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RESULTS REPORT

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Summary

Grupo PRISA has continued to report **strong operating performance in the first quarter of the year**, with revenue and earnings growth in line with expectations, **excluding extraordinary⁽¹⁾ impacts**. These one-offs, however, preclude useful comparison with 1Q 2023.

In addition, the company has continued to make headway with its strategy of strengthening its balance sheet. **The first quarter saw a convertible notes issue for a total of €100M, which was oversubscribed as of April.**

Moody's and S&P have upgraded Prisa's rating to B3 with a stable outlook and B- with a stable outlook, respectively, thereby recognizing the company's improved credit score. The upgrades were prompted by solid operating performance over the past three years and efforts to reduce debt, as well as improved governance with a more conservative financial policy.

All in all, performance in the **first quarter of 2024 has been in line with the company's expectations and remains on track to meet "Guidance 2024"**.

Business performance

In the first quarter of 2024, the Group continued to perform positively. It should be noted, however, that this year's figures should be considered in light of **two significant extraordinary items** that preclude comparison with 1Q 2023, namely: i) in 2023, an **extraordinary institutional sale in Argentina** was registered in March; ii) in February 2024, Prisa Holding registered €10M in other operating income, following the **favorable arbitration ruling** in relation to the 2020 dispute over the failed sale of the Media Capital business to Cofina SGPS, S.A. ("**Cofina**").

Excluding extraordinary⁽¹⁾ impacts, **the Group's revenue grew by +1% while EBITDA was up by +11%.**

Highlights

Continued strong operating performance of the businesses

Continued strong performance of the Group's businesses in 1Q 2024. However, some extraordinary items preclude comparison with 1Q 2023 (an extraordinary institutional sale in Argentina in 1Q 2023 and a favorable arbitration ruling in relation to the dispute with Cofina in 1Q 2024).

EBITDA margin of 26.2% (+1 percentage points vs. 1Q 2023), excluding extraordinary⁽¹⁾ impacts. Group revenue grew by +1% while EBITDA was up by +11%.

Subscription models at Santillana and EL PAÍS continue to grow at a steady pace.

Improvement in advertising up till February. March was impacted by the seasonal effect of Easter (in 2023 it fell in April).

A focus on debt reduction, cash generation and strengthening the Group's balance sheet.

In April, a new convertible notes issue worth €100M was oversubscribed.

Ratings agencies Moody's and S&P have upgraded Prisa's credit score, reflecting the robust operating and financial performance over the past three years.

Positive FCF in 1Q 2024, which has improved by +18% vs. 1Q 2023; net debt reduction of €35M vs. December 2023; and a strong liquidity position (€227M including cash and available liquidity lines) at the end of 1Q 2024.

In terms of revenue, highlights include the **growth seen by Santillana's subscription models and the increase in the number of EL PAÍS digital⁽²⁾ subscribers**, which together continue to drive the Group's digital transformation and growth. **Advertising, which up till February had shown growth of +9%, fell in March, impacted by the seasonal effect of Easter**, which in 2023 had fallen later, in April. Likewise, audiovisual production has performed at a slower pace than in 2023, leading to a lower volume of both revenues and costs compared to 1Q 2023.

The performance of revenues, together with cost control, contributed to an **EBITDA margin of 26.2%, which is an improvement of 1 percentage point** compared to 1Q 2023.

Financial position

The company continues to focus on debt reduction and cash generation.

In this quarter, **the Group launched a new issue of notes, valued at €100M and which are mandatorily convertible** into newly issued shares, with a fixed 1% annual coupon (non-capitalizable) and a mandatory conversion period of 5 years. **The notes were fully subscribed in April, with demand exceeding supply** (the funds were received in April). This operation will enable the company to pay off part of its junior debt and to promote business growth opportunities. From an accounting point of view, it will be reported in the same way as the 2023 notes issue, which means that practically the entire financial instrument will be recorded as equity.

It is worth highlighting the **improvement in Free Cash Flow (FCF)** for the quarter, which is positive (€45M), an increase of **+18% compared to 1Q 2023**. In addition, net financial debt has been reduced compared to December 2023 by €35M, bringing the **Net Debt/EBITDA ratio to 4.2x** as of March 2024 with a liquidity position of €227M (including cash and available liquidity lines).

(1) Excluding extraordinary impacts implies to exclude: i) Santillana Argentina (in 2024: €13M Revenues and €5M EBITDA; in 2023: €37M Revenues and €21M EBITDA) significantly affected by the extraordinary institutional sale in 2023 and; ii) arbitration award (favorable ruling) in February 2024 related to the unsuccessful sale of Media Capital to Cofina with an impact of +€10M in other revenues (and EBITDA), and no impact on cash Flow.

(2) Includes print subscribers that have activated digital Access; does not include B2B or print subscribers with no digital activation or pdf-only.

Group results

There was strong operating performance in 1Q 2024, with continued digital growth in both businesses, Santillana and Media. Revenues have been affected by extraordinary impacts. However, revenues grew +1%, EBITDA grew +11% and EBIT grew +19% excluding extraordinary⁽¹⁾ impacts.

In addition, the Group continued to improve its operating efficiency, achieving an **EBITDA margin of 26.2%**, up by 1 percentage point compared to 1Q 2023 (2 percentage points excluding extraordinary⁽¹⁾ impacts).

Extraordinary items

1Q 2024 results have been affected by two extraordinary items, as discussed above:

- i) in 2023, an extraordinary **institutional sale in Argentina** was registered in March;
- ii) and in February 2024, **€10M was recorded as other operating income**, following the favorable arbitration ruling in relation to the 2020 dispute over the failed sale of the Media Capital business to **Cofina**⁽²⁾. Cofina had unilaterally decided not to continue with the acquisition process, thereby breaching the sale and purchase agreement, resulting in its termination. While this ruling does have an impact on results, it does not imply any cash inflow (the cash was recorded at the time of the signing the sale agreement in 2020, and was duly deposited in an escrow account which, after the ruling, has now become available to Prisa).

Revenue

Revenues in the first quarter of the year grew compared to the same period of 2023, excluding extraordinary⁽¹⁾ impacts. **The increase was mainly due to the growth of Santillana's subscription models, higher public sales in Brazil, the increase in circulation and the sale of non-strategic assets.** In the period from January to March 2024, revenues reached **€256M, up +1% compared to 1Q 2023** excluding extraordinary⁽¹⁾ impacts (-4% on a like-for-like basis).

By business line, it is worth **highlighting the growth in education sales** (+4% excluding extraordinary⁽¹⁾ impacts), driven by **the solid performance of private sales** (mainly due to the growth of subscription models) and by the growth of public sales in Brazil (+8%).

Advertising grew +9% up to February. However, in March, performance was **negatively affected by Easter** (in 2023, this fell in April) which led to a deviation of -1% at the close of 1Q 2024 compared to 1Q 2023.

However, first-quarter advertising does not have a very significant weight in the annual total due to the seasonality of the business. Meanwhile, **circulation grew by +5%** thanks chiefly to the **increase in EL PAÍS digital⁽³⁾ subscriptions**. Finally, **other operating income** (excluding extraordinary⁽¹⁾ impacts), decreased by -15%. This is the result of **temporary issues involving Prisa Media's audiovisual production**, which will be offset throughout the rest of the year.

