

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.



UNIVERSAL REGISTRATION DOCUMENT

November 2023

This universal registration document, drawn up in accordance with Annex 2 of Commission Delegated Regulation (EU) 2019/980 of 14 March 2019, has been approved and was registered in the official registers of the Spanish Securities and Exchange Commission (CNMV) on 23 November 2023 and is valid for a period of 12 months from that date.

This universal registration document is only one of the constituent parts of a prospectus for the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council, of 14 June 2017. In the event that Promotora de Informaciones, S.A. (Prisa) shall use, during its term, this universal registration document to prepare a prospectus for the purposes of the aforementioned regulations, Prisa will publish the corresponding securities note and, if applicable, the summary note on its corporate website (www.prisa.com)^(*) and on the CNMV website (www.cnmv.es)^(*).

()*: The information contained in this website is not part of the universal registration document, and has not been reviewed or approved by the CNMV.

INDEX

I. RISK FACTORS	5
II. UNIVERSAL REGISTRATION DOCUMENT	22
1. RESPONSIBLE PERSONS, INFORMATION ON THIRD PARTIES, EXPERT REPORTS AND APPROVAL BY THE COMPETENT AUTHORITY	22
1.1. Indication of the persons responsible for the information provided in the registration document.....	22
1.2. Declaration of those responsible for the registration document on the information contained in the registration document.....	22
1.3. Statements or reports attributed to persons as experts included in the registration document.....	22
1.4. Declaration on information from a third party included in the registration document.....	22
1.5. Statement on the approval of the registration document by the competent authority.....	22
2. STATUTORY AUDITORS	23
2.1. Name and address of the issuer's auditors for the period covered by the historical financial information.....	23
2.2. Additional information concerning the appointment of the issuer's auditors.....	23
3. RISK FACTORS	23
4. INFORMATION ON THE ISSUER	23
4.1. Legal and commercial name of issuer.....	23
4.2. Place and registration number of issuer and legal entity identifier (LEI).....	23
4.3. Date of incorporation and period of activity of the issuer.....	23
4.4. Registered address and legal form of the issuer, the law under which it operates, country of incorporation, address, telephone number of the registered office (or principal place of business if different from the registered office) and the issuer's website.....	23
5. BUSINESS DESCRIPTION	24
5.1. Main activities.....	24
5.2. Main markets.....	40
5.3. Significant events in the development of the issuer's business activity.....	48
5.4. Strategy and objectives.....	56
5.5. Brief information concerning the extent of the issuer's reliance on patents or licences, industrial, commercial or financial contracts.....	58
5.6. Basis for any statement made by the issuer about its competitive position.....	59
5.7. Investments.....	59
6. ORGANISATIONAL STRUCTURE	63
6.1. Brief description of the group and the sender's position in it.....	63
6.2. List of significant subsidiaries of the issuer and additional information.....	63
7. OPERATIONAL AND FINANCIAL STUDY	72
7.1. Financial situation.....	72
7.2. Operating income.....	73
8. CAPITAL RESOURCES	73
8.1. Information on short- and long-term capital resources.....	73
8.2. Sources and amounts of the issuer's cash flows.....	86
8.3. Information regarding the borrowing requirements and the funding structure of the issuer.....	89
8.4. Information regarding any restrictions on the use of capital resources which, directly or indirectly, have materially affected or may materially affect the issuer's operations.....	90
8.5. Information concerning the expected sources of the funds necessary to meet the commitments mentioned in section 5.7.2.....	91
9. REGULATORY FRAMEWORK	91
9.1. Regulatory framework in which the issuer operates and which may materially affect its business, together with information on any administrative, economic, fiscal, monetary or political actions or factors which, directly or indirectly, have materially affected or may materially affect the issuer's operations.....	91

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

10. TREND INFORMATION	97
10.1.Recent significant trends in production, sales and inventory, and in costs and selling prices, as well as significant changes in the group’s financial performance, from the end of the last financial year to the date of the registration document.	97
10.2.Known trends, uncertainties, demands, commitments or events that could reasonably be expected to have a material effect on the issuer’s prospects.....	97
11. PROFIT FORECASTS OR ESTIMATES	97
11.1.Profit forecasts or estimates by the issuer relating to a period not yet completed	97
11.2.Main assumptions on which the issuer has based the profit forecast/estimate.....	99
11.3.Comparability of profit forecasts or profit estimates with historical financial information and consistency with the issuer’s accounting policies.	102
12. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES, AND SENIOR MANAGEMENT	102
12.1.Name, business address and functions in the issuer, as well as additional information, of the members of the administrative, management or supervisory bodies and senior management.	102
12.2.Conflicts of interest of administrative, management and supervisory bodies, and senior management.	122
13. REMUNERATION AND BENEFITS	125
13.1.Remuneration paid and benefits in kind granted to the persons referred to in 12.1 by the issuer and its subsidiaries for services of all kinds rendered by any such persons to the issuer and its subsidiaries.	125
13.2.Total amounts provided or accrued by the issuer or its subsidiaries for pension, retirement or similar benefits.	144
14. MANAGEMENT PRACTICES	144
14.1.Date of expiry of the current term of office of the members of the administrative, management or supervisory bodies of the issuer and the period during which they have held such office.....	144
14.2.Information on contracts of members of the administrative, management or supervisory bodies with the issuer or any of its subsidiaries providing for benefits upon termination of their functions.	144
14.3.Information on the audit committee and the remuneration committee of the issuer	146
14.4.Statement as to whether the issuer complies with the corporate governance regime(s) applicable to the issuer.	146
14.5.Possible significant effects on corporate governance, including future changes in the composition of the board of directors and committees.	148
15. EMPLOYEES	148
15.1.Number of employees and information	148
15.2.Participating interests and stock options.....	149
15.3.Description of any employee shareholding arrangements in the issuer’s capital	149
16. MAIN SHAREHOLDERS	150
16.1.Name of any person outside the administrative, management or supervisory bodies who, directly or indirectly, has a reportable interest in the issuer’s capital or voting rights, under the issuer’s national law.....	150
16.2.Explanation of whether the issuer’s major shareholders have different voting rights.....	151
16.3.Statement as to whether the issuer is owned or controlled, directly or indirectly, by a third party.....	151
16.4.A description of any agreement, known to the issuer, the implementation of which may at a later date result in a change in control of the issuer.....	151
17. RELATED-PARTY TRANSACTIONS	151
17.1.Details of related-party transactions that the issuer has entered into during the period covered by the historical financial information and up to the date of the registration document.....	151
18. FINANCIAL INFORMATION ABOUT THE ISSUER’S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFIT AND LOSS	152
18.1.Historical financial information	152
18.2.Interim and other financial information	167
18.3.Audit of annual financial information	174
18.4.Pro forma financial information.....	174

