



PRISA

RESULTS PRESENTATION 9M 2023

PROMOTORA DE INFORMACIONES, S.A.
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2023 CORPORATE HIGHLIGHTS



9M 2023: CORPORATE HIGHLIGHTS

Delivering on our plan

STRENGTHENING THE BALANCE SHEET STRUCTURE



€130m **convertible notes** issuance;
2nd conversion window in November
(76% already converted)

Junior debt repayment (€110m)

4.3x Net Debt/EBITDA
(-1.9 points vs Dec.2022)

TOWARDS 2023 GUIDANCE



On track to accomplish our 2023
guidance goals, keeping focused on
2025 strategic roadmap

BOLSTERING BUSINESS GROWTH



+16%

REVENUES

+75%

EBITDA

Strong operational improvement in
both **Media** and **Education**

KEEPING FOCUSED ON SUSTAINABILITY



Prisa **sustainability commitment**
continues to move forward: *Impact
on people and society, Responsible
management and Committed
governance*



9M 2023: RESULTS SUMMARY

Strong results proving business potential and resiliency

FINANCIAL (€m)

Revenues

678

+16%
Vs'22

EBITDA

121

+75% Vs'22

EBITDA Margin **17.9%**
+6pp Vs'22

FCF ⁽¹⁾

1

-€14m
Vs'22

Net Debt

870

-€55m Vs'FY22

Net Debt/EBITDA
4.3x

-1.9 points Vs'22

DIGITAL (m)

Santillana Subscriptions

2.8

+7%
Vs'22

EL PAÍS Subscribers⁽²⁾

292k

+43%
Vs'22

Unique Browsers

(monthly average)

217

-6%
Vs'22

Video plays

(monthly average)

139

+22%
Vs'22

Audio Downloads

(monthly average)

50

+10%
Vs'22

⁽¹⁾ FCF= EBITDA ex Severance exp + WC + Capex + Taxes + Redundancies paid + Other cash flows and adjustments from operations + Financial investments + IFRS 16

⁽²⁾ Digital-only subscribers



PRISA GROUP FINANCIALS

9M 2023 PRISA GROUP: FINANCIAL SUMMARY

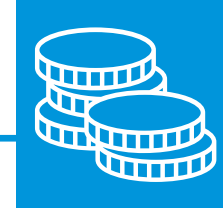
Solid financial performance in the first nine months of the year



Outstanding operational results: both business lines and all key indicators



Positive evolution of FCF in Q3 in line with our expectations, although temporary impacts in working capital continue to affect in the 9M period



Debt reduction and strong liquidity position, heading to a healthier balance sheet structure

9M 2023 PRISA GROUP: OPERATING PERFORMANCE

Strong growth driven by outstanding performance in all business lines

REVENUES

All business lines keep showing strong growth in both Media (Advertising, circulation and other) and Education (private –learning systems and didactic- and public sales).



EBITDA

Growth based on revenues expansion and operational improvement.



EBITDA MARGIN (%)

Increase in margins driven by cost efficiencies, offsetting inflation growth.



RESULTS (€m)	9M 2023	9M 2022	Var.	3Q 2023	3Q 2022	Var.
Revenues	678	587	+16%	238	199	+19%
Expenses	557	518	+8%	185	175	+6%
EBITDA	121	69	+75%	53	24	+117%
% Margin	17.9%	11.8%	+6pp	22.2%	12.3%	+10pp
EBITDA ex severance costs	127	76	+68%	54	26	+107%
% Margin	18.8%	12.9%	+6pp	22.9%	13.2%	+10pp
Operating result (EBIT)	71	20	+256%	36	10	+268%

9M 2023 PRISA GROUP: NET RESULT

Higher interest expenses partially offset by stronger operating performance

OPERATING RESULT (EBIT)

Boosted on the back of operational improvement.



FINANCIAL RESULT

Deterioration due to higher interest rates, negative impact of fair value (debt repayment impact in 2023, together with extraordinary positive impact in 2022 after the refinancing agreement) and hyperinflation impact in Argentina.

NET PROFIT

Decline due to financial results deterioration, despite operational improvement. Significant growth of net profit in 3Q, supported by operating performance improvement.

