current financial liabilities included in the Net Financial Position).
- ▶ **Operating Cash Flow** adjusted EBITDA, as explained above, plus or minus the decrease/(increase) in working capital in the period, minus capital expenditure (CAPEX/Investment).
- ▶ **Ordinary Cash Flow** is cash flow from operations as explained above, net of financial expenses, taxes paid in the period, and income/expenses from investments in associates.
- ▶ **Non ord. Cash Flow** 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).



Investor Relations

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<https://twitter.com/gruppomondadori>



<https://www.linkedin.com/company/gruppomondadori>



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<https://www.instagram.com/gruppomondadori>



<https://www.youtube.com/c/GruppoMondadori>