



# **RESULTS REPORT**

## **JANUARY-MARCH 2022**

PROMOTORA DE INFORMACIONES, S.A.  
April 26<sup>th</sup>, 2022

# INDEX

<b>Quarter Overview</b>	<b>3</b>
<b>PRISA Group</b>	
<b>Financial Results</b>	<b>4</b>
<b>P&amp;L</b>	<b>5</b>
<b>Cash Flow Statement</b>	<b>6</b>
<b>Financial Net Debt</b>	<b>7</b>
<b>Balance</b>	<b>8</b>
<b>Education</b>	
<b>Financial Results</b>	<b>9</b>
<b>Revenue Breakdown</b>	<b>11</b>
<b>P&amp;L</b>	<b>12</b>
<b>PRISA Media</b>	
<b>Financial Results</b>	<b>13</b>
<b>P&amp;L</b>	<b>15</b>
<b>ESG</b>	<b>16</b>
<b>Guidance 2022</b>	<b>17</b>
<b>Main KPIs</b>	<b>18</b>
<b>Appendix</b>	
<b>Guidance 2025</b>	<b>20</b>
<b>Education Q&amp;A</b>	<b>21</b>
<b>PRISA Media Q&amp;A</b>	<b>22</b>
<b>FX Evolution</b>	<b>24</b>
<b>Revenue and EBITDA breakdown</b>	<b>25</b>
<b>Financial Calendar</b>	<b>26</b>

## Overview

Q1 2022 EBITDA, excluding severance expense, improved 156% year-on-year (€44m vs. €17m). The significant operational improvement in both the Education and Media businesses led to a 2.6x increase in EBITDA compared to the same period in 2021. **Significant improvement in all key Financial and Digital KPIs.**

In Q1, PRISA generated revenues of €211m, 33% higher than in the same period last year. EBITDA ex severance expense of €44m; 156% improvement compared to the same period last year.

Education has shown a strong recovery thanks to the return to normality in the sector with the reopening of schools and the boost of digital. It is worth highlighting the evolution of the Ed-Tech subscription models, which are the company's main source of revenue, and which continue their growth trend thanks to the strategy of accelerating the transformation that is bearing fruit. On the other hand, Prisa Media has improved its results despite the uncertainty in the advertising sector due to the war in Ukraine and all the economic consequences resulting from it. The digital business continues to expand, with 38.4% growth in Ed-Tech subscription models in LatAm to achieve 2,480,000 subscriptions; EL PAÍS reached 196,228 subscribers (155,939 only-digital subscribers) and Radio recorded 77.4 million average monthly hours of streaming and 45.9 million podcast downloads. The group's digital revenues increased their contribution by 33% to represent 39% of the total.

**Education revenues in the first three months of the year have increased by 57% in euros or 50% in local currency.** In the private business, revenues have grown by 53%, with strong growth in both subscription business and didactic business, which has been enhanced by extraordinary sales in Argentina. In the public business, revenues have also improved despite the quarter being of little relevance. **The increase in revenues has translated into an 84% improvement in EBITDA excluding severance expense (€45m vs. €25m in 1Q2021).**

**PRISA Media showed revenue growth of 7% in the first quarter of 2022 driven by the advertising growth, and the continued growth of payroll EL PAÍS.** PRISA Media's advertising revenues grew by +11% in the period. The recovery of the advertising market, the boost of digital subscribers as well as the restructuring plan implemented in 2021 and the new cost control culture have helped **EBITDA excluding severance expense improved by €4.7m compared to first quarter 2021 figures.**

**At the corporate level, PRISA held the first Capital Markets Day in its history,** focused on businesses and providing long term guidance. At the same time, the **refinancing agreement was signed on 8<sup>th</sup> April,** maintaining the favorable terms of the pre-agreement despite the volatility of the markets. The agreement allows the group to focus on business development, providing medium-term financial stability, lengthening debt maturities, improving flexibility and establishing margin improvements linked to ESG criteria.

## Highlights

### **Significant operating improvement in both, Media and Education. EBITDA ex severance expense +156% vs Q1 2021**

*Supported by the digitalisation drive in Education following the return to normal activity in LatAm schools and the continued improvement in Prisa Media following the restructuring of the business in 2021. Adjusted EBITDA Margin of 20.8%.*

### **Continued boost for digital**

*Ed-Tech subscription model increased by 38% year-on-year, achieving 2.48m subscriptions.*

*EL PAÍS reached 196k subscribers, of which 156k are digital-only (+55% YoY).*

*Radio continues to increase consumption of streaming hours (+19% YoY) and podcast downloads (+49% YoY).*

### **Debt refinancing agreement: Signed**

*The agreement maintains the favorable terms of the preliminary agreement despite volatile markets, allowing the group to focus on business development, providing medium-term financial stability, lengthening debt maturity, improving flexibility and establishing margin enhancements linked to ESG criteria.*

### **S&P upgrades PRISA's rating to CCC+ with positive outlook**

*S&P opens the door to further improvement if the group successfully implements its strategic plan.*

# PRISA Group - Financial Results

Positive cash generation in the period driven by operational improvement, CAPEX control and working capital management.

## Revenue

In the first quarter of 2022, Group's total revenues amounted to €211m compared to €159m of the same period last year. Which represents an increase of 33% (+30% at constant currency). Education revenues grew by 57% in the first quarter of the year driven by the private business performance, especially by the continued growth of the subscription models. PRISA Media's showed revenue growth of 7% boosted by advertising and digital circulation growth.

## EBITDA

The improvement in revenues in the period has translated into an operating improvement of 156%, reaching an EBITDA excluding severance expense of €44m compared to €17m in the same period of the previous year. EBITDA for 1Q 2022 was €41.3m, compared to €12.3m in the same period last year, an increase of 236%.

## FX

FX has had a positive effect both on revenues and EBITDA during the first quarter of 2022. The effect on revenues was of €4.8m and on EBITDA of €0.8m, mainly due to revaluation of the Brazilian real.

## Highlights

### **Positive Cash flow generation in the period supported by operational improvements, CAPEX control and WC management**

Positive Cash Flow ex one-offs of €50.2m (+ €15.7m / +45% YoY).

Positive Cash Flow of €40.8m (+ €19.2m / +89% YoY).

### **Positive Net profit achieved in the quarter (€0.1m vs – €13.8m)**

Profit for the quarter was +13.9 million better than last year's amount.

### **Liquidity position**

Cash position stands at €216m.

Additional liquidity lines undrawn amounting to €99m.

Optimization of liquidity and cash management under analysis.

### **Bank debt drops to €723m vs €756m as of December 2021**

€795m vs €825m including IFRS 16.

### **6.1x Net Financial Debt / LTM EBITDA ratio (c.8x as of Dec 21)**

Positive Outlook provided by S&P opens the possibility for a rating upgrade within 12-18 months.