RESULTS (€m)	9M 2023	9M 2022	Var.	3Q 2023	3Q 2022	Var.
Operating result (EBIT)	71	20	+256%	36	10	+268%
Financial Result	-94	-42	-122%	-28	-20	-43%
Equity method companies	2	4	-56%	1	0	+370%
Profit before tax	-21	-18	-13%	9	-10	---
Tax expense	16	11	+41%	10	6	+77%
Minority interest	0	-1	---	0	-1	---
Net Profit	-37	-28	-30%	0	-14	+97%

9M 2023 PRISA GROUP: CASH FLOW

Convertible notes and lower M&A payments offset higher interest payments and WC temporary impact

FREE CASH FLOW

Despite the significant improvement in EBITDA and severance payments, 9M 2023 FCF generation is impacted by **temporary effects in working capital** (mainly related to Santillana's pending collections), which should be reversed by year end.

INTERESTS PAID

Increase in interests paid mainly due to Euribor increase and different payment calendar vs 2022.

M&A AND REFINANCING

Proceeds obtained from the Convertible Notes and lower M&A, including in 2023 second and final payment related to radio minority purchase.

CASH FLOW

Improvement due to the Convertible Notes and lower Radio minority purchase payment in 2023 which offset temporary working capital impact and increase in interest payments.

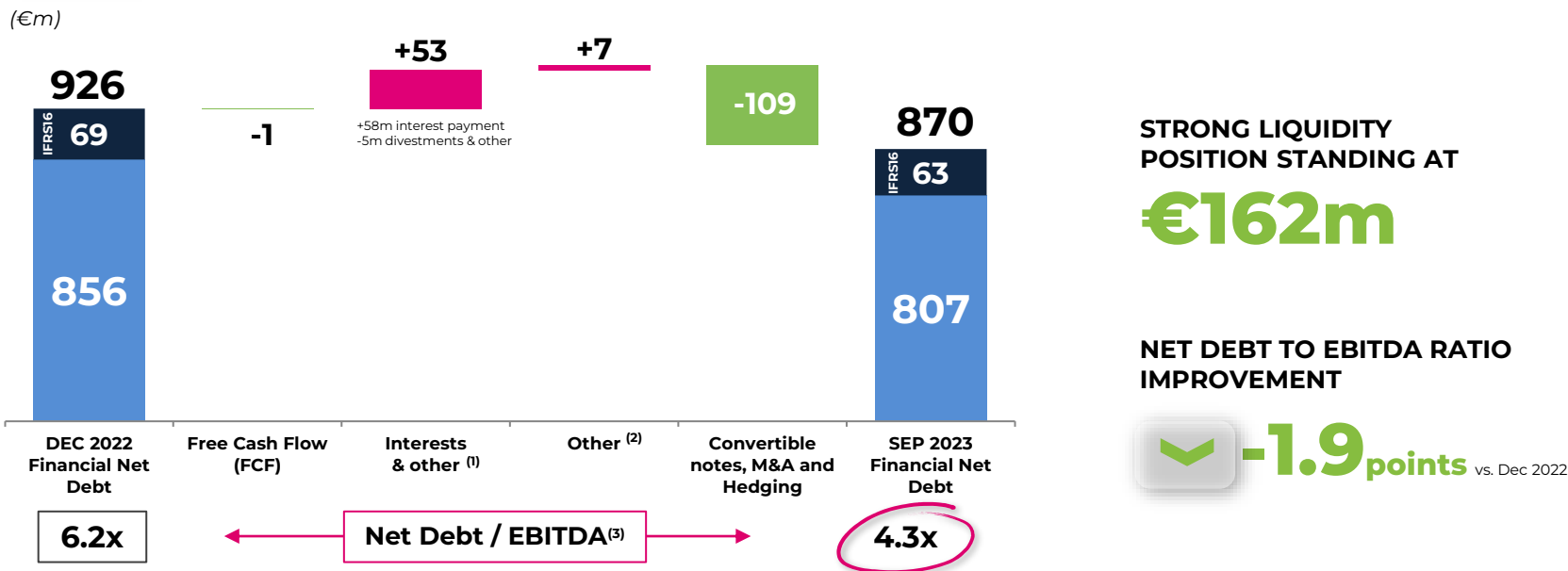


CASH FLOW (€m)	9M 2023	9M 2022	Var.	3Q 2023	3Q 2022	Var.
EBITDA ex severance costs	127	76	+51	54	26	+28
Working Capital	-58	24	-82	-16	12	-28
Capex	-32	-35	+3	-11	-13	+2
Taxes	-10	-13	+3	-1	-4	+2
Others ⁽¹⁾	-9	-19	+11	-4	-4	0
IFRS 16	-18	-18	-1	-7	-6	-1
FCF	1	15	-14	15	12	+3
Interest paid	-58	-26	-32	-20	-2	-17
Divestment & other	5	-2	+7	-1	0	0
CF before M&A and refinancing	-52	-13	-39	-5	9	-14
Convertible notes	128	0	+128	0	0	0
M&A, Hedging and Refinan.	-19	-50	+31	0	-7	+7
Cash Flow	56	-62	+119	-5	3	-8