In short, despite continuing economic and industry uncertainty, the impact of seasonal effects (Easter) and the fact that the Group is coming from very significant growth in 2023, **during 1Q 2024 we managed to maintain growth in line with our expectations**, excluding extraordinary⁽¹⁾ impacts.

EBITDA

Robust revenue performance together with the improvement in operating efficiency thanks to cost control resulted in **1Q EBITDA of €67M**, which is in line with the 1Q 2023 figure, and **+11% growth** (excluding extraordinary⁽¹⁾ impacts). **EBITDA margin was 26.2%**, an improvement of 1 percentage point compared to the same period of 2023 (+2 percentage points excluding extraordinary⁽¹⁾ impacts).

Exchange rates

The exchange rate has had a **positive effect of +€7M** on first quarter revenues, mainly due to the appreciation of the Colombian Peso and the Brazilian Real. In addition, there was a positive effect of the Argentine Peso due to the impact of hyperinflation. In terms of EBITDA, the effect of the exchange rate has been insignificant (-€1M).

Net Income

Net result is positive and amounts to €19M compared to a net result of €5M in the first quarter of 2023, an improvement of +€14M. The net result has been buoyed not only by **operating improvement**, but also by **lower financing costs** in the period (despite the increase in interest rates). There are two chief contributory factors: i. there had been higher financing costs in 1Q 2023 for fair value of the debt after the early repayment of part of the Junior debt; ii. lower inflation adjustments, mainly in Santillana Argentina (due to lower results in 1Q 2024).

(1) Excluding extraordinary impacts implies to exclude: i) Santillana Argentina (in 2024: €13M Revenues and €5M EBITDA; in 2023: €37M Revenues and €21M EBITDA) significantly affected by the extraordinary institutional sale in 2023 and; ii) arbitration award (favorable ruling) in February 2024 related to the unsuccessful sale of Media Capital to Cofina with an impact of +€10M in other revenues (and EBITDA), and no impact on cash flow.

(2) Dispute with Cofina. On February 22nd, 2024 the Arbitration Court in Portugal ruled that Cofina had breached its obligations under the contract for the sale and purchase of Media Capital to Cofina. As a result of this ruling Prisa can now access the 10 million euros that had been deposited in an escrow account (minus the costs of arbitration and other similar costs). In addition, the aforementioned Arbitration Court ordered Cofina to pay PRISA the interest accrued from March 11, 2020 until the final date of payment of the amount deposited in the escrow account. The date of the ruling, and not before, and only when payment has become practically certain, is when the amount loses its contingent status. This ruling in favor of Prisa and consequent access to the amount deposited in the escrow account is independent of the sale process of Media Capital that was executed after March 11, 2020 to other buyers.

(3) Includes print subscribers that have activated digital Access; does not include B2B or print subscribers with no digital activation or pdf-only.

Cash flow and debt

Cash generation in 1Q 2024 was positive, with **Free Cash Flow (FCF) growth of +18% compared to 1Q 2023**. In addition, **net debt has been reduced by €35M** compared to December 2023 and **liquidity position has improved: it remains strong and amounts to €227M** (including cash and available liquidity lines) as of March 2024.

Cash generation

1Q 2024 saw **Cash Generation of €32M**, which compares to €149M in 1Q 2023. However, the latter included the proceeds from the convertible notes issued in 2023 (€128M). The proceeds from the new 2024 convertible notes issue, received in April, will have an impact on the cash generated on 2Q 2024. Excluding the 2023 convertible notes, **Cash Flow has grown by +51% compared to 1Q 2023, mainly due to the improvement in Free Cash Flow (FCF)**.

Free Cash Flow (FCF) reached €45M by March 2024 compared to €38M in the same period of 2023, i.e. **+18%**, thanks chiefly to a €19M **improvement in working capital** (mainly due to higher collection in 1Q 2024, associated with the operational improvement of the businesses in the last quarter of 2023). The improvement in working capital is partially impacted by negative adjustment in other operating cash flows, associated with the Cofina arbitration ruling (the positive impact included in EBITDA is adjusted in other cash flows since the ruling did not actually result in cash inflows in 1Q 2024 as mentioned above).

Financing cash flow decreased by €5M, mainly due to the increase in interest payments (Euribor) with respect to 1Q 2023 and the fact that dividends have not yet been received in 1Q 2024. On the other hand, there have been **higher sales of non-core assets** compared to 1Q 2023, which improves Cash Flow by €5M.

Finally, in 1Q 2023, interest rate hedges were arranged for a total of €4M, a cash outflow that did not happen in 1Q 2024, resulting in an improvement in Cash Flow.

Net debt and liquidity

The Group continues to focus on reducing debt and strengthening its liquidity position.

Net Financial Debt excluding IFRS 16 liabilities stood at €732M, compared to €767M in December 2023. The €35M reduction is mainly due to **cash generation** (-€32M) and the **exchange rate effect** on net debt (-€3M).

Taking into account IFRS 16 liabilities, net debt stands at €798M compared to €832M in December 2023, a decrease of 4%. The **Net Debt/EBITDA ratio stands at 4.2x, a decrease of 0.1 times compared to December 2023**.

The Group continues to have a **strong liquidity position of €227M** as of March 2024, including cash and available liquidity lines.

PRISA Group – P&L

REPORTED RESULTS	JANUARY - MARCH			Excluding extraordinaries ⁽¹⁾ JANUARY - MARCH		
	2024	2023	Var.	2024	2023	Var.
€ Million						
Operating Revenues	256.2	266.9	-4.0%	233.5	230.3	+1.4%
Reported EBITDA	67.1	67.2	-0.2%	51.6	46.4	+11.2%
<i>EBITDA Margin</i>	26.2%	25.2%	+4.0%	22.1%	20.1%	+9.7%
Operating result (EBIT)	52.1	51.4	+1.4%	37.1	31.1	+19.2%
<i>EBIT Margin</i>	20.3%	19.2%	+5.7%	15.9%	13.5%	+17.6%
Financial Result	-21.3	-32.2	+33.9%			
Interests on debt	-22.6	-22.1	-2.0%			
Other financial results	1.3	-10.1	---			
Result from associates	2.5	0.0	---			
Profit before tax	33.3	19.1	+73.9%			
Income tax expense	14.6	14.1	+3.5%			
Results from discontinued activities	0.0	0.0	+19.0%			
Minority interest	-0.6	-0.2	-134.9%			
Net Profit	19.2	5.2	+266.8%			

RESULTS AT CONSTANT CURRENCY

RESULTS AT CONSTANT CURRENCY	JANUARY - MARCH		
	2024	2023	Var.
€ Million			
Operating Revenues	248.7	266.9	-6.8%
EBITDA	68.0	67.2	+1.2%
<i>EBITDA Margin</i>	27.3%	25.2%	+8.6%
Operating result (EBIT)	54.2	51.4	+5.6%
<i>EBIT Margin</i>	21.8%	19.2%	+13.4%

⁽¹⁾ Excluding extraordinary impacts implies to exclude: i) Santillana Argentina (in 2024: €13M Revenues and €5M EBITDA; in 2023: €37M Revenues and €21M EBITDA) significantly affected by the extraordinary institutional sale in 2023 and; ii) arbitration award (favorable ruling) in February 2024 related to the unsuccessful sale of Media Capital to Cofina with an impact of +€10M in other revenues (and EBITDA), and no impact on cash flow.