## Net Profit

Net profit in the quarter improved by 13.9M€, amounting to €0.1m versus €-13.8m in the previous year.

## Cash generation

Positive cash generation in the period of €40.8m, 89% better than in the same quarter of 2021. Cash generation, excluding one-offs, is higher than in the first quarter of 2021 (€50m vs €34m). The improvement in cash generation is explained by: i) the operational improvement, ii) capex control management, iii) working capital management and iv) the reduction in interest due to the change in the payment frequency (from monthly in 2021 to half-yearly in 2022).

## Debt

Net bank debt in the quarter stood at €796m, compared to €825m in December 2021 as a result of cash generation. The financial leverage ratio stood at 6.1x.

On 31<sup>st</sup> March, cash stood at €216m, with an additional €99m in undrawn lines.

## PRISA Group – P&L

EUR Millions

Reported Results

	JANUARY - MARCH		
	2022	2021	Var.
<b>Operating Revenue</b>	<b>210.6</b>	158.5	<b>32.8%</b>
<b>Reported EBITDA</b>	<b>41.3</b>	12.3	<b>235.5%</b>
<i>EBITDA Margin</i>	19.61%	7.76%	152.6%
<b>EBITDA ex severance expense</b>	<b>43.8</b>	17.1	<b>156.3%</b>
<i>EBITDA Margin ex severance expense</i>	20.79%	10.78%	92.9%
<b>Reported EBIT</b>	<b>23.8</b>	-4.5	---
<i>EBIT Margin</i>	11.30%	-2.87%	---
<b>Financial Result</b>	<b>-15.5</b>	-7.1	<b>-116.8%</b>
Interests on debt	-16.2	-12.7	-27.4%
Other financial results	0.8	5.6	-86.4%
<b>Result from associates</b>	<b>-0.1</b>	-0.4	<b>79.3%</b>
<b>Profit before tax</b>	<b>8.2</b>	-12.1	---
Income tax expense	9.0	3.7	144.7%
<b>Minority interest</b>	<b>-0.8</b>	-1.9	<b>56.9%</b>
<b>Net Profit</b>	<b>0.1</b>	-13.8	---

EUR Millions

Results at constant currency

	JANUARY - MARCH		
	2022	2021	Var.
<b>Operating Revenue</b>	<b>205.7</b>	158.5	<b>29.8%</b>
<b>EBITDA</b>	<b>40.5</b>	12.3	<b>228.8%</b>
<i>EBITDA Margin</i>	19.7%	7.8%	153.3%
<b>EBITDA ex severance expense</b>	<b>43.0</b>	17.1	<b>151.4%</b>
<b>EBIT</b>	<b>23.3</b>	-4.5	---
<i>EBIT Margin</i>	11.3%	-2.9%	---

# PRISA Group – Cash Flow Statement

## CASH FLOW STATEMENT

€ million			Chg. 22/21	
	Q1 2022	Q1 2021	Abs	%
EBITDA	41.3	12.3	29.0	235.5%
Redundancies expense	2.5	4.8	-2.3	-47.9%
EBITDA (excluding redundancies)	43.8	17.1	26.7	156.3%
Change in working capital	28.4	35.2	-6.8	-19.3%
Redundancies paid	-8.8	-5.3	-3.6	-67.7%
Taxes paid	-6.4	-3.3	-3.2	-98.3%
Other cash flows and adjustments from operations	-0.5	9.6	-10.1	---
Capex	-7.8	-7.8	0.0	0.4%
Financial investments	0.3	-0.3	0.6	---
<b>CASH FLOW BEFORE FINANCING ACTIVITIES</b>	<b>48.9</b>	<b>45.2</b>	<b>3.7</b>	<b>8.2%</b>
Interest paid	-1.4	-9.8	8.4	86.2%
Dividends received	0.0	1.2	-1.2	-100.0%
Dividends paid	-0.5	-0.5	0.0	0.0%
Other cash flows from financing activities	-5.9	-7.2	1.3	18.1%
IFRS 16	-5.5	-6.6	1.1	17.2%
Others	-0.4	-0.6	0.2	28.1%
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>-7.8</b>	<b>-16.3</b>	<b>8.5</b>	<b>52.0%</b>
<b>CASH FLOW BEFORE DIVESTMENTS</b>	<b>41.1</b>	<b>28.9</b>	<b>12.2</b>	<b>42.1%</b>
Divestments	0.3	0.4	-0.1	-15.6%
<b>CASH FLOW BEFORE OPERATION</b>	<b>41.4</b>	<b>29.3</b>	<b>12.1</b>	<b>41.4%</b>
<b>CASH FLOW EX ONE-OFFS</b>	<b>50.2</b>	<b>34.5</b>	<b>15.7</b>	<b>45.4%</b>
<b>CASH FLOW OPERATIONS</b>	<b>-0.6</b>	<b>-7.6</b>	<b>7.0</b>	<b>92.1%</b>
<b>CASH FLOW</b>	<b>40.8</b>	<b>21.6</b>	<b>19.2</b>	<b>88.6%</b>



\*Others includes Financial investments, other cash flows & adjustments from operations, dividends and divestments

## PRISA Group – Financial Net Debt

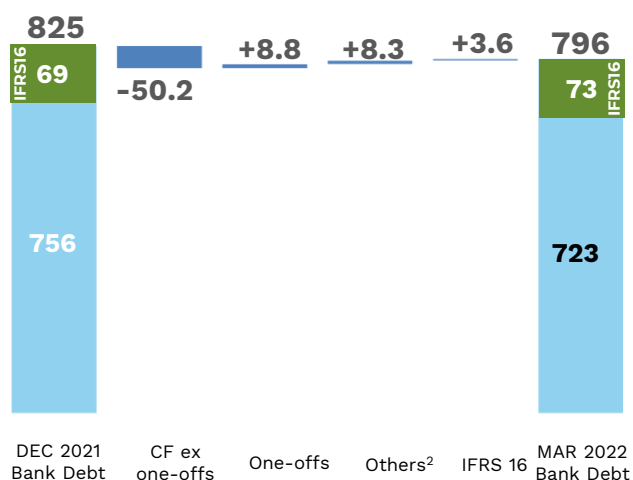
### TOTAL BANK DEBT

	Q1 2022		Dec 2021		Chg. 22/21	
	Abs	%	Abs	%	Abs	%
€ million						
<b>Financial debt</b>	<b>964.6</b>		<b>949.3</b>		<b>15.4</b>	<b>1.62%</b>
Non-current financial debt	939.1		934.3		4.8	0.51%
Current financial debt	25.5		14.9		10.6	70.92%
<b>Short term financial investments</b>	<b>-1.8</b>		<b>-2.1</b>		<b>0.3</b>	<b>12.46%</b>
<b>Cash &amp; cash equivalents</b>	<b>-216.4</b>		<b>-168.7</b>		<b>-47.7</b>	<b>-28.28%</b>
<b>Present value</b>	<b>-23.4</b>		<b>-22.4</b>		<b>-1.0</b>	<b>-4.57%</b>
<b>TOTAL BANK DEBT</b>	<b>723.0</b>		<b>756.1</b>		<b>-33.1</b>	<b>-4.37%</b>
IFRS 16 liabilities	<b>72.6</b>		<b>69.0</b>		<b>3.6</b>	<b>5.16%</b>
<b>TOTAL BANK DEBT w/IFRS16</b>	<b>795.6</b>		<b>825.1</b>		<b>-29.5</b>	<b>-3.58%</b>