(1) Others include mainly severance payments

9M 2023 PRISA GROUP: FINANCIAL NET DEBT EVOLUTION

Focused on debt reduction with strong liquidity position



DELEVERAGING IN PROGRESS SUPPORTED BY CONVERTIBLE NOTES

(1) Includes mainly interests payments, divestments and dividends.

(2) Includes mainly PIK, convertible notes coupon, 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.

A person with long brown hair, wearing a brown sweater, is holding a pink smartphone. Overlaid on the image are various digital icons: a heart, a refresh symbol, a Wi-Fi signal, a speech bubble, a star, a cloud with a download arrow, a music note, a location pin, and a share icon. The background is a soft-focus indoor setting.

PRISA MEDIA

9M 2023 PRISA MEDIA: AUDIENCE

Keeping the momentum in our digital journey

KEY INDICATORS

23m
Radio listeners⁽¹⁾
YoY **+0%** 

1.2m
Print readers⁽¹⁾
YoY **+2%** 

217m
Unique Browsers⁽²⁾
YoY **-6%** 

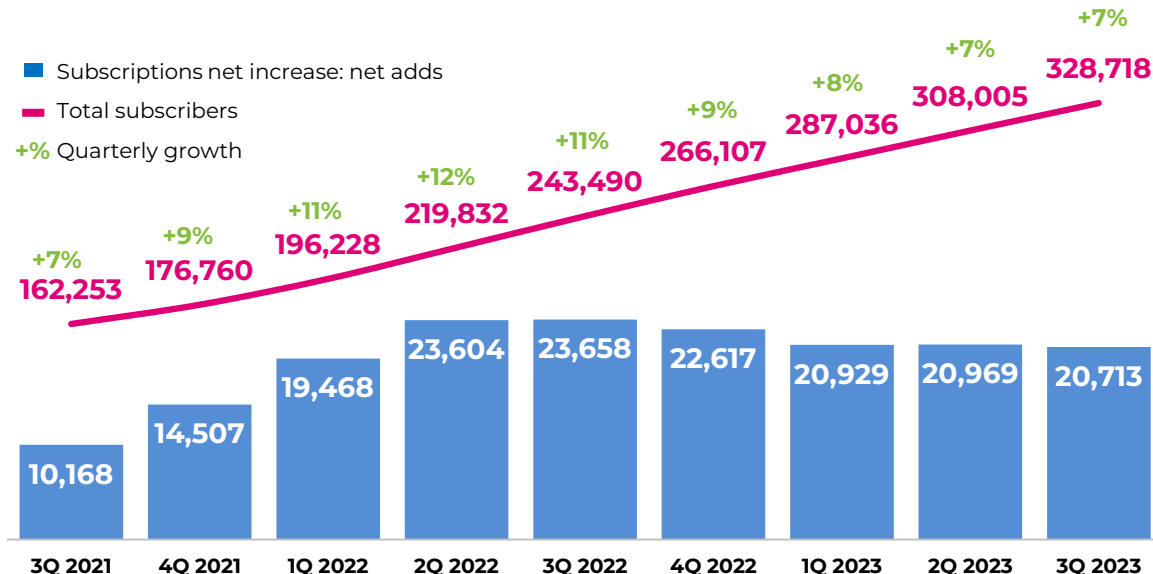
50m
Audio downloads⁽²⁾
YoY **+10%** 

87m
Total Listening Hours⁽²⁾
YoY **+11%** 

139m
Video plays⁽²⁾
YoY **+22%** 

⁽¹⁾ Daily average.
⁽²⁾ Monthly average

EL PAÍS DIGITAL SUBSCRIPTION EVOLUTION



 **+43%**
Digital-only subscribers growth YoY

- 329k subscribers, of which 292k are digital-only
- 21k digital-only net additions in 3Q 2023
- 9% Compound Quarterly Growth Rate in Digital-Only LTM