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

18.5.Dividend policy.....	174
18.6.Judicial and arbitration proceedings.....	175
18.7.Significant change in the issuer’s financial position.....	176
19. ADDITIONAL INFORMATION.....	176
19.1.Share capital.....	176
19.2.Memorandum and articles of association	182
20. MAJOR CONTRACTS	183
21. AVAILABLE DOCUMENTS	184
22. DOCUMENTS INCORPORATED BY REFERENCE	184
link 184	
APPENDIX I: Glossary of alternative performance measures	186

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

I. RISK FACTORS

Promotora de Informaciones, S.A.'s activities, operating results, cash flow, forecasts and financial and equity position. ("**Prisa**" or the "**Company**", together with its subsidiaries, the "**Prisa Group**" or the "**Group**") are mainly subject to risks related to the business sectors in which the Prisa Group operates (Education and Media), as well as to risks specific to the Group.

The risks to which the Group is exposed could materialise or worsen as a result of changes in competitive, economic, political, legal, regulatory, social, business and financial conditions and should be considered by any investor. Any of these risks, should they materialise, could have a material adverse impact on the Prisa Group's business, operating results, cash generation, forecasts and/or financial and equity position, as well as negatively affect the Company's valuation, which could result in a partial or total loss of the investment made. In this respect, the Company cannot guarantee that the expectations set out in the forecasts contained in section 11 of the Registration Document or those made in the past will be fulfilled or significantly modified.

Set out below, arranged by category according to their nature, are those risk factors currently considered by Prisa to be material and specific to the Group and its business sectors in order to make an informed investment decision. These risks are endorsed by this universal registration document (the "**Registration Document**") and have not been updated with the Group's financial information relating to the third quarter of 2023 which is incorporated by reference into the Registration Document, as it is considered that the financial data included is sufficient for an investor to make an informed assessment of the risks disclosed.

However, at present, there are other risks that have not been included in this section of the Registration Document in accordance with the provisions of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the "**Regulation (EU) 2017/1129**") because they are considered to be of lesser importance or because they are generic risks, such as the risk of loss of talent and key personnel in general and digital talent in particular, tax risks in the countries in which the Group operates, the risk of not achieving financial or business objectives, the risk of outsourcing services (subcontracting or collaborations), the risk that the insurance policies taken out do not adequately cover losses, the risk of business discontinuity, risks related to money laundering or reputational risks as a result, among other issues, of behaviour that does not meet the expectations of the market and the various stakeholders.

In addition, in the future, risks currently unknown or not considered material by the Company could also have a material adverse impact on the Group's business, results of operations, cash generation, prospects and/or financial and equity position, as well as negatively affect the Company's valuation.

(A) RISKS RELATING TO THE FINANCIAL CONDITION AND EQUITY SITUATION OF PRISA GROUP

1. Prisa's high level of debt reduces its strategic flexibility and could adversely affect its financial and equity position.

As at 31 December 2022 and 30 June 2023, the level of net bank debt⁽¹⁾ of the Group amounted to EUR 856.4 million and EUR 801.3 million, respectively, which could pose a number of risks to the Group as: (i) it increases the Group's vulnerability to the macroeconomic environment and market developments, especially in those businesses with greater exposure to economic cycles; (ii) it requires allocating a significant portion of cash flows from operations to meet interest payment and debt principal repayment obligations⁽²⁾, reducing the ability to allocate these flows to meet working capital needs, as well as to finance investments and future operations; (iii) it limits the Group's financial, strategic and operational flexibility, as well as the ability to adapt to changes in markets; and (iv) it places the Group at a disadvantage relative to less indebted competitors.

(1): Alternative performance measure. For more information, see Appendix I of the Registration Document ("*Glossary of alternative performance measures*").

(2): As at 30 June 2023, the Company's obligations between 2024 and 2027 (inclusive) under the 2022 Refinancing agreement amounted to a total of EUR 218,654 thousand, corresponding to cash interest payment obligations. For further information, see section 8.1(B) of the Registration Document.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

In February 2022, the Board of Directors of Prisa unanimously approved the signing of a *lock-up agreement* incorporating a term sheet with the basic conditions for the modification of the Group's syndicated financial debt (the "**2022 Refinancing**"). On 19 April 2022, the 2022 Refinancing came into force, once the agreements reached with all of its creditors were made public. The basic terms of the 2022 Refinancing consisted, inter alia, of extending the maturity of the financial debt to 2026 and 2027, splitting the syndicated loan into two distinct tranches (one senior debt and one junior debt), refinancing the existing Super Senior Debt and relaxing the contractual debt covenants. The cost of the Senior debt is benchmarked to the Euribor⁽³⁾ +5.25% payable in cash, the cost of Junior debt is benchmarked to the Euribor⁽³⁾+8% payable partly in cash and partly capitalised, while the cost of Super Senior debt is benchmarked to the Euribor⁽³⁾ +5% payable in cash. For further information in relation to the Group's financing, see section 8.1(B) of the Registration Document.

Currently, the Company has the credit ratings "CCC+" with stable outlook and "Caa1" with stable outlook, assigned on 18 January 2023 by S&P Global Ratings Europe Limited (S&P)⁴ and on 3 March 2023 by Moody's Investors Service España, S. A.⁽⁴⁾, respectively. However, there is no assurance that the credit ratings currently assigned to the Company will be maintained over time as credit ratings are reviewed and updated periodically, and are dependent on a number of factors, some of which are beyond the Company's control. Therefore, the Company's credit ratings may be downgraded and may be suspended or withdrawn at any time by the credit rating agencies. A downgrade of the Company's credit rating could adversely affect the terms of any future refinancing of the Group's financial debt, as well as limit the Group's access to financial markets, investors and certain lenders. The credit ratings can be consulted on the Prisa website ([link](#))⁽⁵⁾.

Therefore, despite the extension of the maturity profile of the Group's debt as a result of the 2022 Refinancing, as well as the partial early cancellation of the EUR 110 million Junior debt tranche in February 2023 (see section 5.3 of the Registration Document), the Group's high indebtedness could have a material adverse impact on the Group's business, operating results, cash generation, forecasts and/or financial and equity position, as well as negatively affect the Company's valuation. In addition, in the event of a default on the Group's debt repayment obligations under its financing agreements, its creditors could enforce the personal or security interests described in section 8.1(B) of the Registration Document.

