

Press Release: Meeting of the Board of Directors of RCS MediaGroup

Results at 30 September 2024 approved¹

In first nine months, consolidated revenue amounted to € 602.3 million (€ 606.8 million in first nine months 2023, which included non-recurring income of € 1.6 million).

EBITDA, EBIT and net profit grew respectively to € 91.4 million, € 51.5 million and € 32.1 million (respectively € 82.1 million, € 42.8 million and € 27.8 million in first nine months 2023).

Net financial position improves by € 3.7 million versus 31 December 2023, after distributing dividends of € 36.3 million.

At end September, the Group's titles reach an active digital customer base of over 1.1 million subscriptions, 645 thousand for *Corriere della Sera*, Italy's leading newspaper on newsstands, 246 thousand for *Gazzetta*, 154 thousand for *El Mundo*, and 101 thousand for *Expansión*.

RCS retains its position as the leading online publisher in Italy, with an aggregate figure of 30.9 million average monthly unique users (*Audicom August 2024*).

Milan, 11 November 2024 – The Board of Directors of RCS MediaGroup S.p.A. met today and reviewed and approved the Interim Management Statement at 30 September 2024.

Income statement (€ millions)	30/09/2024	30/09/2023
Consolidated revenue	602.3	606.8
EBITDA before non-recurring expense/income	92.6	82.7
EBITDA	91.4	82.1
EBIT	51.5	42.8
Net profit	32.1	27.8

Statement of financial position (€ millions)	30/09/2024	31/12/2023
Net financial debt ¹	19.7	23.4

Group performance

The first nine months of 2024 were dominated by the ongoing conflicts in Ukraine and the Middle East, with their repercussions extending to the economy and trade. These events persist in creating

(1) For the definitions of *Group EBITDA*, *EBIT* and *Net Financial Position* or *Group net financial debt (liquidity)*, reference should be made to the section "Alternative Performance Measures" in this Press Release.



a state of significant overall uncertainty.

Against this backdrop, the Group achieved higher margins (EBITDA, EBIT, and net profit) in first nine months 2024 than in the same period of 2023 and continued to generate positive cash flows, improving the net financial position by approximately € 3.7 million versus 31 December 2023, after distributing dividends to the market in May of approximately € 36.3 million.

Mention should be made that RCS's seasonality factors generally impact on the income results of the first and third quarters of the year.

The Group's **consolidated net revenue** at 30 September 2024 amounted to € 602.3 million (€ 606.8 million at 30 September 2023). Digital revenue amounted to approximately € 150.4 million overall and makes for approximately 25% of total revenue.

Advertising revenue in first nine months 2024 amounted to € 237.1 million (€ 239.7 million in the same period of 2023). Total advertising sales on online media amounted to € 98 million in first nine months 2024, reaching approximately 41.3% of total advertising revenue.

Publishing and circulation revenue amounted to € 242.7 million (€ 249.5 million in first nine months 2023), down by € 6.8 million, attributable to a decline in revenue from add-ons (€ -1.9 million), m-dis circulation revenue (€ -3.3 million) for its third-party publisher distribution business, and print circulation revenue, partly offset by growth in digital subscription revenue.

Both Italian newspapers retained their circulation leadership in their respective market segments at September 2024 (*ADS January-September 2024*). *La Gazzetta dello Sport*, with the Audipress 2024/II survey, retained its position as the most-read Italian newspaper with 2,086,000 readers, followed in second place by *Corriere della Sera* with 1,697,000 readers. At end September, the total active customer base for *Corriere della Sera* (digital edition, membership and m-site) reached 645 thousand subscriptions (595 thousand at end 2023). The customer base of *Gazzetta's* pay products (which includes *G ALL*, *G+*, *GPRO* and *Fantacampionato* products) closed at end September 2024 with 246 thousand subscriptions (214 thousand at end 2023) (Internal Source).

The main digital performance indicators confirm the top market position of RCS, with the *Corriere della Sera* and *La Gazzetta dello Sport* brands which counted, in the period January-August 2024, 29.1 million and 15.6 million average monthly unique users, and in the period January-September 2024, 3.9 million and 2.1 million average daily unique users (*Audicom*). In first eight months 2024 too, RCS ranks as the top online publisher in Italy with an aggregate figure of 30.9 million average monthly unique users (net of duplications - *Audicom*).