PRISA Group – Cash Flow Statement

CASH FLOW STATEMENT

€ Million	JANUARY - MARCH			
	2024	2023	Var.	
			Abs.	%
Reported EBITDA	67.1	67.2	-0.1	-0.2%
Severance expenses	1.4	1.9	-0.6	-29.7%
EBITDA ex severance expenses	68.4	69.1	-0.7	-1.0%
Working capital	11.6	-6.9	+18.5	---
Severance payments	-2.0	-3.7	+1.7	+45.6%
Taxes paid	-4.6	-5.3	+0.6	+12.3%
Capex	-7.8	-9.4	+1.6	+16.6%
Other	-14.2	0.4	-14.6	---
CASH FLOW BEFORE FINANCING ACTIVITIES	51.4	44.2	+7.1	+16.2%
Interests paid	-19.8	-17.7	-2.2	-12.4%
Dividends	0.0	2.0	-2.0	-100.0%
Other CF from financing activities	-6.2	-5.7	-0.6	-9.9%
IFRS 16	-6.9	-6.4	-0.5	-7.4%
Other	0.6	0.7	-0.1	-12.0%
CASH FLOW FROM FINANCING ACTIVITIES	-26.1	-21.3	-4.8	-22.3%
CASH FLOW BEFORE DIVESTMENTS	25.3	22.9	+2.4	+10.4%
Divestments	7.1	1.8	+5.3	+300.5%
CASH FLOW BEFORE OPERATIONS	32.5	24.7	+7.7	+31.3%
Operations	-0.6	124.2	-124.8	---
Convertible notes	-0.1	127.8	-127.9	---
Other	-0.5	-3.7	+3.1	+85.8%
CASH FLOW	31.8	148.9	-117.0	-78.6%

FREE CASH FLOW (FCF)⁽¹⁾

€ Million	JANUARY - MARCH			
	2024	2023	Var.	
			Abs.	%
CF BEFORE FINANCING ACTIVITIES	51.4	44.2	+7.1	+16.2%
IFRS 16	-6.9	-6.4	-0.5	-7.4%
FREE CASH FLOW (FCF)	44.5	37.9	+6.7	+17.6%

(1) Free Cash Flow (FCF) = cash flow before financing (EBITDA ex Severance exp + WC + Capex + Taxes + Redundancies paid + Other cash flows and adjustments from operations + Financial investments) including IFRS 16 payments (leases).

PRISA Group – Financial Net Debt

TOTAL FINANCIAL NET DEBT

€ Million

	MAR	DEC	Var.	
	2024	2023	Abs.	%
Bank Debt	917.3	922.9	-5.6	-0.6%
Non-current Bank debt	887.5	885.4	+2.1	+0.2%
Current Bank debt	29.8	37.6	-7.8	-20.6%
Convertible notes liability	0.8	1.0	-0.2	-22.3%
Short term financial investments	-6.5	-4.2	-2.3	-56.0%
Cash&cash equivalents	-201.5	-176.6	-24.9	-14.1%
Present value	22.2	23.8	-1.7	-7.0%
NET FINANCIAL DEBT EX IFRS 16	732.3	767.0	-34.7	-4.5%
IFRS 16 liabilities	65.4	65.3	+0.1	+0.2%
NET FINANCIAL DEBT WITH IFRS 16	797.6	832.3	-34.6	-4.2%

NET FINANCIAL DEBT EX IFRS 16 BY BUs (including interco)

€ Million

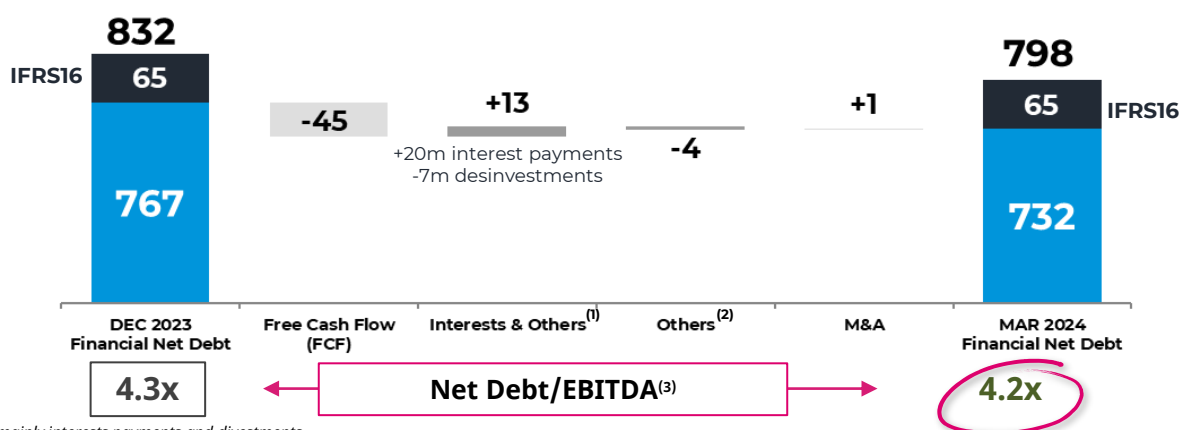
	MAR	DEC	Var.	
	2024	2023	Abs.	%
Prisa Holding & Other	796.8	779.5	+17.3	+2.2%
Financial debt (bank & coupon liabilities)	920.1	919.6	+0.5	+0.1%
Cash, short term financial invest.& interco. Debt	-123.4	-140.1	+16.8	+12.0%
Santillana	-169.0	-148.5	-20.5	-13.8%
Media	104.5	136.0	-31.6	-23.2%
NET FINANCIAL DEBT EX IFRS 16	732.3	767.0	-34.7	-4.5%

CASH BREAKDOWN

€ Million

INITIAL CASH & CASH EQUIVALENTS POSITION DEC 2023	176.6
Cash Flow	31.8
FX in Cash and deposits	1.7
Debt increase/amortization	-8.5
FINAL CASH & CASH EQUIVALENTS POSITION MAR 2024	201.5

Financial Net Debt Evolution (€ Million)



(1) Includes mainly interests payments and divestments.

(2) Includes mainly PIK, convertible notes coupon liability, accrued interest and impact of FX on Net debt.

(3) Net Debt/EBITDA ratio calculated considering the financial leverage criteria defined in the Refinancing agreements.

PRISA Group – Balance sheet

€ Million

	ASSETS	
	MAR 2024	DEC 2023
FIXED ASSETS	433.6	430.7
Property, plan & equipment	90.8	94.5
Goodwill	116.0	117.7
Intangible assets	105.8	104.0
Long term financial investments	11.5	11.2
Investment in associates	49.5	45.1
Deferred tax assets	60.0	58.3
CURRENT ASSETS	528.9	544.1
Inventories	53.8	63.7
Accounts receivable	266.6	296.1
Short term financial investments	6.5	4.2
Cash&cash equivalents	201.5	176.6
Assets held for sale	0.5	3.5
TOTAL ASSETS	962.6	974.8

€ Million

	LIABILITIES	
	MAR 2024	DEC 2023
SHAREHOLDERS EQUITY	-405.1	-428.2
Issued capital	102.9	100.8
Reserves	-541.2	-511.1
Income attributable to the parent company	19.2	-32.5
Minority interest	14.1	14.6
NON CURRENT LIABILITIES	970.9	971.4
Long term financial debt	887.5	885.4
Other long term financial debt	49.5	50.2
Deferred tax liabilities	20.0	22.1
Provisions	11.2	11.1
Other non current liabilities	2.7	2.6
CURRENT LIABILITIES	396.8	431.5
Short term financial debt	29.8	37.6
Other current financial liabilities	18.4	17.9
Trade accounts payable	200.1	233.0
Other short term liabilities	101.6	95.9
Accrual accounts	46.7	46.9
Liabilities held for sale	0.2	0.2
TOTAL LIABILITIES	962.6	974.8

Prisa Media

PRISA Media is the world's largest Spanish-language Media and Entertainment group, and is at the forefront of digital transformation thanks to its leading brands in Spain, Latin America and the USA.