2. The Group's financing contracts contain certain contractual clauses, including the fulfilment of certain financial ratios (covenants). Failure to meet these ratios could result in an early maturity of the financial debt.

The agreements associated with the 2022 Refinancing of the Prisa Group stipulate requirements and commitments to comply with certain leverage and financial ratios (covenants). The financial contracts set out compliance with certain financial ratios for the Prisa Group, which began to be applied on 30 June 2022 and failure to comply with them would result in early maturity of the bank debt.

Currently, the financial ratios required and in force for the coming periods under the contracts associated with the Junior and Senior Syndicated Debt and the Super Senior Debt (see section 8.3 of the Registration Document) are as indicated in the table below.

Ratio of consolidated net financial debt/consolidated EBITDA ^(*) shall not exceed ^(*) :	31 December 2023: 7.71 31 March 2024: 7.00 30 June 2024: 7.24 30 September 2024: 6.83 31 December 2024: 6.09 31 March 2025: 5.61 30 June 2025: 6.3 30 September 2025: 5.97 31 December 2025: 5.38
---	---

(3): This is the 1, 3 or 6-month Euribor, depending on the interest settlement window chosen by the Company at each maturity. In other words, the Company periodically chooses the interest payment window according to the previous periods, and based on this, the Euribor for that term and for that interest settlement is applied. A new interest payment window would then start as described above.

(4): A credit rating agency registered in the European Union (ESMA) in accordance with the provisions of *Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on Credit Rating Agencies*.

(5): This web page does not form part of the Registration Document and has not been examined or approved by the CNMV.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Group cash flow change (excluding the amount in the denominator from this cash flow change) ^(*) / Interest and principal payments on the financial debt associated with the 2022 Refinancing ^(**) shall not be less than ^(*) :	From 31 December 2023: 1.00
---	-----------------------------

(*): Definitions agreed in the 2022 Refinancing contracts, which differ from the definitions used by the Company in the development of the alternative performance measures included in Appendix I of the Registration Document ("*Glossary of alternative performance measures*").

(**): Amounts referring to the 12-month period prior to the measurement date of the financial ratio.

In addition, the agreements associated with the 2022 Refinancing include causes for early maturity that are customary in this type of agreement, including the non-payment of financial obligations by the Company and the guarantors of the debt, a change in the control structure of Prisa (excluding for these purposes the significant shareholders of Prisa at the date of the 2022 Refinancing) by one or more persons acting in concert among themselves (understood as (i) holding or controlling the exercise of more than 50% of the voting rights exercisable at a general shareholders' meeting, (ii) the ability to appoint or remove all or a majority of the directors, or equivalent positions, of the Company; or (iii) the ability to define the operating or financial policies of the Company), misrepresentation in financial statements, a declaration of insolvency at the level of the guarantors of the debt or material companies of the Prisa Group, the execution of any expropriation, attachment, foreclosure or similar process over assets of the Company or any guarantor of the debt for an aggregate amount exceeding EUR 5,000,000, the breach of any provision of the financing agreements and of the intercreditor agreement that is not remedied within a period of less than 20 business days, the cessation of business or an expropriation of business or assets that would prevent the Prisa Group from continuing to carry on its business as usual, among others. Additionally, these contracts include cross-default provisions that could result, if the default occurs in financing contracts with third parties and exceeds certain amounts, in the early maturity and termination of such contracts. Such cross-default clauses would apply in the event that payment obligations on any tranche of third-party debt are defaulted on by any Prisa Group company when due (or, if applicable, after its grace period) or in the event that any tranche of third-party debt is declared due prior to its maturity date or cancelled as a result of the occurrence of an event of default as indicated above (see item 8.1(B) of the Registration Document).

These covenants were determined in consideration of market conditions and in accordance with Prisa's business expectations at the time of negotiation of the 2022 Refinancing. However, these conditions and expectations may be modified and affected by the complexity of the markets due to, among other issues, the globalisation of the markets and the global impact of recent events, such as high inflation rates, rate increases agreed by the monetary authorities, the significant increase in the Euribor (the indicator to which most of the cost of the Group's bank debt is associated), the war in Ukraine, the increase in the cost of raw materials and production costs, and the recent conflict between Israel and Hamas, have on macroeconomic variables (see risk factors nos. 9 and 10).

In addition, changes in the accounting standards applicable to the preparation of the Prisa Group's financial statements could affect the measurement of these covenants, which would imply their revision with the financial creditors under the 2022 Refinancing.

The covenants reduce the Group's strategic and financial flexibility, and failure to comply with them could have a material adverse impact on the Group's business, operating results, cash generation, forecasts and/or financial and equity position, as well as negatively affect the Company's valuation, insofar as it could result in financial debt becoming immediately due and payable. Prisa has complied with the above ratios since the entry into force of the 2022 Refinancing and considers that, as at the date of the Registration Document, it continues to comply with these ratios.

3. A significant portion of the Group's bank debt is linked to floating interest rates, the increase of which could have a negative impact on financial expenses.

The Group is exposed to interest rate fluctuations to the extent that a significant portion of the cost of the Group's borrowings (see risk factor No. 1) is indexed to floating interest rates (mainly Euribor) which are updated monthly, quarterly or half-yearly, depending on the term chosen by the Group for each financing contract or the interest settlement period and the applicable reference rate. This risk is particularly relevant in market situations such as the current ones, in which monetary authorities, such as the European Central Bank, are taking decisions to raise interest rates mainly to smooth demand and as a hedge against the risk of a persistent increase in inflation (see risk factor no. 10).

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

At 31 December 2022 and 30 June 2023, 97.67% and 98.89%, respectively, of the Group's bank borrowings were tied to floating interest rates. On these dates, the average interest rate on the⁽⁶⁾ Group's bank borrowings was 6.53% and 8.25%, respectively.

In this respect, although the Group continues to evaluate the contracting of derivative products to limit the impact of potential rises in the Euribor⁽⁷⁾, further increases in interest rates would lead to higher financial expenses and interest payments, which would have a negative impact on the Group's cash flow. At 31 December 2022 and 30 June 2023, the Group's financial expenses for "interest on debt" amounted to EUR 71,487 thousand and EUR 45,395 thousand, respectively (EUR 49,731 thousand at 31 December 2021 and EUR 71,112 thousand at 31 December 2020) (see item 18.1.1 of the Registration Document). In this respect, and considering the nominal amount at 30 June 2023 of the Junior and Senior syndicated debt, and of the Super Senior debt, for a total amount of EUR 899,891 thousand, an increase in the Euribor by one percentage point would have a negative impact on the consolidated income statement and on the Group's cash of approximately EUR 9 million in annualised terms. This impact does not take into account the effect of options currently contracted, and those that may be contracted in the future, which limit the adverse impact of interest rate increases.