The main social accounts of the *Corriere System* at 30 September 2024 reached approximately 13.3 million total followers (considering *Facebook*, *Instagram*, *X*, *LinkedIn* and *TikTok* - Internal Source). The growth of social profiles also continues for *La Gazzetta dello Sport*, topping a total social audience of 6.6 million at end September (considering also *Facebook*, *Instagram*, *X*, *TikTok* and *YouTube* - Internal Source).

In Spain, *Marca* and *Expansión* confirmed their print circulation leadership in their respective market segments at September 2024 too (*OJD*). The latest survey of *Estudio General de Medios* confirms, at June 2024, Unidad Editorial's leading position in Spanish daily news reaching approximately 1.6 million overall daily readers with the titles *El Mundo*, *Marca* and *Expansión*. *Marca* with 950 thousand readers is the most widely-read daily newspaper in Spain, and *El Mundo* the second among generalists and third among dailies reaching over 500 thousand readers. Digital subscriptions continued to grow, amounting at September 2024 to approximately 154 thousand subscriptions (136 thousand at end 2023) for *El Mundo* and 101 thousand subscriptions for *Expansión* (82 thousand at end 2023) (Internal Source). As part of the online activities, *elmundo.es*,



marca.com and *expansión.com* reached 39.7 million, 81.7 million and 8.9 million average monthly unique browsers in first nine months 2024, comprising both domestic and foreign browsers and including apps (*Google Analytics*). The international English-language version of *Marca* achieved 21.1 million average monthly unique browsers at September 2024 (*Google Analytics*), including in the *marca.com* browsers mentioned above. The social audience of Unidad Editorial Group titles stands at 11.4 million followers for *El Mundo*, 19.7 million for *Marca* and 2.5 million for *Telva* (considering *Facebook*, *Instagram*, *X* and *TikTok*) and 1.5 million for *Expansión* (considering *Facebook*, *Instagram*, *X*, *TikTok* and *LinkedIn*) (Internal Source).

Sundry revenue closed at € 122.5 million, increasing by € 4.9 million versus first nine months 2023 (€ 117.6 million). In the comparable period of 2023, Unidad Editorial's sundry revenue included non-recurring income of € 1.6 million.

EBITDA in first nine months 2024 came to a positive € 91.4 million, up by € 9.3 million versus the same period of 2023 (€ +82.1 million). All business areas reported improved margins; specifically, for Newspapers Italy and Unidad Editorial, the improvement in EBITDA is attributable mainly to the growth in margins from digital product circulation, as well as cost reductions, particularly in raw materials (paper).

Mention should be made that the Group's seasonality factors generally impact on the income results of the first and third quarters of the year. Net non-recurring expense and income came to € -1.2 million (€ -0.6 million at 30 September 2023).

In first nine months 2024, initiatives continued on maintaining and developing revenue, boosting the publishing systems' range of products, developing the digital platforms and enhancing the vertical publishing systems.

In **Italy**, regarding the main initiatives only, the new services “*Chiedi all'Esperto*” and “*Sportello Cancro*” for *Corriere della Sera* were launched, new video columns were created, the *Fast* channel “*Talks by Corriere della Sera*” was launched, podcast offerings were expanded, the new channel “*Figli & Genitori*” debuted, the *Instagram* profile was restyled, the new *L'Economia* app was launched, also featuring an AI-based virtual assistant, the new *Salute* app was released in subscription with *corriere.it*. Important events were also organized, including *Obiettivo5*, *Italia Genera Futuro*, the *Pact4Future International Forum*, the series of meetings *Le Economie d'Italia*, *Premio Bilancio di Sostenibilità*, *Women in Food*, for the *Milan Design Week* and together with the interior decorating publications *Living* and *Abitare* a scenic installation inside the courtyard of the historic headquarters in Via Solferino, *Civil Week*, *Tech Emotion*, *Festival Pianeta 2030*, *Barbera Wine Festival*, “*L'Economia del mare*”, *Trento DOC Festival*, and *Il Tempo delle Donne*, which garnered over 30 thousand live attendances and over 6.5 million streams online and on social networks. The fifth edition of *Campus* kicked off on 23 September.