PRISA Media's organizational structure seeks to align the organization around a common purpose and strategy for all the Group's media. This involves focusing efforts on accelerating digitization, enhancing the global reach of products and leveraging the growth potential of the brands. A firm commitment to subscription models and multiple formats is key to ensuring the leadership and quality of the brands.

Financial Results

There was continued momentum for the digital transformation of the business. EL PAÍS saw **growth in digital⁽¹⁾ subscriptions**, and there were advances in the **development of new lines of business related to Artificial Intelligence**.

In 1Q 2024, **revenues reached €91M, down -6%** from €98M in 1Q 2023. This is due chiefly to **temporary issues involving Prisa Media's audiovisual production**, which will be offset throughout the rest of the year.

In **advertising**, revenues remained at similar **levels to those of 1Q 2023**, though there was a slight drop of -1%, due to the impact of Easter. With regard to **circulation**, revenues **grew by +5%**, thanks chiefly to the robust performance of revenues from EL PAÍS digital⁽¹⁾ subscriptions. Finally, **other revenues decreased by -35%** vs. 1Q 2023, mainly due to the aforementioned temporary effect involving audiovisual production, which is expected to be corrected during the course of the year.

In terms of **EBITDA, in 1Q 2024**, Prisa Media reported a figure of **-€1M** compared to €2M in 1Q 2023, in a quarter with little weight over the total year, mainly due to the seasonality of the advertising business.

During 1Q 2024, the impact of the exchange rate on Prisa Media was not significant: + €0.5M in revenues and - €0.7M in EBITDA.

Advertising

Advertising is Prisa Media's **chief revenue source**, accounting for **72%** of revenues in the first quarter of the year. Net advertising revenues totaled €66M in 1Q 2024, in line with the €67M achieved in 1Q 2023 (a slight decrease of -1%).

However, **1Q advertising figures do not have a very significant weight in the annual total due to the seasonality of the media business**.

The global macroeconomic situation remains complex and uncertain. Despite this context, the advertising trend during the first two months of the year has been positive, growing by +9% compared to February 2023. However, in March performance was affected by an **early Easter** (it fell in April in 2023). **Both online and offline advertising fell by around -1%** in 1Q 2024 vs 1Q 2023. By market, Spain decreased -3% vs. 1Q 2023, Chile grew +5% in the quarter in local currency and Colombia, although it showed a +3% growth in euros, in local currency fell mainly due to delays in events and special actions which will now be carried out throughout the rest of the year.

Finally, it is worth highlighting the **improvements in advertising market share in Spain and Chile**, where Prisa Media has outperformed its competitors (sources: i2p March 2024, in Spain and Agencia de Medios February 2024, in Chile).

Circulation

Circulation, which **accounted for 15% of Prisa Media's revenues** in the first quarter of the year, includes both print newspaper sales and sales corresponding to EL PAÍS's digital⁽¹⁾ subscriptions.

During 1Q 2024, **circulation revenues** reached €14M, **growth of +5%** vs. 1Q 2023. The growth in EL PAÍS digital subscription revenues (+25%) offset the drop in offline newspaper sales (-4%).

EL PAÍS has reached a total figure of **366,297 subscribers**, of whom **350,404 are digital⁽¹⁾**. As of March 31, 2024, the digital subscription model had clocked up an additional 16,821 net subscriptions compared to December 2023, maintaining the **steady pace of acquisition**.

Total subscribers showed a year-on-year growth of **+28% and for digital⁽¹⁾ subscribers of +29%**.

(1) Includes print subscribers that have activated digital Access; does not include B2B or print subscribers with no digital activation or pdf-only

Prisa Media

Other income

Other revenues accounted for **€11M** (-35% vs. 1Q 2023), and **represented**, as of March 2024, **13% of Prisa Media's revenues** in the first quarter of the year. As previously mentioned, the drop in other revenues was mainly due to temporary effects in the production of audiovisual content compared to 1Q 2023 (with almost no impact on EBITDA).

The company continues to **forge ahead with its digital-revenue diversification policy**. To this end, the company is engaged in multiple innovative digital projects.

Particularly noteworthy in recent months has been the development of business opportunities in the field of Artificial Intelligence (AI).

Specifically, the **recent alliance with OpenAI** (only for texts) allows its users to interact and engage with Prisa Media's high-quality current affairs content. PRISA Media will also be actively contributing to the training of AI models. What's more, by leveraging ChatGPT's capabilities, Prisa Media can present its quality content in exciting new ways, thus reaching people who are looking for rigorous and independent content.

Prisa Media continues to work to develop new alliances with other AI platforms to drive **business opportunities, as part of its digital transformation roadmap**.

Meanwhile, a commitment to **audiovisual production** offers an **additional revenue** stream for Prisa Media. This line of business is fully integrated into PRISA Media's Video structure. It creates and develops new formats and is active in the marketing and production of original audiovisual products based on the content generated by the Group's different media outlets, for subsequent distribution on different platforms.

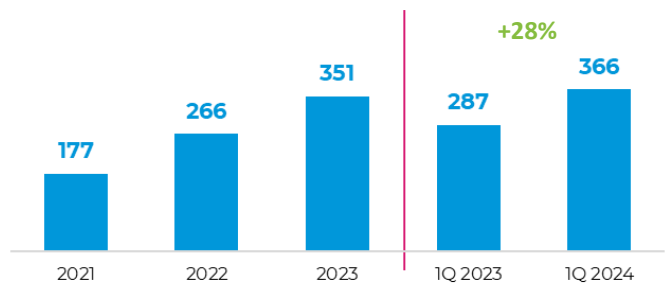
EL PAÍS subscribers

The EL PAÍS model continues to evolve to offer its subscribers more **exclusive, rigorous and quality content and services**.

EL PAÍS is the **clear market leader for newspaper subscriptions in Spain** thanks to its global audiences, the prestige of the brand and the quality of its content.

EL PAÍS reached a total of 366,297 subscribers in 1Q 2024, growth of +28%. Digital⁽¹⁾ subscribers, which amounted to 350,404, grew by +29% compared to the same period in 2023, and the **churn rate stood at 2.4% in 1Q 2024** (vs. 4% of the market)⁽²⁾. The positive growth trend continued in the first quarter, in line with previous quarters, with the net addition of 16,821 digital⁽¹⁾ subscribers.

EL PAÍS total subscribers evolution
Thousand



A Commitment to Audio and Video

Figures for **Audio and Video consumption** continue to **grow**, and the figures for 1Q 2024 confirm the **positive trend**. At the end of March 2024, the number of **average monthly audio downloads** totaled 53 million, **up +6%**, and **total listening hours** amounted to 95 million, on average, per month, **up +7%** compared to 1Q 2023. The average number of **audiovisual content views** per month amounted to 155 million, **up +33%** compared to 1Q 2023.