This could have a material adverse impact on the Group's business, results of operations, cash flow, prospects and/or financial condition and assets and liabilities, as well as negatively affect the Company's valuation.

4. If Prisa does not receive sufficient dividend income from its subsidiaries, the Company may incur losses in the future, which could lead to a new equity imbalance.

Prisa, in its capacity as parent company of the Group (see section 6.1 of the Registration Document), carries out its activities through a group of subsidiaries, joint ventures and associated companies, so that, at present, a substantial part of its income comes from the distribution of dividends from its subsidiaries and their consideration as such for accounting purposes. During 2022, 46.2% of the Company's net turnover came from the distribution of dividends from its subsidiaries, while in 2021 and 2020 they represented 95.3% and 94.3%, respectively, due to the receipt of extraordinary dividends from the Education business mainly associated with extraordinary transactions, such as the sale of Santillana España (see section 5.3 of the Registration Document).

An adverse development of the Prisa Group's business for any reason, such as an adverse macroeconomic situation (see risk factors no. 9 and 10), could have a negative impact on the dividend income received by the Company. In addition, a significant part of the Group's companies are located in Latin America and therefore the aforementioned dividends are subject, inter alia, to exchange rate risk and devaluation of the foreign currencies of the countries in which the Group operates (see, inter alia, risk factor no. 6).

Furthermore, the 2022 Refinancing entailed a reorganisation of the debt in terms of borrowers, so that the debt previously held by Prisa Activos Educativos, S.A.U. ("**Prisa Activos Educativos**" or "**PAE**") was transferred to the Company for EUR 691,590 thousand, which has meant that the entire financial expense associated with the refinanced debt is now recorded in the Company. In this respect, the interest rate of this debt is benchmarked to a variable interest rate, Euribor (see risk factor no. 3). There is also a risk that Prisa, as the parent company of a group of subsidiaries, may record possible impairment losses on the carrying amount of its investments when the value in use of the investments is lower than their carrying amount.

(6): Alternative performance measure. For more information, see Appendix I of the Registration Document ("*Glossary of alternative performance measures*").

(7): In September 2022, the Group contracted options ("cap") that fully limit, on a nominal amount of EUR 150 million, the impact of a potential rise in the 3-month Euribor above 2.25%. Similarly, in January 2023, the Group contracted options ("cap") that fully limit, on a nominal amount of EUR 150 million, the impact of a potential rise in the 3-month Euribor above 2.5% and in March 2023, an additional one on a nominal amount of EUR 100 million that limits 3-month Euribor rises above 3% and up to a maximum of 5%.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

In this regard, as was the case in 2022, in which Prisa had an individual loss of EUR 90,956 thousand, in the event that the Company does not receive sufficient dividends from its subsidiaries to offset, mainly, the cost of debt financing, possible impairment of assets and financial investments, possible contingencies and other operating costs of the Company, or in the event that the dividends received are not considered income because they do not comply with current accounting regulations, Prisa would incur losses, eroding its equity at the individual level.

At 30 June 2023, the Company's net assets stood at EUR 370,466 thousand, which was more than 2/3 of the share capital at that date, the minimum figure for the purposes of the obligation to reduce the share capital in accordance with the provisions of article 327 of the consolidated text of the Capital Companies Act approved by Royal Legislative Decree 1/2010 of 2 July (the "**Capital Companies Act**") if one financial year has elapsed without the net assets having been recovered. However, in the event that the Company incurs losses in the future or that such losses accumulate in subsequent years and the net assets are reduced to less than 2/3 of the share capital (currently set at EUR 100,827,119.30 22 November 2023), a new situation of equity imbalance could arise. In this regard, it should be noted that, in order to re-establish its equity balance, Prisa carried out several corporate transactions in 2020 (see sections 5.3 and 19.1.7 of the Registration Document).

This could have a material adverse impact on the Group's business, results of operations, cash flow, prospects and/or financial condition and assets and liabilities, as well as negatively affect the Company's valuation. Furthermore, in accordance with the provisions of the Capital Companies Act, a capital company must be dissolved, inter alia, if losses reduce the net assets to less than half of the share capital, unless the share capital is sufficiently increased or reduced, and provided that it is not appropriate to file for insolvency proceedings.

5. Prisa has incurred losses at the consolidated level in past years and periods, mainly due to the accounting impact of certain corporate transactions and extraordinary events and conversion differences.

Prisa has incurred losses at the consolidated level in past years and periods, mainly due to the accounting impact of certain corporate transactions and extraordinary events and conversion differences.

In this regard, during the 2022 financial year and during the first half of 2023, Prisa recorded negative consolidated results of EUR -13,268 thousand and EUR -36,401 thousand, respectively (negative result in 2021 of EUR -105,843 thousand and positive result in 2020 of EUR 75,450 thousand). Together with prior years' results, the Prisa Group accumulated prior years' retained earnings and reserves (excluding share premium) in the negative amount of EUR -536,455 thousand and EUR -546,107 thousand as at 31 December 2022 and 30 June 2023, respectively (EUR -429,393 thousand as at 31 December 2021 and EUR -516,048 thousand as at 31 December 2020).

These negative results are due, among many factors, to the impact of certain corporate transactions, such as the sales of DTS and Media Capital (which resulted in accumulated losses and therefore a negative impact on consolidated equity of EUR 3,272 million and EUR 631 million, respectively) and impairments of certain assets (see section 5.3 of the Registration Document). In addition, the extraordinary situation of the COVID-19 health crisis (as defined below) (see risk factor 10) had an adverse impact on the Group's results. In 2020, Prisa recorded positive consolidated results mainly as a result of the extraordinary sale transaction in December 2021 whereby the Santillana business in Spain was sold (see section 5.3 of the Registration Document).

Similarly, at 31 December 2022 and 30 June 2023, the Group had accumulated negative translation differences amounting to EUR -87,583 thousand and EUR -72,257 thousand, respectively (EUR -90,410 thousand at 31 December 2021 and EUR -92,275 thousand at 31 December 2020), as a result of the depreciation experienced in recent years by the currencies of the Latin American countries in which the Group operates and which are included under "*conversion differences*" of the Company's consolidated balance sheet as of such dates (see risk factor no. 6).

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The above factors, among others, serve to explain the negative equity situation that the Company recorded at consolidated level in past years and periods, as well as at 31 December 2022 and 30 June 2023, taking into account that, in accordance with IFRS, the Group's businesses are not allowed to be marked to market and are therefore recorded at cost or acquisition price. Thus, as at 31 December 2022 and 30 June 2023, the Group's equity was negative, EUR -532,160 thousand and EUR -421,862 thousand, respectively (EUR -511,815 thousand as at 31 December 2021 and EUR -402,980 thousand as at 31 December 2020).