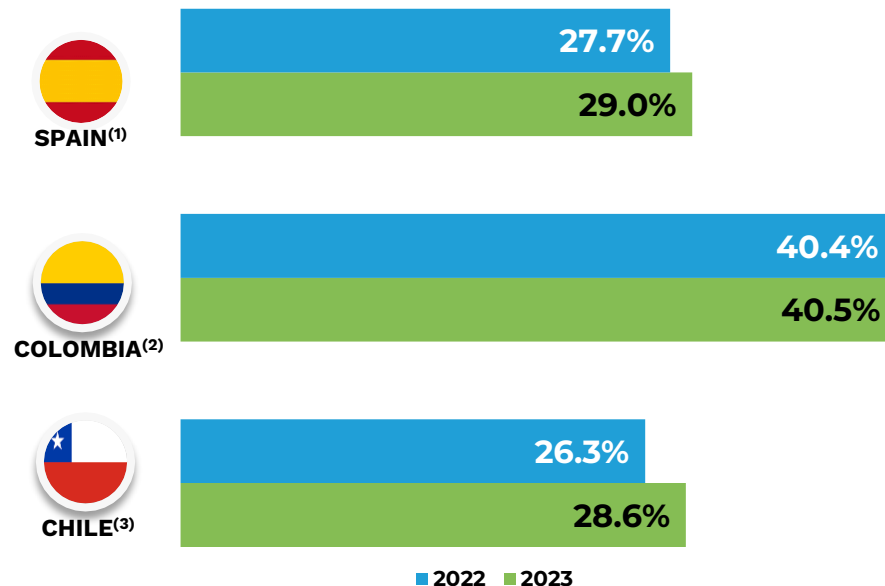
9M 2023 PRISA MEDIA: ADVERTISING

Our well diversified advertising mix led to +5% growth with market share increase across all geographies

KEY INSIGHTS

- **Outstanding growth** of +6.4% in **Spain** (vs. +2.4% growth of total advertising market): +5.3% offline and +9.7% digital.
- **Very good performance in Chile** in local currency (+11%). Decrease in Colombia (-4%) due to bad market behavior (-5%).
- **Prisa Media US** advertising growing at 39.1% vs. 9M22 in local currency.

PRISA MEDIA MARKET SHARES



(1) i2P, September 2023, excluding local advertising in Press.

(2) ASOMEDIOS, August 2023

(3) Agencia de Medios, August 2023

9M 2023 PRISA MEDIA: OPERATING PERFORMANCE

Increase in revenues, EBITDA and margins

ADVERTISING

Net advertising revenue growth mainly driven by Press (both online & offline) and Radio in Spain & Chile.



+5% vs. 2022

PAID CONTENT (Circulation)

Revenue increase mainly driven by online circulation growth that offsets the decline in offline circulation.



+2% vs. 2022

EBITDA

Advertising growth with cost control measures contribute to EBITDA improvement.



+15% vs. 2022

RESULTS (€m)	9M 2023	9M 2022	Var.	3Q 2023	3Q 2022	Var.
Revenues	301	278	+8%	97	92	+6%
Advertising	221	210	+5%	73	68	+6%
Circulation	41	40	+2%	14	14	+4%
Others	39	28	+41%	10	10	+3%
Expenses	280	260	+8%	90	85	+6%
Variable expense	63	51	+25%	19	18	+3%
Fixed expense	217	209	+4%	72	67	+7%
EBITDA	21	18	+15%	7	7	-3%
% Margin	7.0%	6.6%	0pp	7.0%	7.6%	-1pp
EBITDA ex severance costs	24	22	+10%	7	8	-7%
% Margin	8.1%	7.9%	0pp	7.5%	8.5%	-1pp
Operating result (EBIT)	3	-2	---	1	1	-32%

(1) Other revenues includes, mainly: strategic partnerships with technology platforms to bolster digital transformation; and audiovisual production (Prisa Video – Lacoproductora).

A classroom scene with several children sitting at wooden desks. In the foreground, a teacher's hands are visible holding a tablet that displays a close-up of a girl's face. The children in the background are looking towards the camera or their work. The desks are cluttered with school supplies like pens, pencils, and notebooks. A green and blue banner with the word 'SANTILLANA' is overlaid on the left side of the image.