(1) Includes print subscribers that have activated digital Access; does not include B2B or print subscribers with no digital activation or pdf-only.

(2) Source: INMA.

Prisa Media – P&L

REPORTED RESULTS

€ Million

	JANUARY - MARCH		
	2024	2023	Var.
Operating Revenues	91.4	97.6	-6.3%
Net Advertising	66.1	66.8	-1.0%
Offline	50.6	51.0	-0.9%
Online	15.6	15.7	-1.2%
Circulation	14.1	13.4	+4.9%
Offline	8.8	9.2	-4.4%
Online	5.3	4.2	+24.9%
Others ⁽¹⁾	11.2	17.4	-35.4%
Reported Expenses	92.5	95.7	-3.3%
Variable	17.8	24.0	-26.1%
Fixed	74.8	71.6	+4.4%
Reported EBITDA	-1.1	1.9	---
<i>EBITDA Margin</i>	<i>-1.2%</i>	<i>2.0%</i>	<i>---</i>
Operating result (EBIT)	-7.9	-4.2	-87.8%
<i>EBIT Margin</i>	<i>-8.7%</i>	<i>-4.3%</i>	<i>-100.4%</i>

Prisa Media – Digital KPIs

	JANUARY - MARCH		
	2024	2023	Var.
Digital Revenues (€ Million)	24.9	24.7	+0.8%
Digital Revenues Mix (%)	27.3%	25.3%	+7.5%
Monthly average Unique Browsers (Million)	172.5	243.2	-29.1%
Monthly average Page Views (Million)	1,743.7	1,580.9	+10.3%
Monthly average Video plays (Million)	154.8	116.5	+32.9%
Monthly average TLH (Million)⁽²⁾	94.8	88.9	+6.7%
Monthly average Audio Downloads (Million)	53.3	50.3	+5.8%
Registered Users (Million)	10.4	8.5	+22.4%
EL PAÍS Digital subscribers⁽³⁾ (Thousand)	350.4	271.8	+28.9%
EL PAÍS Total subscribers (Thousand)	366.3	287.0	+27.6%

⁽¹⁾ Other revenues includes, among others, content production agreements both in audio and in video, affiliation and partnerships for digital projects and sale of non-core assets.

⁽²⁾ TLH: Total Listening Hours.

⁽³⁾ Includes print subscribers that have activated digital Access; does not include B2B or print subscribers with no digital activation or pdf-only.

Education – Santillana

Enjoying a clear lead in Latin America, Santillana has focused its strategy on the transformation and digitization of the K-12 education market by transforming towards subscription-based learning models built on its own educational technology (Ed-Tech) platform.

Within the K-12 market, Santillana focuses its operations on different strategic areas. Firstly, the Private Market, which accounts for 70% of Santillana's annual sales. Here, Santillana is focused on transforming the educational model via the growth of subscription models based on learning systems. Secondly, the public sales in Brazil, which accounts for approximately 25% of Santillana's annual sales. And finally, the markets of Argentina and Venezuela, which account for approximately 5% of sales.

Financial Results

There was very positive business performance in the first quarter of 2024 thanks to the significant growth seen by learning systems. However, the quarter **compares negatively** to 1Q 2023, as the latter saw an **extraordinary institutional sale in Argentina**.

Santillana's revenues reached €155M in 1Q 2024 vs €170M in 1Q 2023, a decrease of -9%. **Excluding extraordinary⁽¹⁾ impacts, revenues grew +7%.** Santillana continues to demonstrate the strength of its businesses, thanks especially to the sustainable growth of subscription models based on learning systems and the strong performance of the business in Brazil.

The southern region campaign got off to a strong start in 2024. Performance has been positive, with particularly noteworthy growth in Brazil, Colombia and Ecuador.

By business, 1Q 2024 revenue growth in the private sector was +7% while **public sales in Brazil** enjoyed +8% growth. In **Other Markets**, revenues decreased due to the effect of extraordinary⁽¹⁾ impacts.

In terms of **EBITDA**, Santillana reported a figure of **€60M** in 1Q 2024, down -11% from 1Q 2023. Excluding extraordinary⁽¹⁾ impacts, EBITDA **grew by +18%**.

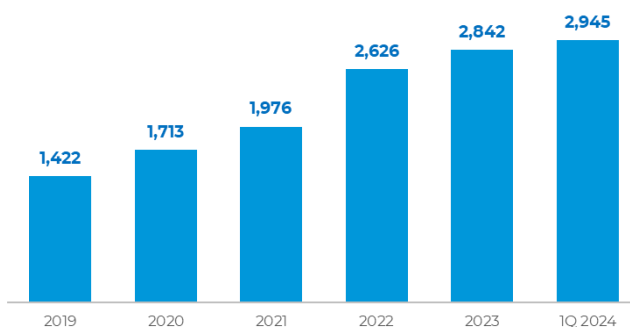
The impact of the exchange rate in 1Q 2024 was positive in terms of revenues (+€7M), mainly due to Colombia, Brazil and Argentina. However, in terms of EBITDA, the impact has been insignificant (- €0.2M).

Private sales

Subscription models based on learning systems are Santillana's **chief source of revenue** and account for **more than 70% of private sales**. During 1Q 2024, subscription models continued to grow, driving the transformation process in the education sector. There were a total of **2,945,120 subscriptions**, an **increase of +6%** compared to 1Q 2023. **Revenues from subscriptions grew by +13%** in 1Q 2024 (+14% excluding extraordinary⁽¹⁾ impacts), to reach €83M in the quarter.

Subscriptions showed growth in all system categories: Flexible systems grew by +2%, Global systems grew by +4% and Supplemental systems (including English language systems) by +15%. By country, subscriptions grew +3% in Brazil, +25% in Mexico, +5% in Colombia and +1% in the rest of the countries.

Subscription's evolution Thousand



The **private business as a whole**, including both the sale of subscription models as well as more traditional so-called didactic sales, saw **+7% revenue growth** in 1Q 2024. The improvement in subscription model sales offset the decline in didactic sales (pending the final close of campaigns).

⁽¹⁾ Excluding extraordinary impacts implies to exclude Santillana Argentina (in 2024: €13M Revenues and €5M EBITDA; in 2023: €37M Revenues and €21M EBITDA) significantly affected by the extraordinary institutional sale in 2023.

Education - Santillana

Brazil Public sales

Public sales in Brazil amounted to €25M, up **+8%** on 1Q 2023.

It is worth **highlighting the robust results of the PNLD Novedad sale** from 2023 and invoiced in 2024, which offset the drop in other public sales (due to temporary delays that should be corrected during the year).

EBITDA by business

Overall, Santillana reported **EBITDA of €60M in 1Q 2024**. Private business accounted for 76% of the total, public sales in Brazil accounted for 15% and Other Markets accounted for the remaining 9%. This EBITDA figure has led to a **margin of 38.5%** in 1Q 2024.

Excluding extraordinary⁽¹⁾ impacts, EBITDA grew by +18% in the quarter compared to 1Q 2023. This improvement is due chiefly to the **positive performance** of the learning-systems business and the strong performance of public sales in Brazil, together with the reinforcement of **cost control measures**, which has led to a **+4 percentage points improvement in EBITDA margin**.