Finally, and for clarification purposes, the previously described situation does not affect the equity imbalance situation, which, in accordance with the provisions of the Capital Companies Act, is measured on the basis of the net worth of individual companies (see risk factor no. 4).

Notwithstanding the foregoing, the situation described in this risk, as well as its continuance over time, could have a negative impact on the activities, operating results, cash generation and/or the financial and equity position of the Group, as well as negatively affect the Company's valuation.

(B) NON-FINANCIAL RISKS

6. *Fluctuations in the exchange rates of the euro against Latin American currencies and the US dollar could affect the Group's financial position.*

The Group is exposed to fluctuations in exchange rates mainly due to financial investments made in stakes in Latin American companies, as well as revenue and profits from said investments.

In 2022, 61.3% of the Group's operating revenues came from countries with a functional currency other than the euro (56.6% in 2021). In particular, 20% of the Group's operating revenues came from Brazil, 11% from Mexico, 10% from Colombia, 4% from Chile and 4% from Argentina. In addition, during the first half of 2023, 60.7% of the Group's operating revenues came from countries with functional currencies other than the euro (60.9% in the first half of 2022), with Brazil accounting for 17%, Colombia for 8%, Mexico for 7% Chile for 6% and Argentina for 12%.

In the 2022 financial year and the first half of 2023, the Group's operating income was significantly affected by the exchange rate effect⁽⁸⁾. In this regard, the exchange rate effect⁽⁸⁾ on the Group's operating income amounted to EUR 37,361 thousand more in 2022 than in 2021 (representing an increase of 4.6% on the 2022 operating income figure excluding the exchange rate effect). At constant exchange rates, operating income would have grown by 9.7% in 2022 compared to 2021. Similarly, the exchange rate effect⁽⁸⁾ on the Group's operating income amounted to EUR 8,685 thousand more in the first half of 2023 than in the first half of 2022 (representing an increase of 2.0% on the operating income figure for the first half of 2023 excluding the exchange rate effect). At constant exchange rates, operating revenues would have grown by 11.3% in the first half of 2023 compared to the first half of 2022. The positive exchange effect⁽⁸⁾ in 2022 was mainly concentrated in Brazil (EUR 23,148 thousand), Mexico (EUR 12,044 thousand) and Ecuador (EUR 2,738 thousand). Conversely, in Argentina there was a negative exchange effect in 2022 (EUR -4,054 thousand). The positive exchange effect⁽⁸⁾ in the first half of 2023 was mainly concentrated in Argentina (EUR 6,632 thousand), Mexico (EUR 3,584 thousand), Brazil (EUR 1,438 thousand), Chile (EUR 772 thousand) and Peru (EUR 503 thousand). Conversely, in Colombia there was a negative exchange effect in the first half of 2023 (EUR -5,566 thousand).

Although it is true that, in general, in 2022 and in the first half of 2023, the revaluation of Latin American currencies has had a positive effect on the Group's results, this circumstance highlights the specificity and relevance for Prisa of the risk of exchange rate fluctuations and its potential adverse effect on the Group's equity position. In this regard, a devaluation of the foreign currencies of the countries in which the Group operates against the euro would have an adverse impact on the repatriation of the euro cash of the Group's foreign companies, e.g. via dividends (see risk factor no. 4). Likewise, an unfavourable development of the exchange rate effect⁽⁸⁾, as a result of an increase in exchange rates against the currencies of the main countries in which the Group has a presence would lead to a negative impact on the consolidated income

(8) Alternative performance measure. For more information, see Appendix I of the Registration Document ("*Glossary of alternative performance measures*").

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

statement and the Group's cash flow. In particular, a currency devaluation of 1% would imply a drop in revenues for the Group of approximately EUR 5.2 million, considering revenues as at December 2022. If this same analysis is performed in terms of adjusted EBITDA⁽⁸⁾ for the 2022 financial year, and taking into account that in currencies other than the euro, EUR 126.3 million have been generated in that financial year, a devaluation of 1% in currencies other than the euro, would generate a fall in adjusted EBITDA⁽⁸⁾ of an estimated EUR 1.3 million.

The Group's foreign companies account for their balance sheet and income statement items in the local functional currency. In the process of preparing the consolidated accounts, the exchange rate prevailing at the closing date is applied to all assets, rights and obligations, and the average monthly exchange rate for income statement items (except for countries with hyperinflationary economies). The difference between the amount of equity translated at the historical exchange rate and the net equity position resulting from the translation of all other items as indicated above is included in equity as exchange differences. As at 31 December 2022 and 30 June 2023, the cumulative negative impact on the Group's equity amounted to EUR -87,583 thousand and EUR -72,257 thousand, respectively. A potential future devaluation of foreign currencies against the euro would have a negative impact on the Group's equity. On the sale or liquidation of any company that has generated translation differences, these shall be transferred to the consolidated income statement and reflected in the consolidated statement of comprehensive income under the heading "*Imports transferred to the income statement*", with no impact on consolidated equity. At present, the Group does not have any significant exchange rate derivatives. Without prejudice to the foregoing, the Group follows the practice of arranging, on the basis of its forecasts and budgets which are analysed on a monthly basis, hedging contracts for exchange rate risk (exchange rate insurance, forwards, structured products and currency options mainly) depending on the risks and opportunities identified in this respect in the markets in order to reduce the volatility of the operations and results of the Group's companies operating abroad.

Furthermore, possible adverse developments in the economies of the Latin American countries in which the Group is present could lead to hyperinflationary situations, with the consequent negative impact on exchange rates. In this regard, since 2018, Argentina's economy has been considered hyperinflationary for IFRS purposes (as defined in section 18.1.1 of the Registration Document) due, among other aspects, to the fact that the cumulative inflation of the last 3 years in that country exceeded 100%. The main accounting impacts are described in Note 2—"*Basis of presentation of the consolidated financial statements*" of the consolidated financial statements of Prisa for 2022 that have been incorporated by reference in the Registration Document (see section 18.1.1 of the Registration Document).

Therefore, adverse developments in the exchange rate of the euro against Latin American currencies and the US dollar could have a material adverse impact on the Group's activities, operating results, cash generation, forecasts and/or financial and equity position, as well as negatively affect the Company's valuation.