### TOTAL BANK DEBT BY BB.UU (including Interco)

	Q1 2022		Dec 2021		Chg. 22/21	
	Abs	%	Abs	%	Abs	%
€ million						
<b>PRISA Holding + PRISA Gestión Financiera + PAE + Others</b>	<b>777.7</b>		<b>761.9</b>		<b>15.8</b>	<b>2.1%</b>
Financial debt	918.6		905.1		13.5	1.5%
Cash, Short term financial investments and interco debt	-140.9		-143.2		2.3	1.6%
<b>Santillana</b>	<b>-128.4</b>		<b>-98.2</b>		<b>-30.2</b>	<b>-30.8%</b>
<b>PRISA Media</b>	<b>73.7</b>		<b>92.4</b>		<b>-18.7</b>	<b>-20.2%</b>
Radio	-10.3		5.7		-16.0	---
PRISA Noticias Gestión	1.1		94.6		-93.5	-98.8%
Others	83.0		-7.9		90.8	---
<b>TOTAL BANK DEBT</b>	<b>723.0</b>		<b>756.1</b>		<b>-33.1</b>	<b>-4.4%</b>

### Net debt evolution (€m)



### Current debt maturity Profile (€m)

TRANCHE	QUANTUM <sup>(1)</sup>	MARGIN	MATURITY
· Super Senior	c. 160 M€ + 80 M€ RCF	E+5.00% Cash	JUN-26
· Senior	c. 575 M€	E+5.25% Cash	DEC-26
· Junior	c. 185 M€	E+3.00% Cash + 5.00% PIK	JUN-27
<b>TOTAL</b>	<b>c. 920 M€</b>	<b>Blended E+5.94%</b>	<b>-</b>

(1) Debt quantum assumes funding as of 31 March 2022, includes applicable OIDs

(2) Includes mainly PIK, Accrued interest non paid and impact of FX in Net debt

## PRISA Group - Balance

€ Million	ASSETS	
	31/03/2022	31/12/2021
<b>FIXED ASSETS</b>	<b>421.0</b>	<b>399.2</b>
Property, plant and equipment	112.4	109.7
Goodwill	119.7	109.5
Intangible assets	102.3	96.0
Long term financial investments	9.3	11.4
Investment in associates	28.1	27.0
Deferred tax assets	49.2	45.6
Other non current assets	0.0	0.0
<b>CURRENT ASSETS</b>	<b>545.1</b>	<b>479.1</b>
Inventories	51.6	39.9
Accounts receivable	273.2	265.7
Short term financial investments	1.9	2.4
Cash & cash equivalents	216.4	168.7
Assets held for sale	1.9	2.3
<b>TOTAL ASSETS</b>	<b>966.1</b>	<b>878.3</b>

€ Million	LIABILITIES	
	31/03/2022	31/12/2021
<b>SHAREHOLDERS EQUITY</b>	<b>-481.7</b>	<b>-511.8</b>
Issued capital	70.9	70.9
Reserves	-598.9	-521.1
Income attributable to the parent company	0.1	-106.5
Minority interest	46.2	44.9
<b>NON CURRENT LIABILITIES</b>	<b>1,038.3</b>	<b>1,033.8</b>
Long term financial debt	939.1	934.3
Other long term financial liabilities	57.3	53.9
Deferred tax liabilities	19.4	21.3
Provisions	19.5	21.0
Other non current liabilities	3.0	3.3
<b>CURRENT LIABILITIES</b>	<b>409.5</b>	<b>356.3</b>
Short term financial debt	25.5	14.9
Other current financial liabilities	15.8	15.9
Trade accounts payable	231.0	196.0
Other short term liabilities	89.1	93.2
Accrual accounts	47.2	35.2
Liabilities held for sale	0.9	1.1
<b>TOTAL LIABILITIES</b>	<b>966.1</b>	<b>878.3</b>



## Education – Santillana

The only Pan-LatAm Platform operating in the K-12 education market. With leadership in 20 countries, Santillana has focused its strategy on the transformation and digitization of the K-12 education market in Latin America through the promotion of subscription models.

Within the K-12 market, Santillana develops its activities in 2 areas with different market dynamics: Firstly, we have LatAm Private Market to which 70% of Santillana's annual sales correspond. The market is focused on the transformation of the educational market and the growth of subscription models which already represent 67% of total private annual sales. Secondly, the Public Market represents 30% of Santillana's annual sales. This market has established mainly on programmes in Brazil and Mexico and growing quotas.

### Financial Results

Santillana's revenues have increased by 57% in the first quarter of 2022 compared to the same period 2021. Education has shown a strong recovery in contrast to the bad start in 2021 where there were still many covid-related restrictions and schools continued closed. The reopening of schools in person has allowed for a more efficient marketing campaign and shows a greater demand for digital.. Santillana revenues reached €128m compared to €82m same period last year.

In terms of EBITDA, Santillana achieved €45m compared to €23m in the first quarter 2021 an increase of 92% in euros or 88% in local currency. Without considering the severance expenses, EBITDA in the first quarter was 84% greater in euros and 81% in local currency (€45m vs €25m).

In the first quarter, the private education business achieved extraordinary results in the South campaign (which is the one recorded in this period), particularly the evolution of the subscription models, which confirms the strategy of accelerating the transformation. The didactic business also showed good results thanks to the return to normality in schools in LatAm, especially in Argentina and Brazil, and the extraordinary sale in Argentina. The results of public sales also showed a good performance despite not being relevant in the quarter.

Due to the seasonality of the business, the second quarter is not expected to be relevant as the South 2022 campaign will close and the North 2022 campaign will start and is expected to end in Q3.