The **private** business reported EBITDA of €46M in the quarter, which represents +23% growth compared to 1Q 2023. This increase is due to: i) the strong performance of learning systems, which offset the drop in traditional didactic sales, and ii) cost control.

The performance of the public business in **Brazil**, driven by the improvement in PNLD sales that offset the drop in other sales, means that EBITDA remains resilient. EBITDA was €9M in 1Q 2024, very similar to the figure for 1Q 2023, and in line with expectations. However, this quarter does not have a significant weight in the year's total, as a whole.

Finally, with regard to so-called **Other Markets**, as explained above, EBITDA was down by -75% vs. 1Q 2023, as the same quarter last year had been buoyed by an extraordinary institutional sale in Argentina.

Exchange rates effect

The exchange rate has had a **positive effect of +€7M on first-quarter revenues**, mainly due to the appreciation of the Colombian Peso and the Brazilian Real. In addition, the impact of the Argentine Peso was also positive due to hyperinflation, offsetting the depreciation in the Chilean Peso. The impact of exchange rates on EBITDA was insignificant (-€0.2M).

⁽¹⁾ Excluding extraordinary impacts implies to exclude Santillana Argentina (in 2024: €13M Revenues and €5M EBITDA; in 2023: €37M Revenues and €21M EBITDA) significantly affected by the extraordinary institutional sale in 2023.

Santillana – Revenue Breakdown

REPORTED REVENUES BY BUSINESS

€ Million

	JANUARY - MARCH		
	2024	2023	Var.
Education business sales	151.1	169.1	-10.7%
Private	113.1	109.1	+3.6%
Subscription	81.9	72.1	+13.6%
Traditional	29.9	32.3	-7.3%
Other Institutional	1.3	4.8	-72.3%
Brazil Public	25.3	23.3	+8.5%
Other markets (includes Argentina)	12.7	36.7	-65.4%
Other revenues	4.0	0.5	+661.9%
Operating Revenues	155.0	169.6	-8.6%

REVENUES BY BUSINESS ON CONSTANT CURRENCY

€ Million

	JANUARY - MARCH		
	2024	2023	Var.
Education business sales	144.2	169.1	-14.7%
Private	109.7	109.1	+0.5%
Subscription	78.3	72.1	+8.6%
Traditional	30.0	32.3	-7.2%
Other Institutional	1.5	4.8	-69.1%
Brazil Public	24.3	23.3	+4.3%
Other markets (includes Argentina)	10.2	36.7	-72.1%
Other revenues	3.8	0.5	+639.3%
Operating Revenues	148.1	169.6	-12.7%

Santillana – Digital KPIs

	JANUARY - MARCH		
	2024	2023	Var.
Ed-Tech Subscriptions (Thousand)	2,945	2,783	+5.8%
Subscription sales⁽¹⁾ / Private sales	72%	66%	+9.6%

⁽¹⁾ Excluding subscription sales in Argentina, because it doesn't belong to the private business sales.

Santillana – P&L

REPORTED RESULTS

€ Million

JANUARY - MARCH

	2024	2023	Var.
Operating Revenues	155.0	169.6	-8.6%
Reported Expenses	95.3	102.8	-7.3%
Reported EBITDA	59.7	66.9	-10.7%
<i>EBITDA Margin</i>	<i>38.5%</i>	<i>39.4%</i>	<i>-2.3%</i>
Operating result (EBIT)	51.7	57.3	-9.7%
<i>EBIT Margin</i>	<i>33.3%</i>	<i>33.7%</i>	<i>-1.2%</i>

Excluding Extraordinaries⁽¹⁾

JANUARY - MARCH

	2024	2023	Var.
Operating Revenues	142.4	133.0	+7.0%
Reported Expenses	88.1	87.0	+1.3%
Reported EBITDA	54.2	46.0	+17.8%
<i>EBITDA Margin</i>	<i>38.1%</i>	<i>34.6%</i>	<i>+10.1%</i>
Operating result (EBIT)	46.7	37.0	+26.2%
<i>EBIT Margin</i>	<i>32.8%</i>	<i>27.8%</i>	<i>+17.9%</i>

RESULTS AT CONSTANT CURRENCY

€ Million

JANUARY - MARCH

	2024	2023	Var.
Operating Revenues	148.1	169.6	-12.7%
Reported Expenses	88.1	102.8	-14.2%
Reported EBITDA	59.9	66.9	-10.4%
<i>EBITDA Margin</i>	<i>40.5%</i>	<i>39.4%</i>	<i>+2.7%</i>
Operating result (EBIT)	53.0	57.3	-7.5%
<i>EBIT Margin</i>	<i>35.8%</i>	<i>33.7%</i>	<i>+6.0%</i>

⁽¹⁾ Excluding extraordinary impacts implies to exclude Santillana Argentina (in 2024: €13M Revenues and €5M EBITDA; in 2023: €37M Revenues and €21M EBITDA) significantly affected by the extraordinary institutional sale in 2023.



ESG⁽¹⁾

PRISA continues to prioritize integrating sustainability across its value chain, contributing to equality of opportunities and the progress of democratic society through quality education, information, and entertainment.

Environment

Continuing the Group's commitment to raising awareness in society about **climate change**, once again, El **Eco de LOS40** has joined WWF's "La Hora del Planeta" initiative.

Social

In relation to gender equality, and on the occasion of International Women's Day, six African women journalists from Kenya, Somalia, Senegal, Nigeria, Democratic Republic of Congo and Mozambique decided on the cover of **Planeta Futuro**, an **EL PAÍS** space focused on the problems of the global south.

After the success of the first call, Santillana, the OEI, and the Santillana Foundation have presented the II edition of the Sustainable Schools Award in Brazil, Colombia, and Mexico.

Governance

With the aim of ensuring **solid and transparent** governance that fights disinformation, PRISA Media **has created VerificAudio**, a pioneering tool to assist its journalists in **detecting fake or deepfake audios** generated with synthetic or altered voices through technology. This new solution, developed in collaboration with Google News Initiative and Minsait, is already available in the editorial offices of stations in Colombia, Mexico, Chile and Spain.



⁽¹⁾ Environmental, Social & Governance

Guidance

PRISA Group

	<u>Guidance 2024</u>	<u>Guidance 2025⁽²⁾</u>
EBITDA Margin	19-20%	22-25% ⁽³⁾
Free Cash Flow⁽¹⁾ (FCF)	> €60M	> €100M