In the nine months, major sporting events in the portfolio were held: *Giro d'Italia*, *Milano Sanremo*, *Tirreno Adriatico*, *Next Gen*, *Milano Torino*, *Strade Bianche*, *UAE Tour*, *Milano Marathon* and *Giro d'Italia Women*. *La Gazzetta dello Sport* opened two new social channels, *LinkedIn* and *YouTube*, launched a new app that provides access to both the site's news and the newspaper's browser in digital format, opened new podcast columns, revamped the organization of the cross-platform video area (site and social channels), restyled *Sportweek*, expanded the offering for the 2024 European Football Championship, launched the new multi-platform video project “*Guida con Noi*”, and organized the *Milano Football Week* event. Since May, *Dove* has appeared on newsstands with a refreshed design and updated content, and starting 9 July, *Andrea Biavardi* has taken over as the new editor-in-chief of the weekly magazine *Oggi*.

In **Spain**, regarding the main initiatives only, in January the new version of *La Lectura* was launched, in February *Escuela de Formacion* launched a new web portal offering access to its educational offerings, and in March *Marca* revamped its print edition with a new layout and expanded content offerings. In March again, *Expansión* launched a new series of video interviews with key players in Spanish entrepreneurship, since April *El Mundo* has bolstered its weekend offerings by introducing the option to purchase the *Hola* magazine with the Sunday edition, in late May the new *Telva Living* magazine was launched, and in July *Expansión* launched the new *Expansión Business School*. Work also continued on the organization of major events, including participation with *El Mundo* and *La Lectura* in the International Contemporary Art Fair in Madrid, the *Foro Internacional de El Mundo "Europa, un año decisivo"*, which inaugurates a series of initiatives aimed at celebrating the 35th anniversary of the title, the start of the "*España está de moda*" series of meetings organized by *Telva*, and "*El foro económico internacional Expansión*". The table below shows the trend of revenue and EBITDA in each business area.

(€ millions)	30/09/2024			30/09/2023		
	Revenue	EBITDA	% of revenue	Revenue	EBITDA	% of revenue
Newspapers Italy	263,1	30,5	11,6%	263,0	26,2	10,0%
Magazines Italy	44,5	(0,2)	(0,4)%	47,1	(2,0)	(4,2)%
Advertising and Sport	213,2	40,0	18,8%	208,0	38,4	18,5%
Unidad Editorial	155,3	23,5	15,1%	161,2	22,4	13,9%
Corporate and Other Activities	60,1	(2,4)	(4,0)%	65,2	(2,9)	(4,4)%
Other and eliminations	(133,9)	-	n.s.	(137,7)	-	n.s.
Consolidated	602,3	91,4	15,2%	606,8	82,1	13,5%

EBIT came to a positive € 51.5 million, improving by € 8.7 million versus first nine months 2023 (€ +42.8 million), reflecting the above phenomena commenting on EBITDA. The increase in amortization is attributable mainly to expenditure in digital business development.

Group net profit at 30 September 2024 amounted to € 32.1 million (€ +27.8 million at 30 September 2023), increasing by € 4.3 million.

At 30 September 2024, **net financial debt** stood at € 19.7 million, improving by € 3.7 million versus € 23.4 million at 31 December 2023. The improvement is attributable mainly to the positive contribution from ordinary operations, partly offset by outlays for dividend distribution of approximately € 36.3 million and for technical expenditure and non-recurring expense of approximately € 19.1 million. Additionally, it should be noted that at 30 September 2024, projected tax receivables for the publishing industry totaling approximately € 26.6 million (including residual receivables from 2021, 2022, and 2023) are recorded in the balance sheet assets.

Total net financial debt, which includes financial payables from leases pursuant to IFRS 16 (mainly property leases), totaling € 133.6 million at 30 September 2024, amounted to € 153.3 million (€ 151.4 million at 31 December 2023).



Business outlook

The first nine months of 2024 were dominated by the ongoing conflicts in Ukraine and the Middle East, with their repercussions extending to the economy and trade. These events persist in creating a state of significant overall uncertainty. The Group has no direct exposure and/or business activities towards the markets affected by the conflicts and/or sanctioned entities.

These conflicts, and their impacts, are still ongoing even at the date of approval of this Interim Management Statement.