7. *The high fixed costs in the media sector and the seasonality of both the Media and Education advertising businesses, as well as cash shortfalls for other reasons, could affect the Group's liquidity.*

The adverse macroeconomic situation in recent years, mainly due to extraordinary events such as the COVID-19 health crisis in 2020 and 2021 or the war in Ukraine (see risk factor no. 10), as well as geopolitical tensions (see risk factor no. 9), have had a negative impact on the Group's cash generation capacity. Among other issues, the COVID-19 health crisis and the war in Ukraine have caused the overall market situation to lead to a general increase in liquidity tensions in the economy, as well as a contraction of the credit market.

In this respect, advertising-dependent businesses, in addition to being highly dependent on the economic cycle (see risk factor no. 13), rely heavily on advertising have a high percentage of fixed costs, and any decline in advertising revenues has major implications for margins and the cash position, making it difficult to implement additional measures to improve Group operating efficiency. In this regard, in the 2022 financial year and in the first half of 2023, the fixed costs of the Group's Media businesses accounted for 79.7% and 77.1%, respectively, of total Media operating expenses excluding severance payments in those periods (EUR 351.7 million in 2022 and EUR 187.5 million in the first half of 2023). The Group's advertising revenues from the Media in the 2022 financial year and the first half of 2023 accounted for 36.4% and 33.7%, respectively, of the Group's operating revenues (40.3% in the 2021 financial year and 36.5% in the first half of 2022).

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

As for the seasonality of business, it is worth noting that, in Media, advertising is mainly concentrated in the last quarter of the year, with the first quarter being a period with lower advertising revenues. For example, in the fourth quarter of 2022, 32.2% of the advertising revenue from the Group's Media division were generated, compared to only 20.1% in the first quarter of 2022. In the case of the Education area, the last quarter is also the one with the highest volume of income, coinciding with the beginning of the Southern Campaigns and taking into account that the largest part of Brazil's public sale is invoiced in the referred quarter (i.e. the New Order (as defined in section 5.1.1 of the Registration Document) of the "Programa Nacional do Livro e do Material Didático" National Programme of Books and Teaching Materials (PNLD)). However, the second quarter of the year is usually of little relative weight in the total for the year, as it is a quarter in which campaign returns are mainly collected, and the Southern Campaigns have practically ended. In 2022, 30.7% of total revenues for the year were generated in the last quarter, yet the second quarter of the year accounted for only 16.6% of the total.

Although, on an annual basis, the seasonality of the Group's cash flows is not significant, as the flows from the various business units are offset, largely mitigating the effect of seasonality, the seasonal nature of the Group's businesses could give rise to some cash pressures during periods when collections are structurally lower.

With regard to trade credit risk, which is defined as the possibility that a third party will not meet its contractual obligations, thereby causing losses for the Group, the Group assesses the ageing of receivables and constantly monitors the management of collections and payments associated with all its activities, as well as the maturities of financial and commercial debt and recurrently analyses other sources of financing in order to cover expected cash requirements in the short, medium and long term.

All of the above means that the Prisa Group is exposed to liquidity and credit risk, which could lead to a cash shortfall, resulting in difficulties for the continuity of the Group's business and the correct implementation of its business plan. Any material liquidity imbalance could exacerbate the situation by affecting the Group's liquidity, which could have a material adverse impact on the Group's business, operating results, cash generation, forecasts and/or the Group's financial and equity position, as well as adversely affect the Company's valuation.

8. The Group may in the future write down intangible assets, goodwill and tax credits.

At 31 December 2022 and 30 June 2023, the Company had recognised in its consolidated balance sheet (i) "intangible assets amounting to EUR 104,943 thousand (10.7% of total assets) and EUR 107,104 thousand (11.5% of total assets), respectively at those dates; (ii) goodwill amounting to EUR 117,220 thousand (11.9% of total assets) and EUR 121,589 thousand (13.1% of total assets), respectively at those dates; and (iii) deferred tax assets of EUR 54,979 thousand (5.6% of total assets) and EUR 71,553 thousand (7.7% of total assets) respectively at those dates.

In the analysis of the determination of the recoverable amount (in accordance with current accounting regulations) and thus in the valuation of intangible assets and goodwill, as well as in estimating the recovery of tax credits, estimates have been used, made as of the time determined on the basis of the best information available at that date.

However, it is possible that future events may make it necessary to change these estimates downwards, such as deteriorations in the global macroeconomic situation, which would result in the recognition in the income statement of accounting losses due to the effect of these new negative estimates on the valuation of intangible assets, goodwill and tax credits recognised.

In this regard, the global macroeconomic situation, as well as, in particular, the tensions surrounding the war between Russia and Ukraine and the recent conflict between Israel and Hamas, among other issues (see risk factors nos. 9 and 10), could pose an indication of impairment in 2023 or subsequent periods on the recoverable amount of goodwill to the extent that these factors or others could affect market interest

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

rates, which have experienced increases that could adversely impact the discount rates used to calculate the value of cash flows. Similarly, factors such as those described above could also adversely affect the cash flows considered in impairment tests on the recoverability of such assets. Thus, in 2020, the Group recorded impairments of goodwill and other intangible assets amounting to EUR 16,602 thousand and EUR 2,376 thousand, respectively. These deteriorations were driven by the adverse impact of the COVID-19 health crisis on future projections and hence on projected long-term growth and discount rates. In 2022 and 2021, impairments of intangible assets (mainly prototype books of Santillana Brasil) were recorded in the amounts of EUR 1,721 thousand and EUR 3,113 thousand, respectively.

In the event that Prisa is unable to meet the business plans of the intangible assets capitalised on its balance sheet, it may be forced to adjust the value of these assets, with the consequent financial impact that this would represent for the Group. Similarly, Prisa may be required to fully or partially impair goodwill arising from past corporate transactions in the event that the future business prospects associated with these businesses are not able to justify the carrying value of such goodwill.

In addition, the Group may not recover tax credits from the consolidated balance sheet to offset future taxable profits. In addition to the risk of changes or divergences in the interpretation of tax rules in Spain or other countries in which the Group operates, the recoverability of tax credits depends on the Group's ability to generate taxable profits in the period in which such tax credits remain deductible. If the Company believes that it will not be able to utilise its tax credits during that period, it would be required to recognise an impairment in the income statement, which would have no cash impact. In this respect, in 2020, tax credits totalling EUR 64,108 thousand were removed from the consolidated balance sheet with an impact on the consolidated income statement. These write-downs were mainly due to the revision of future business projections as a result of the impact of the COVID-19 health crisis, which led to a decrease in the projected long-term growth of the Group's businesses, as well as the impact of the sale of the Santillana España business, and the 2020 Refinancing of the Group's syndicated debt (see section 5.3 of the Registration Document).