SANTILLANA

9M 2023 SANTILLANA: SALES

Market transformation keeps going ahead, with all the business lines growing

LEARNING SYSTEMS SALES

Boosted by continuous market transformation.



DIDACTIC SALES

Positive evolution and extraordinary sales in Argentina. !



! Significant contribution of extraordinary institutional sales in Santillana Argentina (+ARS 11,595m) could change throughout the year based on i) ARS/€ exchange rate and ii) inflation evolution; and cash conversion will also be subject to exchange rates evolution

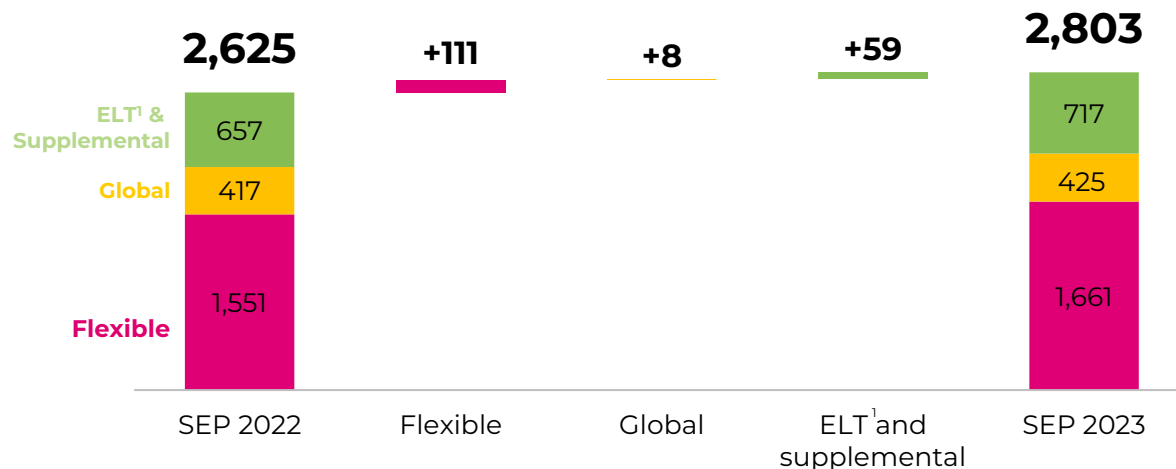
PUBLIC MARKET SALES

Good performance in Brazil, Chile & Dom. Republic; which offsets the lower sales in Mexico (Conaliteg). Pending on the more relevant sales in 4Q (Brazil's PNLD).



LEARNING SYSTEMS SUBSCRIPTIONS EVOLUTION (k)

Strong growth in North Campaign countries (+18% yoy).



¹ ELT stands for English Language Teaching

- ❑ +18% growth in 9M 2023 North Campaign subscriptions.
- ❑ +9% YoY growth in supplemental and ELT models driven by cross-selling.
- ❑ Learning systems account for 72% of the private sales (excluding Argentina).

9M 2023 SANTILLANA: OPERATING PERFORMANCE

Increase in revenues, EBITDA and margins

TOTAL REVENUES

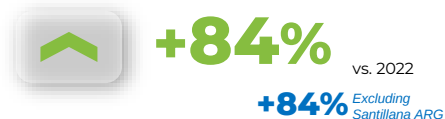
Private market: strong performance of both subscription and didactic businesses, with additional contribution of extraordinary institutional sale in Argentina.

Public market: good performance in 9M mainly driven by Brazil, Chile and Dominican Republic's results, which offset the lower sales in Mexico (Conaliteg).