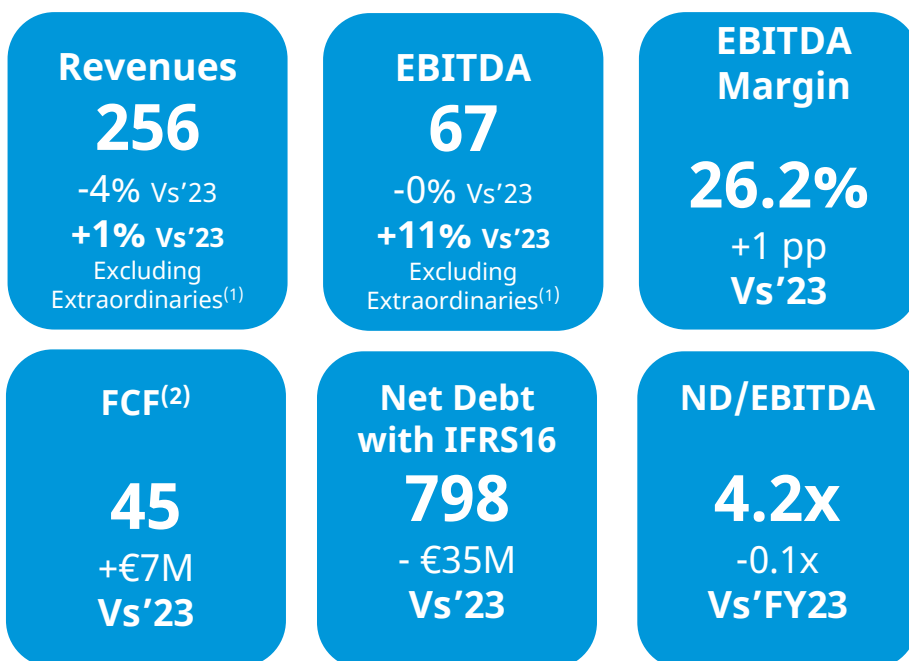
(1) Free Cash Flow (FCF) = cash flow before financing (EBITDA ex Severance exp + WC + Capex + Taxes + Redundancies paid + Other cash flows and adjustments from operations + Financial investments) including IFRS 16 payments (leases).

(2) Guidance for 2025 provided during the March 2022 Capital Markets Day.

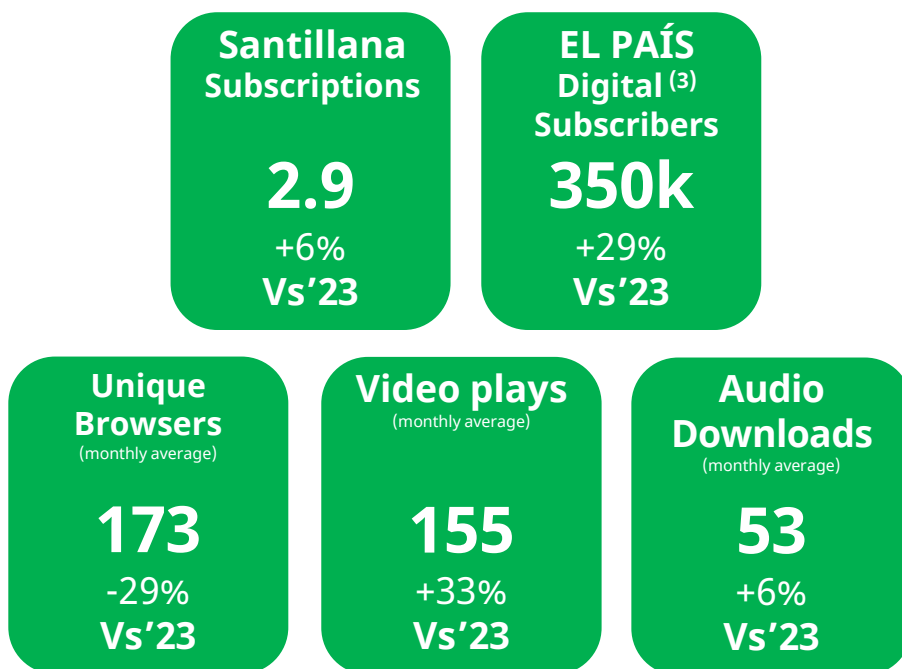
(3) EBITDA margin guidance 2025 is in the same range than Adjusted EBITDA margin guidance 2025, because no significant impact from severance expenses is expected by 2025.

PRISA Group – KEY PERFORMANCE INDICATORS

FINANCIAL (€ Million)



DIGITAL (Million)



⁽¹⁾ Excluding extraordinary impacts implies to exclude: i) Santillana Argentina (in 2024: €13M Revenues and €5M EBITDA; in 2023: €37M Revenues and €21M EBITDA) significantly affected by the extraordinary institutional sale in 2023 and; ii) arbitration award (favorable ruling) in February 2024 related to the unsuccessful sale of Media Capital to Cofina with an impact of +€10M in other revenues (and EBITDA), and no impact on cash Flow.

⁽²⁾ Free Cash Flow (FCF) = cash flow before financing (EBITDA ex Severance exp + WC + Capex + Taxes + Redundancies paid + Other cash flows and adjustments from operations + Financial investments) including IFRS 16 payments (leases).

⁽³⁾ Digital subscribers: includes print subscribers that have activated digital Access; does not include B2B or print subscribers with no digital activation or pdf-only.

Appendix



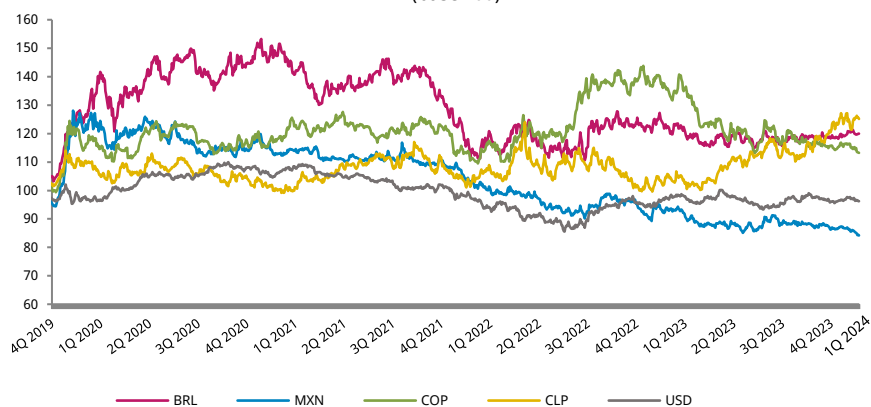
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FX Evolution

In 1Q 2024, positive FX effect on the Group's revenues (+€7.5M) and irrelevant on EBITDA (-€0.9M).

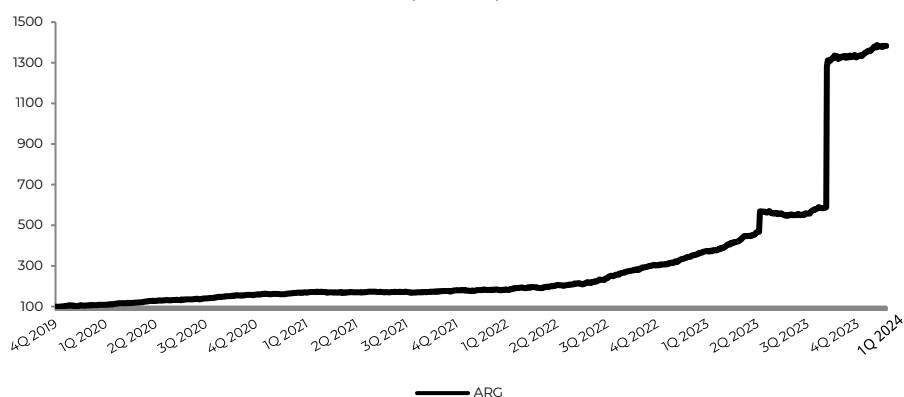
FX Evolution Latam ex-Argentina

(base 100)



FX Evolution Argentine Peso

(base 100)