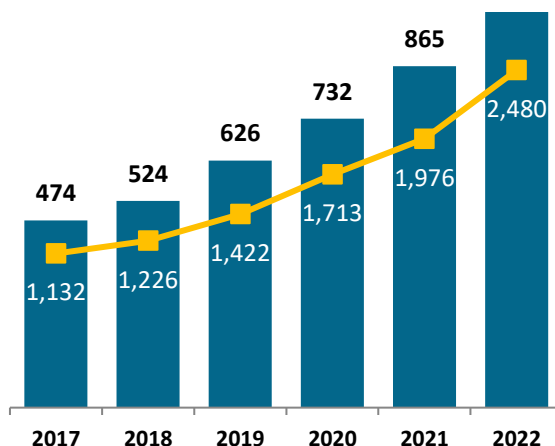
### Private sales

#### Subscription Models

Subscription models are the Company's main source of revenues and represent more than 55% of total private sales. Subscription models continue to grow at a rapid pace, reaching 2,480,000 subscriptions, an increase of 38% over Q1 2021 and 25% more than the total number of subscriptions in 2021. Revenues grew in the first quarter by 43% in euros or 36% in local currency, compared to Q1 2021.

Subscription model show growth in all type of systems. Global system grew 11% in comparison with the same period last year, flexible grew by 27% and Supplementals by 96%. In the breakdown per country in Brazil subscriptions grew by 20%, in Mexico by 27% and in Colombia by 29%. It is noteworthy the growth in other countries such as Ecuador and Chile both over 150% growth.

**Subscription revenue and student evolution**  
BRLm & '000 of subscriptions



### Didactic Sales

In the first quarter, sales of the private didactic business in LatAm amounted to €50,1m (45% of total private sales) and showed an increase of 67.7% in euros and 67.2% in local currency which is explained by i) a positive comparison with the first quarter of 2021 where schools were closed for face-to-face activity, which encouraged double use of textbooks and hampered the commercial campaign ii) the return to normality in LatAm and iii) the record of an extraordinary sale in Argentina amounting to €10m.

## **Education – Santillana**

The only Pan-LatAm Platform operating in the K-12 education market. With leadership in 20 countries, Santillana has focused its strategy on the transformation and digitization of the K-12 education market in Latin America through the promotion of subscription models.

### **Public sales**

Public sales amounted to €15.1m, up 87% in local currency or 112% in euros. Revenue growth is above expectations despite not being a relevant quarter.

## Education – Revenue Breakdown

Revenues by business	JANUARY - MARCH		
	2022	2021	Var.
€ Millions			
<b>Education sales</b>	<b>127.3</b>	<b>80.3</b>	<b>58.4%</b>
Private LatAm	112.2	73.2	53.2%
Subscription	62.1	43.4	43.3%
Traditional	50.1	29.9	67.7%
Public sales	15.1	7.1	111.9%
<b>Others revenues</b>	<b>1.1</b>	<b>1.6</b>	<b>-34.7%</b>
<b>Operating Revenues</b>	<b>128.4</b>	<b>82.0</b>	<b>56.6%</b>

Revenues by business at constant currency	JANUARY - MARCH		
	2022	2021	Var.
€ Millions			
<b>Education sales</b>	<b>122.3</b>	<b>80.3</b>	<b>52.2%</b>
Private LatAm	109.0	73.2	48.8%
Subscription	59.1	43.4	36.2%
Traditional	49.9	29.9	67.2%
Public sales	13.3	7.1	86.9%
<b>Others revenues</b>	<b>1.0</b>	<b>1.6</b>	<b>-36.0%</b>
<b>Operating Revenues</b>	<b>123.3</b>	<b>82.0</b>	<b>50.4%</b>

## Education – Digital KPIs

	2022	2021	Var (%)
Total subscriptions (K)	<b>2,480</b>	1,792	38.4%
ACV* (€m)	<b>98.0</b>	72.9	34.5%
% Learning systems / Private sales	<b>55%</b>	59%	-6.5%

\* ACV is the value of annual sales linked to signed contracts. The ACV of the South campaign takes place between Q4 of the previous year and the first 3 quarters of the current year. The ACV of the northern campaign matches with the fiscal year.

## Education – P&L

€ Millions	JANUARY - MARCH		
	2022	2021	Var.
Results Reported			
<b>Operating Revenues</b>	<b>128.4</b>	<b>82.0</b>	<b>56.6%</b>
<b>Reported Expense</b>	<b>83.8</b>	<b>58.7</b>	<b>42.7%</b>
<b>Reported EBITDA</b>	<b>44.5</b>	<b>23.2</b>	<b>91.7%</b>
EBITDA Margin	34.7%	28.3%	22.4%
<b>EBITDA ex severance expense</b>	<b>45.2</b>	<b>24.5</b>	<b>84.4%</b>
EBITDA Margin ex severance expense	35.2%	29.9%	17.7%
<b>Reported EBIT</b>	<b>34.3</b>	<b>12.9</b>	<b>166.6%</b>
EBIT Margin	26.7%	15.7%	70.2%

€ Millions	JANUARY - MARCH		
	2022	2021	Var.
At constant currency			
<b>Operating Revenues</b>	<b>123.3</b>	<b>82.0</b>	<b>50.4%</b>
<b>Reported Expense</b>	<b>79.5</b>	<b>58.7</b>	<b>35.4%</b>
<b>Reported EBITDA</b>	<b>43.8</b>	<b>23.2</b>	<b>88.4%</b>
EBITDA Margin	35.5%	28.3%	25.3%
<b>EBITDA ex severance expense</b>	<b>44.5</b>	<b>24.5</b>	<b>81.3%</b>
EBITDA Margin ex severance expense	36.1%	29.9%	20.5%
<b>Reported EBIT</b>	<b>33.9</b>	<b>12.9</b>	<b>163.1%</b>
EBIT Margin	27.5%	15.7%	74.9%

## PRISA Media

*The Largest Hispanic Media House that integrates the Radio and News businesses, with presence in the largest Spanish-speaking markets and with the potential and scope to grow in all of them through a transmedia approach.*

New organizational structure which responds to the need to align the organisation around a common purpose and strategy for all the group's media, focus efforts on accelerating digitalisation, enhance the global reach of products and leverage the growth potential of brands, focus on subscription models to monetise the leadership and quality of the various products and streamline the structure.

In the second half of 2021, the foundations were laid for a new media platform that is poised for growth. The asset base has been developed around two video and audio platforms and the focus is on producing the best content across all formats, maximizing distribution, increasing digital scale and improving audience awareness to maximize monetization.

In Mexico, PRISA Media, Corporativo Coral, Crédito Real and Barrister Services have reached an agreement that puts an end to the controversy surrounding Mexican radio broadcaster Sistema Radiópolis. Under the agreement, the four entities agree to coexist as shareholders of the radio station and renew their commitment to grow the business, strengthening the network's presence in the Mexican radio market.

### Financial Results

Prisa Media continues the positive trend of recent quarters thanks to; i) the growth of advertising markets despite the war in Ukraine, ii) its leadership position in all markets where it operates, iii) the growth and promotion of the EL PAÍS subscription model and iv) cost control and efficiency measures following the major restructuring carried out in 2021. PRISA Media reported revenues of €82.5m compared to €77.0m in the first quarter of 2021, an increase of 7.2%.