In this respect, further accounting write-downs of intangible assets, goodwill and tax credits may occur in the future. This could have a material adverse impact on the Group's business, results of operations, cash flow, prospects and/or financial condition and assets and liabilities, as well as negatively affect the Company's valuation.

(C) STRATEGIC AND OPERATIONAL RISKS OF THE GROUP'S BUSINESSES

(C.1) Macroeconomic and geopolitical risks:

9. *Given the concentration of the Group's activities in Spain and Latin America, any unfavourable geopolitical or economic situation in these territories could have a negative impact on the Group.*

The geographical location of the Group's activities is currently concentrated in Spain and Latin America (Brazil, Mexico, Colombia, Chile and Argentina, among others).

In 2022 and the first half of 2023, 61.5% and 60.7%, respectively, of the Group's operating revenues came from international markets (56.9% and 59.3% in 2021 and 2020, respectively). While the Americas (Latin America + USA) is a significant geographic market for the Group (representing 61.3% and 60.7% of the Group's operating revenues in 2022 and in the first half of 2023, respectively), Spain continues to maintain a relevant weight, representing 38.5% and 39.3%, respectively, of the Group's operating revenues in 2022 and in the first half of 2023.

The Group's international presence allows it to diversify its activities in various countries and regions, but exposes the Group to the geopolitical and economic environment at the global level and, in particular, in the countries in which it operates. In this regard, geopolitical and economic risks, such as the tensions and military developments around Ukraine, as well as in the Middle East, in particular with the recent conflict between Israel and Hamas, the scope and scale of which are not yet known, the tensions of recent years, mainly trade, between the United States and China, the adoption of nationalist measures in certain countries

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

or, in particular, movements against the European Union, which led to Brexit, the rise of populism, as well as credit conditions in the countries where the Group operates, could affect politics in these countries and negatively affect their economic situation, disrupting, among other things, investor confidence in the markets (see also risk factor no. 10).

Any adverse changes affecting the Spanish or Latin American economy could affect the spending of the Group's customers, present or future, on the Group's products and services and therefore also affect the Group directly. Prisa operations and investments may also be affected by different risks that are typical to investments in countries with emerging economies or with unstable backdrops, such as currency devaluation, capital controls, inflation, expropriations or nationalisations, tax changes or changes in policies and regulations.

This could have a material adverse impact on the Group's business, results of operations, cash flow, prospects and/or financial condition and assets and liabilities, as well as negatively affect the Company's valuation.

10. The Group could be affected by the increase in raw material costs and the current inflationary environment resulting mainly from the COVID-19 pandemic and the tensions surrounding the Russia-Ukraine war.

Since the beginning of 2020, there has been great uncertainty globally due to events surrounding the spread of the SARS-CoV-2 coronavirus (the "COVID-19"), declared a "pandemic" by the World Health Organization (WHO) from March 2020 to May 2023. Faced with the rapid spread of COVID-19 worldwide, many states, including Spain, took unprecedented decisions to contain its spread, such as the declaration of states of alarm that included, among other measures, the establishment of restrictions on the freedom of movement of citizens. These restrictions had a significant impact on the Group's business: in the Education business, there were school closures and the end of face-to-face education activity, while the advertising business was affected by the drastic fall in consumption and the consequent drop in advertising investment.

Furthermore, in the first half of 2022, the beginning of the war between Russia and Ukraine and the uncertainties surrounding it have contributed to a further gradual deterioration of the macroeconomic situation, causing, among other things, further significant disruptions, instability and volatility in the markets, further disrupting delays in global supply chains, which has resulted in a trend towards more or less moderate (even negative) growth of economies (GDP) and an increase in inflation. In this context, the European Union, the United Kingdom, the United States and other governments have imposed significant sanctions and export controls against Russia and Russian interests, and have threatened additional sanctions and controls. In addition, aid to Ukraine from the US and EU countries has intensified. This has resulted in tensions, for example over supply chain disruptions or further increases in oil, gas and other commodity prices that have worsened the global outlook, and uncertainty over the development of the conflict. Although the Group has no direct exposure to Russia, the tensions surrounding the Russia-Ukraine war could adversely affect the Group, in particular its advertising revenues. Therefore, the war in Ukraine and its macroeconomic impacts which will depend on future and uncertain events, including their intensity and persistence over time, could adversely impact key indicators for the Group.

As a result of the above, global inflation rates are high and are expected to remain high in future periods. For example, the EU inflation rate was set at 3.6% in October 2023 (*source: Eurostat - October 2023, latest available information*). As regards Spain, notwithstanding the fact that the inflation rate declined in October 2023 to 3.5% (*source: Eurostat - October 2023, latest available information*), the inflation rate in 2022 averaged 8.3% (*source: Quarterly Report on the Spanish Economy, Economic Bulletin 3/2023*). In subsequent periods, inflation rates in the European Union are expected to average 5.6% in 2023 and 3.2% in 2024 (*source: ECB staff macroeconomic projections for the Euro area, September 2023*), while in Spain the average level of the inflation rate is expected to stand at 3.6% in 2023 and 4.3% in 2024 (*source: Quarterly Report on the Spanish Economy, Economic Bulletin 3/2023*). Likewise, inflation in the main economies of the Latin American region stood at a year-on-year rate of 6% in May 2023, albeit heterogeneously across countries (*source: Bank of Spain - Latin American Economic Report 1st half of 2023*). Given the high rates of inflation globally and, in particular, in the European Union, as well as expectations that they will remain at high levels, the European Central Bank (ECB), for example, has been tightening its

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

monetary policy by progressively increasing interest rate levels in an effort to reverse the upward trend in inflation levels. In this respect, the European Central Bank has agreed to progressive interest rate rises from mid-2022, the last one being announced on 14 September 2023, although the Governing Council of the European Central Bank agreed, at its last meeting on 26 October 2023, to keep official interest rates unchanged for the time being. Thus, the interest rates on the main refinancing operations and the interest rates on the marginal lending facility and the deposit facility remained unchanged at 4.50%, 4.75% and 4.00% respectively. High inflation rates as well as high interest rates have an impact on economic agents, including the Group, and may lead to difficulties in debt repayment by increasing the Group's financing costs (see risk factor no. 3). In September 2023, the 12-month Euribor, the benchmark interest rate for floating rate loans in Spain and, in particular, for the Company's Junior and Senior Syndicated Debt and Super Senior Debt, reached a level of approximately 4.1% on average, as opposed to 0.01% in April 2022, the effective date of the 2022 Refinancing (*source*: Bank of Spain (Statistical Bulletin)).