	Average data					End of period figures
	BRL	MXN	COP	CLP	USD	ARG
1Q2020	4.92	22.05	3,912.25	886.27	1.10	70.87
2Q2020	5.92	25.67	4,231.20	905.24	1.10	79.18
3Q2020	6.29	25.81	4,365.32	912.62	1.17	89.31
4Q2020	6.44	24.49	4,354.98	905.93	1.19	102.85
1Q2021	6.60	24.51	4,288.58	872.56	1.21	108.00
2Q2021	6.38	24.13	4,454.06	863.41	1.21	113.47
3Q2021	6.17	23.61	4,534.56	911.47	1.18	114.24
4Q2021	6.39	23.72	4,442.68	944.97	1.14	116.94
1Q2022	5.86	23.00	4,385.66	906.57	1.12	123.00
2Q2022	5.24	21.32	4,175.91	899.16	1.06	131.28
3Q2022	5.28	20.37	4,417.41	932.09	1.01	144.31
4Q2022	5.38	20.10	4,925.58	931.92	1.02	189.70
1Q2023	5.57	20.02	5,103.06	870.72	1.07	226.83
2Q2023	5.39	19.25	4,808.35	872.19	1.09	280.09
3Q2023	5.32	18.57	4,400.56	928.18	1.09	369.79
4Q2023	5.33	18.89	4,375.18	963.91	1.08	894.54
1Q 2024	5.38	18.44	4,251.34	1,028.23	1.09	928.03

Source: Bloomberg

Breakdown of operating revenue and EBITDA by Business Unit

Current currency

€ Million	JANUARY - MARCH		
	2024	2023	Var.
Operating Revenues	256.2	266.9	-4.0%
Education	155.0	169.6	-8.6%
Media	91.4	97.6	-6.3%
Radio	52.0	51.9	+0.1%
Press	34.6	34.6	-0.0%
Other ⁽¹⁾	4.9	11.1	-56.0%
Prisa Holding & Other	9.7	-0.3	---
EBITDA	67.1	67.2	-0.2%
Education	59.7	66.9	-10.7%
Media	-1.1	1.9	---
Radio	1.6	4.0	-59.9%
Press	-2.2	-3.1	+30.5%
Other ⁽¹⁾	-0.5	1.1	---
Prisa Holding & Other	8.4	-1.6	---

Constant currency

€ Million	JANUARY - MARCH		
	2024	2023	Var.
Operating Revenues on constant currency	248.7	266.9	-6.8%
Education	148.1	169.6	-12.7%
Media	90.9	97.6	-6.8%
Radio	51.4	51.9	-1.0%
Press	34.6	34.6	-0.1%
Other ⁽¹⁾	4.9	11.1	-55.8%
Prisa Holding & Other	9.7	-0.3	---
EBITDA on constant currency	68.0	67.2	+1.2%
Education	59.9	66.9	-10.4%
Media	-0.4	1.9	---
Radio	2.3	4.0	-42.6%
Press	-2.2	-3.1	+29.8%
Other ⁽¹⁾	-0.5	1.1	---
Prisa Holding & Other	8.4	-1.6	---

⁽¹⁾ Others include mainly Prisa Media's HQ, Lacoproductora, Podium and intercompany adjustments.

Alternative Performance Measures (APM)

EBITDA

The Group uses **EBITDA** as a benchmark, among others, to monitor the performance of its businesses and to set its operational and strategic targets, therefore, this “alternative performance measure” is important for the Group and is used by other companies in the sector. EBITDA is defined as operating results plus assets depreciation and amortization charge, impairment of goodwill and impairment of assets.

€ Million	EDUCATION	MEDIA	OTHERS	PRISA GROUP 1Q 2024
OPERATING RESULT (EBIT)	51.7	-7.9	8.3	52.1
Depreciation&amortization charge	7.9	6.6	0.1	14.6
Impairment of assets	0.2	0.2	0.0	0.4
Goodwill	0.0	0.0	0.0	0.0
EBITDA	59.7	-1.1	8.4	67.1

€ Million	EDUCATION	MEDIA	OTHERS	PRISA GROUP 1Q 2023
OPERATING RESULT (EBIT)	57.3	-4.2	-1.7	51.4
Depreciation&amortization charge	9.5	6.2	0.1	15.8
Impairment of assets	0.1	-0.1	0.0	0.1
Goodwill	0.0	0.0	0.0	0.0
EBITDA	66.9	1.9	-1.6	67.2

The Group also uses as an “alternative performance measure”, the **EBITDA excluding severance expenses**, which is defined as the EBITDA plus the severance expenses. This measure is important as PRISA considers that this is a measure of the profitability and performance of its businesses, as it provides information on the profitability of its assets net of severance expenses.

€ Million	EDUCATION	MEDIA	OTHERS	PRISA GROUP 1Q 2024
EBITDA	59.7	-1.1	8.4	67.1
Severance expenses	0.8	0.5	0.0	1.4
EBITDA ex severance expenses	60.5	-0.6	8.4	68.4

€ Million	EDUCATION	MEDIA	OTHERS	PRISA GROUP 1Q 2023
EBITDA	66.9	1.9	-1.6	67.2
Severance expenses	0.9	0.9	0.0	1.9
EBITDA ex severance expenses	67.8	2.9	-1.5	69.1

Alternative Performance Measures (APM)

EXCHANGE RATES IMPACT

PRISA defines the **impact of exchange rates** as the difference between the financial figure converted at the exchange rate of the current year and the same financial figure converted at the exchange rate of the previous year. The Group monitors both operating income and profit from operations, excluding the aforementioned exchange rate effect for comparability purposes and to measure management by isolating the effect of currency fluctuations in the various countries. This “alternative performance measure” is therefore important in order to be able to measure and compare the Group's performance in isolation of the exchange rate effect, which distorts comparability between years.

€ Million	JAN-MAR 24	FX effect	JAN-MAR 24 ex FX	JAN-MAR 23	Var.Abs. ex FX	Var.(%) ex FX
EDUCATION						
Revenues	155.0	6.9	148.1	169.6	-21.6	-12.7%
Education business sales	151.1	6.8	144.2	169.1	-24.9	-14.7%
EBITDA	59.7	-0.2	59.9	66.9	-6.9	-10.4%
MEDIA						
Revenues	91.4	0.5	90.9	97.6	-6.7	-6.8%
EBITDA	-1.1	-0.7	-0.4	1.9	-2.3	---
PRISA GROUP						
Revenues	256.2	7.5	248.7	266.9	-18.2	-6.8%
Education business sales	151.1	6.8	144.2	169.1	-24.9	-14.7%
EBITDA	67.1	-0.9	68.0	67.2	+0.8	+1.2%

Alternative Performance Measures (APM)

NET FINANCIAL DEBT (EX IFRS 16)

The Group's **net financial debt** includes non-current and current bank borrowings, excluding present value in financial instruments/loan arrangements costs, and the convertible notes coupon liability, diminished by current financial assets, cash and cash equivalents and is important for the analysis of the Group's financial position.

FREE CASH FLOW (FCF)

PRISA defines the **Free Cash Flow**, as it appears in **page 7 of this report**, as the addition of the cash flow before financing (EBITDA ex Severance exp + WC + Capex + Taxes + Redundancies paid + Other cash flows and adjustments from operations + Financial investments) including IFRS 16 payments (leases). This “alternative performance measure” is important for the Group as it shows the cash flow generation recurrent capacity of the company for debt service.



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