In terms of EBITDA, PRISA Media achieved a reported EBITDA of €-1.8m compared to €-7.5m in Q1 2021. This represents an improvement of €5.6m (+76%). On a comparable EBITDA basis (excluding severance expense) PRISA Media's

EBITDA reached €0.0m compared to €-4.8m in the previous year, an improvement of €4.8m (+99%).

In Q1 2022, the FX exchange rate had a negative impact on revenues of - €0.2m and positive on EBITDA of +€0.1m.

### Advertising

Advertising is the main source of revenue for PRISA Media, accounting for 75% of revenues. Net advertising revenues amounted to €62.2m in the quarter, compared to €56.1m in 2021, representing a growth in revenues of 10.9% in euros. Despite the low visibility and the uncertainty created by the Ukraine crisis, advertising has remained in line with expectations, although Colombia's extraordinary performance is particularly noteworthy thanks to the continuous improvement in market share.

### Circulation

The second most relevant concept in terms of revenue contribution at PRISA Media is circulation. Circulation is divided into two types, offline, which includes the sale of printed newspapers, and online, which covers mainly the sale of digital subscriptions of EL PAÍS.

In the quarter, circulation revenues have reached €13.2m compared to €12.8m in the same period 2021, a growth of 3.1% mainly supported by the strong growth from digital subscriptions (+33.8%) of EL PAÍS, which offsets the continued decline of printed copies (-3.8% in the period).

EL PAÍS subscription model was launched in May 2020 and has reached a total number of 155,939 digital only subscribers in March 2022 out of a total subscriber base of 196,228 subscribers.

EL PAÍS leads the subscription model market in Spain, with a higher rate of growth in the number of subscribers than most of the world's leading newspapers.

The average among the major European newspapers at the end of their first two years is 70,000 subscribers, a figure that rises to around 150,000 in the case of Latin American newspapers

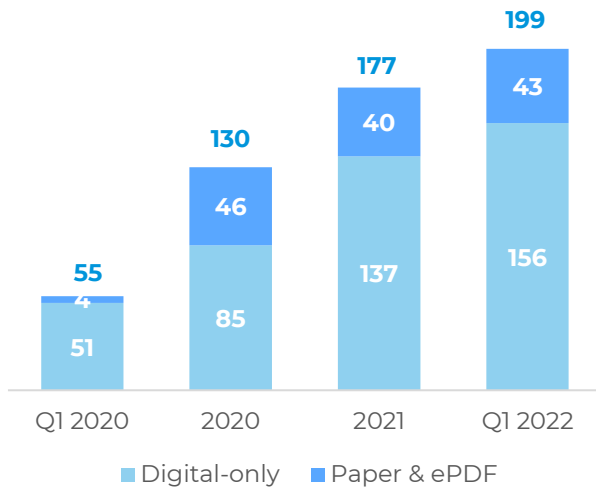
The subscription model is evolving to offer subscribers more exclusive, rigorous and quality content, adapted to multiple formats.

## PRISA Media

Leading Spanish-language media platform that integrates the Radio and News businesses, with a presence in different Spanish-speaking markets and the potential to grow in all of them through a transmedia approach.

By 2022 PRISA Audio continues with its growth plan, with the prospect of doubling the production of its content in a quantitative and qualitative leap that will allow it to consolidate its position as the creative benchmark for podcasting in Spanish worldwide.

### Evolution of EL PAÍS' digital subscribers '000 active subscribers



### Audio Boost

In 2021, as a result of the new organization and its commitment to new digital products, the transversal division of PRISA Audio was created, which integrates all of the Group's non-linear audio content: EL PAÍS, AS, Cadena SER, Podium Podcast, Cadena DIAL, Los40, and the Latin American stations W Radio, Caracol Radio and ADN Chile, among others.

As of December 2021, and just six months after its launch, PRISA Audio was the world's leading producer of Spanish-language audio, with 412 million downloads and around 800 million of listening hours, according to internal company data measured by Triton Digital, a benchmark company in the measurement of the digital audio industry.

In terms of streaming services (content that can be listened to live over the Internet), PRISA Audio is the second media company in the world -only behind iHeart Radio- and the first in Latin America.

## PRISA Media – P&L

€ Millions	JANUARY - MARCH		
	2022	2021	Var.
Results Reported			
<b>Operating Revenues</b>	<b>82.5</b>	<b>77.0</b>	<b>7.2%</b>
Net Advertising	62.2	56.1	10.9%
Circulation	13.2	12.8	3.1%
Offline	10.1	10.5	-3.8%
Online	3.1	2.3	33.8%
Others	7.1	8.0	-11.9%
<b>Reported Expense</b>	<b>84.4</b>	<b>84.5</b>	<b>-0.1%</b>
Variable expense	13.3	12.0	10.8%
Fixed expense	71.1	72.5	-1.9%
<b>Reported EBITDA</b>	<b>-1.8</b>	<b>-7.5</b>	<b>75.6%</b>
EBITDA Margin	-2.2%	-9.7%	77.2%
<b>EBITDA ex severance expense</b>	<b>0.0</b>	<b>-4.8</b>	<b>99.3%</b>
EBITDA Margin ex severance expense	0.0%	-6.2%	99.4%
<b>Reported EBIT</b>	<b>-8.9</b>	<b>-13.7</b>	<b>35.0%</b>
EBIT Margin	-10.8%	-17.8%	39.4%

## PRISA Media – Financial & Digital KPIs

	Q1 2022	Q1 2021	Var (%)
<b>Digital Revenues</b>	19.3	18.0	7.3%
<b>Non Digital Revenues</b>	63.3	59.0	7.2%
<b>Digital Revenue Mix</b>	23%	23%	0.0%
<b>Expense ex one-offs</b>	82.6	81.8	1.0%
<b>EBITDA ex one-offs</b>	0.0	-4.8	99.3%
<b>Average Unique Users (m)</b>	241.4	246.5	-2.1%
<b>Average Total Listening Hours (m)</b>	77.4	65.2	18.7%
<b>Average Audio downloads(m)</b>	45.9	30.8	49.0%
<b>Total subscribers (k)</b>	196	145	35.4%
<b>Total registered users (m)</b>	6.6	5.8	14.1%

# ESG<sup>1</sup>

Contributing to the development of people and the progress of society in the countries where PRISA is present

## First Quarter highlights

- E** • Podium Podcast and BMW launch 'Change of Meaning', a podcast on sustainability with the aim to learn more about sustainability and the keys to incorporate it into our daily lives.
- S** • PRISA is collaborating with the Emergency Committee to channel solidarity in the face of the humanitarian crisis in Ukraine.
- S** • Santillana celebrated women's day with the launch of #voyaser, a social transformation programme aimed at girls at risk of exclusion in Latin America.
- S** • PRISA has joined the Social Impact Cluster promoted by Forética which has the common objective of boosting ambition and corporate action in the face of the challenges of social transformation and the fight against inequality.
- G** • Appointment of new sustainability director, newly created position, with which the company reinforces its commitment in this area, following the recent creation of the Sustainability Committee within the Board of Directors.