EBITDA

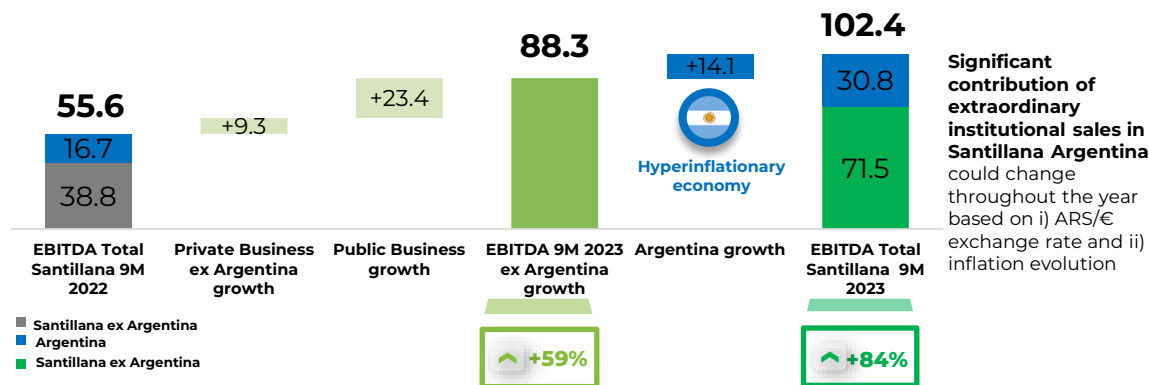
EBITDA margin expansion (+9p.p.) contributing to EBITDA improvement.



FX IMPACT

Revenues (+€20.5m)
mainly Argentina⁽¹⁾ (+€11.8m) and Mexico (+€10.0m).
EBITDA (+€15.2m)
mainly Argentina⁽¹⁾ (+€11.7m) and Mexico (€3.5m).

RESULTS (€m)	9M 2023	9M 2022	Var.	3Q 2023	3Q 2022	Var.
Revenues	376	310	+21%	141	108	+31%
Expenses	274	255	+8%	94	89	+6%
EBITDA	102	56	+84%	47	19	+150%
% Margin	27.2%	17.9%	+9pp	33.5%	17.6%	+16pp
EBITDA ex severance costs	105	59	+80%	48	20	+142%
% Margin	28.0%	18.9%	+9pp	34.3%	18.6%	+16pp
Operating result(EBIT)	71	28	+159%	37	11	+242%



⁽¹⁾ IAS 29 Financial Reporting in Hyperinflationary Economies.



PRISA IMPACTA

ESG

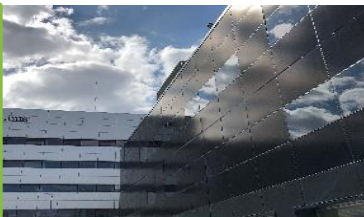


Q3 2023: ESG HIGHLIGHTS

Prisa sustainability commitment continues to move forward

1

Third photovoltaic self-generation plant already put in place for the Miguel Yuste offices. The new solar facade **will help to avoid 28.89 Tn CO₂, in addition to the 70.75 Tn CO₂** from the other two plants already in place



2

Her Majesty Queen Letizia presented the **'2023 Retina ECO Awards'** to the most innovative business projects against climate change



3

PRISA Media hosted **the 'International Summit on Sustainability' and Environmental Innovation** in Colombia, with over 14,000 participants



4

Santillana, **the second most highly regarded Spanish company in Latin America**, according to the Image of Spain Barometer (BIE) by the Real Instituto Elcano



5

El País and PRISA hosted in New York the sixth **'Latin America, the United States and Spain in the Global Economy forum'**, which addressed food security in conjunction with the goals of zero hunger and the fight against poverty





KEY TAKEAWAYS

KEY TAKEAWAYS



1 Both Media and Education businesses continue to evolve positively, showing strong and continuous growth.

2 Keeping focus on debt and cash, to reinforced the Group's balance sheet structure.

3 Last quarter of the year with high relevance in both businesses to meet our FY2023 guidance and to keep on track towards our Business Plan 2025 goals.

GUIDANCE 2023 AND ROADMAP 2025

	<u>Guidance 2023</u>	<u>Guidance 2025</u>
REVENUES	> €900m	> €1,000m
ADJ. EBITDA MARGIN	17-18%	22-25%
FREE CASH FLOW ⁽¹⁾	> €40m	> €100m

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

⁽¹⁾ FCF= cash flow before financing including IFRS 16 payments (leases)

Q&A

APMs

Alternative Performance Measures (APMs)

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.

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.

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.

NET BANK DEBT

The Group's **net bank debt** is an “alternative measure of performance” and includes non-current and current bank borrowings, excluding present value in financial instruments/loan arrangements costs, diminished by current financial assets, cash and cash equivalents and is important for the analysis of the Group's financial position.

FREE CASH FLOW

PRISA defines the **free cash flow** as the addition of the cash flow before financing 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, excluding extraordinary items.

For further information, please refer to the “9M 2023 Results Report”



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