In the first nine months of 2024, the Group met the public's strong need to stay informed through its information offering, ensuring a timely service to its readers. The daily editions of *Corriere della Sera* and *La Gazzetta dello Sport* in Italy, and of *El Mundo*, *Marca* and *Expansión* in Spain, the Group's magazines and web and social platforms have played a pivotal role in informing, focusing on their mission as a non-partisan, trustworthy public service, and establishing themselves as authoritative players in daily print and online information, with strong digital traffic figures.

The developing situation and the potential effects on the business outlook, which are constantly monitored, are unforeseeable at this time as they depend, inter alia, on the evolution, developments and duration of the conflicts in Ukraine and the Middle East and their geopolitical effects.

In consideration of the actions already implemented and those planned, in the absence of a deterioration of the consequences from the ongoing conflicts and their developments in Ukraine and the Middle East, the Group believes that it can confirm the goal of achieving strongly positive margins (EBITDA) in 2024, up from those achieved in 2023, and of continuing with further cash generation from operations.

Developments in the ongoing conflicts, the overall economic climate and the core segments could, however, affect the full achievement of these targets.

Under paragraph 2, Article 154-bis of the Consolidated Finance Law (TUF), Roberto Bonalumi, in his capacity as Financial Reporting Manager, attests that the financial information contained herein is consistent with the Company's document results, books and accounting records.

RCS MediaGroup is one of the leading multimedia publishing groups, operating primarily in Italy and Spain across all publishing areas, from newspapers to magazines, from digital to books, from TV to new media and training, as well as being one of the top players on the advertising sales market, organizing iconic events and renowned sporting formats such as the Giro d'Italia. The RCS Group publishes the daily newspapers *Corriere della Sera*, *La Gazzetta dello Sport*, *El Mundo*, *Marca* and *Expansión*, as well as numerous magazines, the most popular including *Oggi*, *Amica*, *iO Donna*, *7*, *Yo Dona* and *Telva*.

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RCS MediaGroup Reclassified consolidated income statement

(Unaudited figures)

(€ millions)	30 September 2024		30 September 2023		Difference	
	A	%	B	%	A-B	%
Net revenue	602,3	100,0	606,8	100,0	(4,5)	(0,7%)
<i>Publishing and circulation revenue</i>	242,7	40,3	249,5	41,1	(6,8)	(2,7%)
<i>Advertising revenue</i>	237,1	39,4	239,7	39,5	(2,6)	(1,1%)
<i>Sundry revenue (1)</i>	122,5	20,3	117,6	19,4	4,9	4,2%
Operating costs	(324,0)	(53,8)	(337,5)	(55,6)	13,5	4,0%
Payroll costs	(183,3)	(30,4)	(183,7)	(30,3)	0,4	0,2%
Net provisions for risks	(1,6)	(0,3)	0,2	0,0	(1,8)	>100
(Write-down)/write-back of trade and sundry receivables	(2,0)	(0,3)	(3,7)	(0,6)	1,7	45,9%
EBITDA (2)	91,4	15,2	82,1	13,5	9,3	11,3%
Amortization of intangible fixed assets	(17,0)	(2,8)	(15,9)	(2,6)	(1,1)	
Depreciation of tangible fixed assets	(7,0)	(1,2)	(7,1)	(1,2)	0,1	
Amortization/depreciation of rights of use on leased assets	(15,8)	(2,6)	(16,2)	(2,7)	0,4	
Depreciation of investment property	(0,1)	(0,0)	(0,1)	(0,0)	0,0	
Other (write-downs)/write-backs of fixed assets	-	-	-	-	0,0	
EBIT (2)	51,5	8,6	42,8	7,1	8,7	
Financial income (expense)	(8,4)	(1,4)	(8,9)	(1,5)	0,5	
Income (expense) from equity-accounted investees	(1,1)	(0,2)	(0,6)	(0,1)	(0,5)	
Other income (expense) from financial assets/liabilities	-	-	1,2	0,2	(1,2)	
Profit (loss) before tax	42,0	7,0	34,5	5,7	7,5	
Income tax	(9,8)	(1,6)	(6,7)	(1,1)	(3,1)	
Profit (loss) from continuing operations	32,2	5,3	27,8	4,6	4,4	
Profit (loss) from assets held for sale and discontinued operation	-	-	-	-	-	
Profit (loss) before non-controlling interests	32,2	5,3	27,8	4,6	4,4	
(Profit) loss attributable to non-controlling interests	(0,1)	(0,0)	-	-	(0,1)	
Profit (loss) for the period attributable to the owners of the parent	32,1	5,3	27,8	4,6	4,3	

- (1) Sundry revenue includes primarily revenue for television activities, the organization of events and exhibitions, sales of customer lists and boxed sets, and for distribution activities.
- (2) For the definitions of EBITDA and EBIT, reference should be made to the section "Alternative Performance Measures" in this Press Release.