Participant of the UN Global Compact since 2009, Member of the Spanish Executive Committee since 2016 and member of the following ESG indices



MSCI



FTSE4Good



## Educación – Santillana

- Focused on virtual teacher training, in a year marked by the pandemic, guaranteeing normal school activity by opening its technological platforms to all students and teachers.
- Integrating the Sustainable Development Goals (SDGs) in the development of educational content.
- Promoting technology in education to support the development of social and individual well-being.
- Participation in programmes aimed at fostering creativity, innovation and technological and scientific development.
- Participation in foundations that promote professional and personal development, such as Fundación Conocimiento y Desarrollo or Fundación Princesa de Girona, among others.
- Participating in the education of 28 million students in Latin America.

## PRISA Media

- Social commitment and a fundamental role in rigorous and quality information during the pandemic, attending to the needs of a confined society.
- EL PAÍS has maintained free access to information on the health crisis throughout the pandemic and the radio has given priority to service information.
- Fight against fake news
- Style guides for EL PAÍS, SER and AS.
- Support for journalism that defends freedoms, independence and rigour with the Ortega y Gasset Awards.
- Response to social emergencies by collaborating with different foundations in solidarity actions such as Acción contra el Hambre, Operación Frio and Kilos de solidaridad, among others.
- Collaboration with the Gates Foundation in Planeta Futuro.

<sup>1</sup> ESG Environmental, Social & Governance



## Outlook 2022

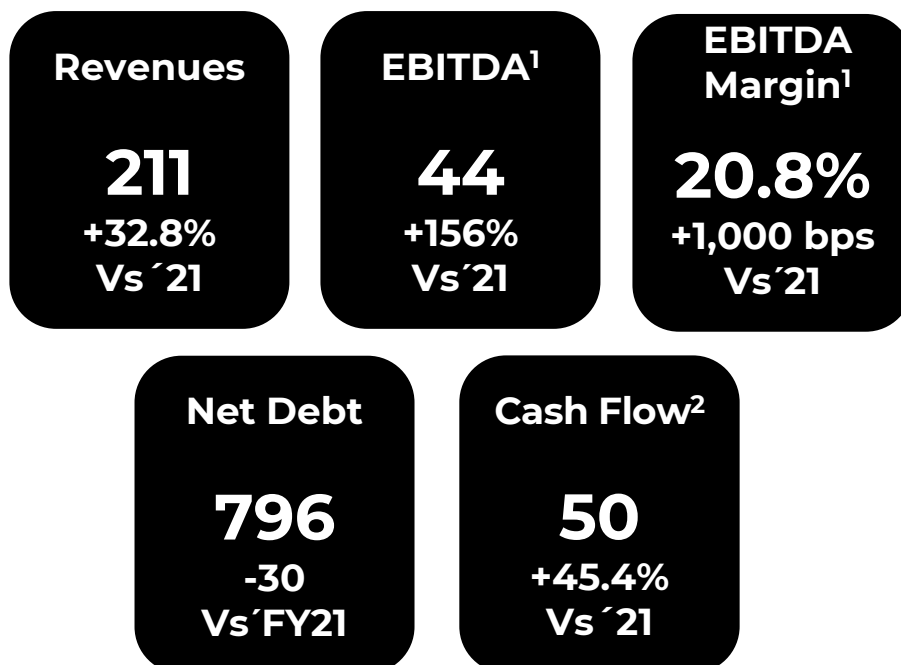
After a 2021 full of changes, both in the structure and management of the company, it is expected that 2022 will see the results of the changes implemented, with growth in all business lines.

### PRISA GROUP

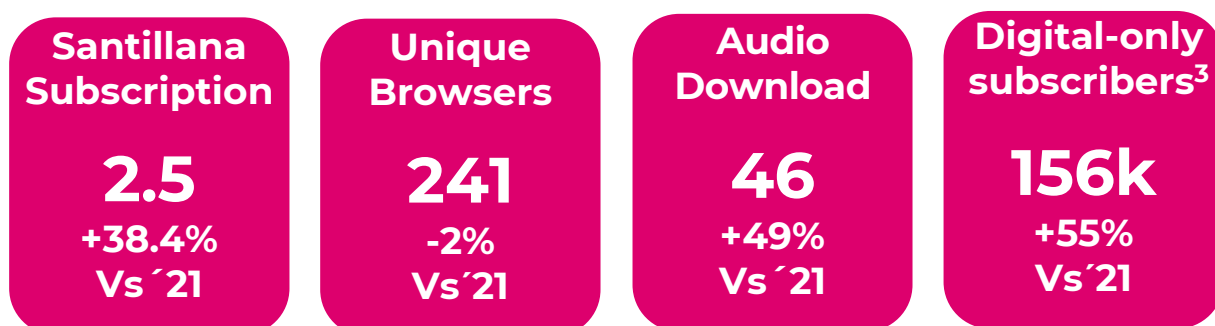
	<u>2021</u>	<u>Guidance</u> <u>2022</u>
<b>REVENUES</b>	€741m	€770 – 800m
<b>Adjusted EBITDA margin</b>	14.4%	15-17%
<b>Cash Generation ex one-offs</b>	€1.6m	Improvement vs. 2021

## PRISA GROUP Q1 MAIN KPIS

### FINANCIAL (€m)



### DIGITAL (m)



1) Excluding severance expense  
2) Excluding One-Offs

3) EL PAÍS digital-only subscribers

## Appendix



1. Outlook 2025 CMD	20
2. Education Q&A	21
3. PRISA Media Q&A	22
4. Fx evolution	24
5. Revenue and EBITDA breakdown	25

## Outlook 2025 – CAPITAL MARKETS DAY

	<b><u>2025</u></b> <b><u>Guidance</u></b>
<b>REVENUES</b>	<b>~ €1,000m</b>
<b>Adj. EBITDA Margin</b>	<b>22-25%</b>
<b>Accumulated Cash Flow generation*</b>	<b>~ €300m</b>
<b>Digital Revenues</b>	<b>52%</b>

\* Excluding interest payment.

## Education Q&A

The only Pan-LatAm platform operating in the K-12 education market. With leadership in 20 countries, Santillana has focused its strategy on the transformation and digitization of the K-12 education market in Latin America through the promotion of subscription models.

### Where is Santillana present?

Santillana is present in 19 countries in Latin America.

### What products does Santillana have?

Santillana offers Ed-tech platforms based on subscription models (e.g. UNO, Compartir, Farias Brito...) and on the other hand printed textbooks (Moderna, Norma). In addition, Santillana is boosting its offer of supplementary (extracurricular) products in English, mathematics, etc.

### In which markets does Santillana participate?

Santillana develops its activities in 2 areas with different market dynamics: **Private market**, i.e., in public schools in Latin America, where it offers traditional textbooks and subscription models. In this market Santillana focuses on the transformation of the educational market and the growth of subscription models. **Public/Institutional Market**, which is government-led and mainly based on tendering programmes based mainly in Brazil and Mexico.

### Private educational market in Latin America?

In K-12, there are about 120,000 schools and approximately 17.8 million students, 11.4 in traditional models (textbooks) and 6.4 under subscription models (Ed-tech).

### Breakdown of students by country in the potential market?

	<b>Potential Market (Millions)</b>		
	<b>Didactic</b>	<b>subscription</b>	<b>Total</b>
Brazil	3.3	4.7	8
Mexico	2.7	0.5	3.2
Colombia	1.2	0.6	1.8
Rest LatAm	4.2	0.6	4.8
<b>Total</b>	<b>11.4</b>	<b>6.4</b>	<b>17.8</b>

### Santillana's current market position?

In 2021, Santillana had a total of 7.2 million students, of which 2 million under subscription models and 5.3 million under traditional (didactic) textbooks. In Ed-tech it has a market share of approximately 31%.

### Advantage over competitors?

Santillana is the only Pan-LatAm education operator present in all Latin American countries, with an undisputed leadership position in all LatAm countries except Brazil, where it ranks third. **It is the only Pan-LatAm operator that has developed subscription models outside Brazil.**

### Advantages of the Ed-tech vs. traditional model?

Subscription models offer higher revenue visibility versus the didactic model, with contracts signed for periods of 3 and 4 years and with an average revenue per student higher than the average revenue per student of the didactic model. The average renewal rate of these subscription models is above 80%.

### Types of subscription models?

Santillana currently offers 4 types of Ed-tech models: Global, flexible, English and Supplemental. Global systems implement 100% of the subjects in the school. Flexible systems integrate 3 to 4 subjects and are usually the first step to start digitising schools and introducing the Learning systems and their functioning. And finally, supplementals and English models offer extracurricular courses in English, mathematics and other subjects.

### Breakdown of students by Ed-tech model?

As of December 2021, Santillana has **2.48 million subscriptions**, of which 1.50 million are studying under the flexible model. The Global models have 399,000, the English learning system have 464,000 and the supplemental have 115,000 subscriptions..

### Breakdown of Ed-tech students by country?

The country with the highest number of subscriptions with Santillana's Ed-tech models is Brazil with 719,000. After Brazil is Colombia with 602,000, Mexico with 300,000 and the rest of Latin America with 859,000.

### Santillana in the future?

Santillana is currently fully focused on the transformation of students from the didactic model to an Ed-tech subscription model. At the same time, it continues to develop Ed-tech models and to create new supplemental systems. In the future, the vast majority of students will be using an Ed-tech model.

## PRISA Media Q&A

*Media business is the result of the new organizational structure that integrates the Radio and News businesses. Radio and News are the largest Spanish-language platforms in their respective sectors.*

### In which markets does PRISA Media participate?

PRISA Media is present in 12 countries in Spain and Latin America.

### What are the main assets of PRISA Media?

PRISA Media is made up of two businesses, Radio and News. In Radio, it has leading stations such as Cadena Ser, Los40, Radio Caracol, Iberoamericana and Radiópolis. In the Press, it has EL PAÍS, AS and Cinco Dias.

### PRISA Media's main source of revenue?

The main source of revenue for PRISA Media comes from advertising and copy sales. For Radio, the main source of revenue for Radio is advertising. For Press, revenues come from advertising and circulation (both online and offline).

### PRISA Media main business activities?

PRISA Media is a leading platform in the Radio and News business. In the Radio business it is the leading global platform in Spanish and is focused on becoming the largest producer and distributor of audio in Spanish. In News it is the largest global news platform in Spanish with a growing and scalable digital model in transition to a subscription-based model (Paywall).

### What is PRISA Media's market position?

PRISA Media is the leading platform in the sectors in which it operates. In Radio, it is the absolute leader in Spain, both in Generalist and Music radio. Internationally, it is the leader in Colombia and Chile. In Mexico (which it consolidates through equivalence), it holds third place. In the Spanish press, EL PAÍS and AS are leaders in both physical and digital formats. At the international level, where only the digital format is available, it is the leader in both EL PAÍS and the sports daily AS.

PRISA Media has a total of 241 million unique browsers on average per month as of March 2022. The web version of the Radio has 2.55 million registered users on its web version and News web version has 4,02 million registered users.

Radio has a monthly average of 22 million listeners and a digital consumption of 77.4 million monthly streaming hours, 45.5 million monthly Podcast downloads (including Pódium Podcast).

According to the latest EGM, SER maintains its absolute leadership with a market share of 33% (general radio). Los40 is second after SER and maintains first place in the Music Radio market, with a share of 22%. In Chile and Colombia, it is the market leader with audience shares of 45% and 27% respectively. In Mexico, it holds second place with an audience share of 15%.

### What is a subscription model?

The Subscription Model or Paywall, currently only implemented in EL PAÍS, is a method by which the user has to pay a subscription in order to access online content. There are several types of models on the market, ranging from more to less restrictive.

### What type of subscription model does El País have?

EL PAÍS implemented a metered subscription model when launching while has evolved towards a freemium model

### What types of subscriptions are there?

EL PAÍS has two types of subscriptions, a monthly or an annual one. In the case of monthly subscriptions, payment is made monthly, while in the case of annual subscriptions, payment is made once a year.

### What is the price of the subscriptions?

The introductory price is 10 euros per month per user for the monthly format, although there are welcome promotions with the first month for 1 euro. In the case of choosing an annual subscription, there is a 20% discount on the monthly subscriptions.

### How many subscribers are there in total?

As of March, El País has 155,939 digital-only subscribers (out of a total subscriber base of 196,228). For digital-only subscriptions, 46% of subscriptions are annual and 24% come from outside Spain.

### How is the total subscriber base made up?

The 155,939 subscribers who are exclusively digital subscribers are those who subscribe through the El País website. The remaining up to 196K, are divided between print subscribers, subscribers on other platforms such as Kiosko y +, etc.

### **PRISA Media's competitive advantages?**

PRISA Media has 3 key unique advantages over other Media groups that give it a competitive edge and clear room for improvement to build a global leader in digital content in the Spanish speaking markets:

1. Strong know-how and skills in print and audio with profitable businesses. Audio is the new digitalisation engine in the content industry, being able to act simultaneously as a lever in press and audio.
2. Our brands (EL PAÍS, SER, Caracol, AS, Los40...) are undisputed leaders in their respective markets.
3. PRISA Media is the only media group with a presence in key Spanish-speaking markets with the potential and scope to grow in all of them with a combined press + audio approach.