RCS MediaGroup

Reclassified consolidated statement of financial position

(Unaudited figures)

(€ millions)	30 September 2024	%	31 December 2023	%
Intangible fixed assets	372,9	65,9	376,5	66,2
Tangible fixed assets	93,6	16,5	98,3	17,3
Rights of use on leased assets	118,5	20,9	114,5	20,1
Investment property	6,7	1,2	6,8	1,2
Financial fixed assets and other assets	115,1	20,3	115,2	20,3
Net fixed assets	706,8	124,8	711,3	125,1
Inventory	18,5	3,3	19,0	3,3
Trade receivables	200,1	35,3	196,4	34,5
Trade payables	(215,1)	(38,0)	(208,5)	(36,7)
Other assets/liabilities	(27,0)	(4,8)	(29,2)	(5,1)
Net working capital	(23,5)	(4,2)	(22,3)	(3,9)
Provisions for risks and charges	(34,4)	(6,1)	(36,4)	(6,4)
Deferred tax liabilities	(55,3)	(9,8)	(54,6)	(9,6)
Employee benefits	(27,4)	(4,8)	(29,3)	(5,2)
Net capital employed	566,2	100,0	568,7	100,0
Equity	412,9	72,9	417,3	73,4
Non-current financial payables	36,5	6,4	30,4	5,3
Current financial payables	5,7	1,0	12,1	2,1
Liquidity and current financial receivables	(22,5)	(4,0)	(19,1)	(3,4)
Net financial debt (liquidity) (1)	19,7	3,5	23,4	4,1
Financial payables from leases pursuant to IFRS 16	133,6	23,6	128,0	22,5
Total financial sources	566,2	100,0	568,7	100,0

(1) For the definition of the Group's Net Financial Position or Net Financial Debt, reference should be made to the section "Alternative Performance Measures" in this press release.



Alternative performance measures

In order to provide a clearer picture of the financial performance of the RCS Group, besides of the conventional financial measures required by IFRS, a number of **alternative performance measures** are shown that should, however, not be considered substitutes of those adopted by IFRS. In accordance with CESR/05178b recommendation published on 3 November 2005, the methods used for building the main alternative performance measures that Management considers useful for monitoring the Group's performance are shown below.

EBITDA: to be understood as earnings before interest, tax, amortization/depreciation and write-down of fixed assets. The measure is used by the RCS Group as a target to monitor internal management, and in public presentations (to financial analysts and investors). It serves as a unit of measurement to evaluate the operational performance of the RCS Group.

EBITDA before non-recurring expense/income: to be understood as EBITDA as specified above before components of income (positive and/or negative) deriving from events or transactions, the occurrence of which is non-recurring, or deriving from transactions or events that are unlikely to occur frequently in the normal course of business.

EBIT: to be understood as the Result before tax, gross of "Financial Income (Expense)", "Income (Expense) from equity-accounted investees", and "Other income (expense) from financial assets/liabilities".

Group Net Financial Position or Group net financial debt (liquidity): this is a valid measure of the financial structure of the RCS Group. It is calculated as the result of current and non-current financial payables, net of cash and cash equivalents and current financial assets, as well as non-current financial assets from derivative instruments, excluding financial liabilities (current and non-current) from leases.

The Total Net Financial Position or total net financial debt (liquidity): to be understood as the Group's Net Financial Position as defined above, it includes financial liabilities from short and/or long-term lease agreements and non-remunerated debt, which have a significant implicit or explicit financing component (e.g. trade payables with a maturity of over 12 months), and any other non-interest-bearing loans, and excludes financial receivables with a maturity of over 90 days (as defined by the "Guidelines on disclosure requirements under the Prospectus Regulation" published by ESMA on 4 March 2021 with the document "ESMA32-382-1138" and taken up by CONSOB in communication 5/21 of 29 April 2021).