### **PRISA Media in the future?**

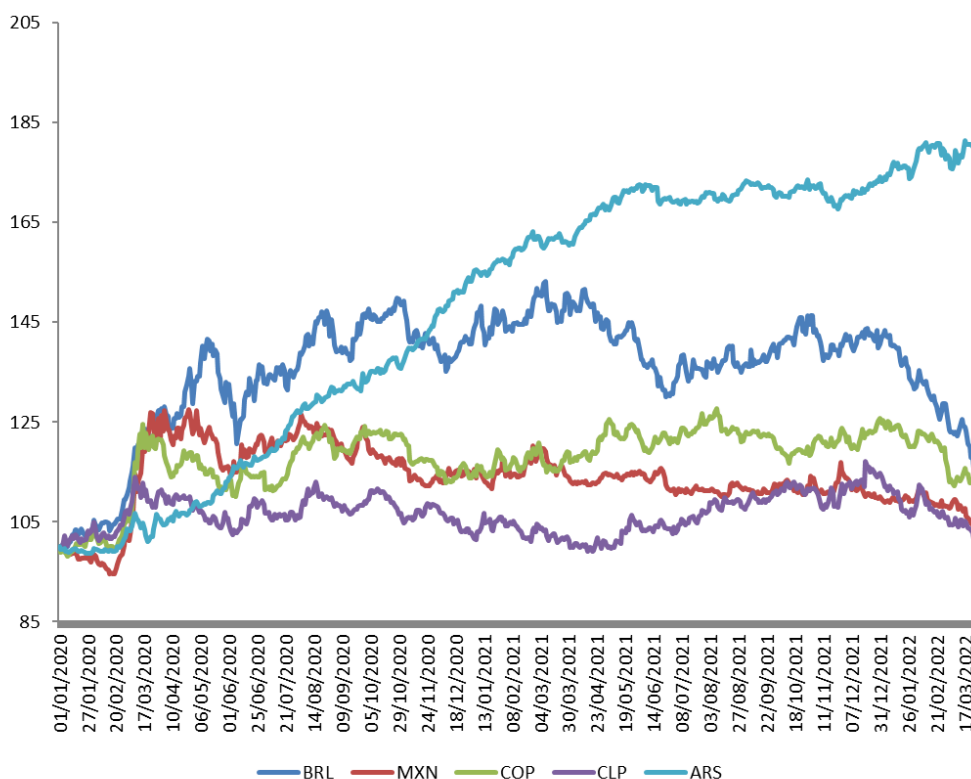
The future trend in Media's business is digitalisation. Therefore, PRISA Media's future strategy is:

1. Build platforms around all assets to provide scale and introduce efficiencies to jointly operate the entire portfolio of assets...
2. Focus on content creation with a transmedia approach to become the best provider of digital content in Spanish-speaking markets.
3. Drive global audiences both by combining media (Print and Audio) in the digital environment and by targeting multiple Spanish-speaking countries, LatAm and even the US.

## Fx evolution

The Group's results in Latin America have been affected by the FX evolution in the region, mainly in Brazil and Argentina.

The FX impact on the Group's revenues and EBITDA in the first quarter of 2022 was positive. **The impact was +€4.8m in revenues and +€0.8m in EBITDA.**



	BRL	MXN	COP	CLP	ARG
1Q2020	4.92	22.06	3,912.25	886.27	67.83
2Q2020	5.92	25.67	4,231.20	905.24	74.50
3Q2020	6.29	25.81	4,365.32	912.62	85.71
4Q2020	6.44	24.49	4,354.98	905.93	95.57
1Q2021	6.60	24.51	4,288.58	872.56	106.76
2Q2021	6.38	24.12	4,454.06	863.41	113.36
3Q2021	6.17	23.61	4,534.56	911.47	114.61
4Q2021	6.39	23.72	4,442.68	944.97	114.92
1Q2022	5.86	23.00	4385.66	906.57	119.65

Source: Bloomberg



## Breakdown of operating revenue and comparable EBITDA by B.U.

€ Millions	JANUARY - MARCH		
	2021	2021	Var.
<b>Operating Revenues</b>	<b>210.6</b>	<b>158.5</b>	<b>32.8%</b>
Education	128.4	82.0	56.6%
Media	82.5	77.0	7.2%
PRISA Radio	48.7	41.3	17.9%
PRISA News	34.2	35.8	-4.6%
Others	-0.3	-0.5	28.8%
<b>EBITDA</b>	<b>41.3</b>	<b>12.3</b>	<b>235.5%</b>
Education	44.5	23.2	91.7%
Media	-1.8	-7.5	75.6%
PRISA Radio	0.9	-4.5	---
PRISA News	-2.6	-2.8	6.7%
Others	-1.4	-3.5	58.6%
<b>EBITDA ex severance expense</b>	<b>43.8</b>	<b>17.1</b>	<b>156.3%</b>
Education	45.2	24.5	84.4%
Media	0.0	-4.8	99.3%
PRISA Radio	2.3	-3.3	---
PRISA News	-2.5	-1.3	-94.8%
Others	-1.4	-2.7	46.9%

€ Millions	JANUARY - MARCH		
	2022	2021	Var.
<b>Operating Revenues at constant currency</b>	<b>205.7</b>	<b>158.5</b>	<b>29.8%</b>
Education	123.3	82.0	50.4%
Media	82.8	77.0	7.5%
PRISA Radio	48.9	41.3	18.5%
PRISA News	34.2	35.8	-4.6%
Others	-0.3	-0.5	28.8%
<b>EBITDA at constant currency</b>	<b>40.5</b>	<b>12.3</b>	<b>228.8%</b>
Education	43.8	23.2	88.4%
Media	-1.9	-7.5	74.6%
PRISA Radio	0.9	-4.5	---
PRISA News	-2.6	-2.8	6.1%
Others	-1.4	-3.5	58.6%
<b>EBITDA ex severance expense at constant currency</b>	<b>43.0</b>	<b>17.1</b>	<b>151.4%</b>
<b>Education</b>	44.5	24.5	81.3%
Media	-0.1	-4.8	97.9%
PRISA Radio	2.2	-3.3	---
PRISA News	-2.5	-1.3	-95.9%
Others	-1.4	-2.7	46.9%

## Financial Calendar

### 12th May, 2022: BofA Made in Iberia Conference

*More information available as we get closer to the date of the event.*

### 26th May, 2022: MEDCAP fórum by BME

*More information available on the event website.*

### July 2022: 1H2022 Results presentation

*More information available as we get closer to the date of the event.*



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