Factors such as inflation, the volatility of energy prices, the increase in the cost of raw materials and other industrial costs and the extension of delivery times by suppliers or the limited supply of goods due to lack of inventories (stock), have the effect of worsening the general economic situation and consumption in particular, which could have a negative impact on the Prisa Group.

During the 2022 financial year and in the first half of 2023, the Group's total operating expenses have increased by 3.4% and 7.3% compared to the 2021 financial year and the first half of 2022, respectively. This increase in operating expenses is mainly due to the growth in business revenues combined with the rise in inflation and the increase in the cost of raw materials (e.g. paper) and the necessary energy and distribution resources resulting from the economic situation described above. While the Prisa Group generally attempts to pass on operating cost increases and inflation to customers, there is no guarantee that the Company will be able to do so due to competitive pressures and other factors.

This could have a material adverse impact on the Group's business, results of operations, cash flow, prospects and/or financial condition and assets and liabilities, as well as negatively affect the Company's valuation.

(C.2) Specific risks associated with the Education and Media businesses:

11. *Changing trends and the emergence of new players in the Education and Media businesses pose a threat to the Group's competitive position.*

In both the Education and Media businesses, competition between companies, the emergence of new players and changing trends represent threats and new opportunities for the Group's traditional business models.

In the Education business (which contributed 52.6% and 53.4%, respectively, to consolidated operating revenues in the 2022 financial year and first half of 2023), the Group competes with both traditional players and new, more digital operators focused on education systems offering alternative content and services and smaller businesses (educational start-ups, online portals, etc.). In addition, there is a growing trend towards open access to educational content (usually via online sites), a proliferating market for second-hand materials and an increasing number of schools not using books and developing new content within the scope of curricular autonomy at school level. This set of trends, in this competitive environment, puts downward pressure on the prices of educational content and services in the Group's main markets.

In the Media business (which in the 2022 financial year and the first half of 2023 contributed 47.5% and 46.4%, respectively, to the consolidated operating revenues), overall revenues (advertising, circulation and other) of the Group continue to be negatively impacted by the growth of alternative means of content distribution. The user has changed access to content consumption: significantly increases consumption through digital media and, at the same time, incorporates the offer of the new digital operators into what the traditional media have to offer.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Thus, in the Media business, the Group operates in a very complex competitive environment in which, in addition to the traditional media, there are large technological platforms (Google, Amazon, Spotify, Apple, Netflix, etc.), social media (Instagram, Facebook, X (formerly Twitter), etc.) and small digital native portals for online content. Competition between companies offering online content has been intense for a number of years and there is a constant threat of new entrants.

The proliferation of these alternative means of content distribution has significantly expanded the options available to consumers, resulting in audience fragmentation, as well as an increase in the inventory of digital advertising space available to advertisers, which affects and is expected to continue to affect the Group's Media businesses. In addition, the digital advertising business is tending to become disintermediated (through automated platforms and disruptive methods of auctioning advertising), putting downward pressure on prices. There is also a proliferation of technologies and applications that allow users to bypass digital advertising on the websites and mobile applications they visit. Blocked advertisements do not count as ad impressions and the Group would lose advertising revenue from ad impressions that would have occurred in the absence of such technologies.

The ability to maintain the Group's competitive position in the Media businesses depends on numerous factors, some of which are beyond its control, including among others: the ability to continue to deliver quality journalism and content that is of interest and relevance to readers; the popularity, functionality, usability, adaptability, performance and security of the Group's digital products compared to those of its competitors; the ability to increase the engagement of its readers, both in relation to print and digital products, and the ability to attract new readers; the ability to develop and monetise digital products; the pricing strategy of the Group's products; the ability to market the Group's products and to offer advertisers an attractive return on advertising investment; the ability to attract, retain and motivate its employees, and especially the attraction of digital talent which has a high turnover rate; as well as the maintenance of the Company's reputation and brand strength.

In the event that for any reason the Group fails to anticipate and adapt in an agile and effective manner to the competitive framework, to changes in trends and to the needs and new demands of customers and consumers, the Group's competitive position could be affected, which would result in a loss of market share to competitors with greater capacity to adapt to change, with greater resources or with a better financial and equity position than Prisa. This could have a material adverse impact on the Group's business, results of operations, cash flow, prospects and/or financial condition and assets and liabilities, as well as negatively affect the Company's valuation.

12. The concentration of sales in the public sector could have a negative impact on the performance of the Group's Education business.

The Group's main customers in the public education market are governments and public bodies in the various jurisdictions in which it operates. In this regard, in the 2022 financial year and the first half of 2023, 29% and 33%, respectively, of the operating revenues of the Group's Education business came from institutional sales (35% in the first half of 2021 and 26% in the first half of 2022), with a particularly high concentration in Brazil, where 55% of the operating revenues of the Education business in Brazil in the 2022 financial year and the first half of 2023 came from institutional sales (63% in the 2021 financial year and 41% in the first half of 2022).

Consequently, in the event that the economic situation in these countries deteriorates, regulatory or public policy changes occur or existing contractual relationships are not renewed, without the Group being able to replace them with others on materially similar terms, there could be a material adverse impact on the Group's business, results of operations, cash flow, prospects and/or financial and equity position, as well as an adverse effect on the Company's valuation.

13. The deterioration of the advertising market could negatively affect the revenues of the Group's Media business.

A significant part of Prisa Group's operating revenues come from the advertising market, in its Media business. In the 2022 financial year and the first half of 2023, advertising revenues from the Group's Media division accounted for 36.4% and 33.7% of the Group's operating revenues (40.3% in the 2021 financial year and 36.5% in the first half of 2022).

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Generally speaking, spending by advertisers tends to be cyclical and reflects the general economic situation and outlook. Therefore, in the event of a worsening of macroeconomic magnitudes in the countries in which the Group operates, especially GDP (see risk factors 9 and 10), the spending prospects of the Group's advertisers could be negatively affected.

In this regard, 77% of the Group's Media revenues in 2022 came from Spain (79% in 2021) and 23% in the Americas (Latin America + USA) (21% in 2021). In the Americas (Latin America + USA) in particular, 67% of the Group's Media advertising revenues in 2022 originated in Colombia (63% in 2021) and 27% in Chile (29% in 2021). Furthermore, in the first half of 2023, 80% of the Group's Media revenues originated in Spain (77% in the first half of 2022) and 20% in the Americas (Latin America + USA) (23% in the first half of 2022). In the Americas (Latin America + USA) in particular, 59% of the Group's Media revenues in the first half of 2023 originated in Colombia (68% in the first half of 2022) and 33% in Chile (27% in the first half of 2022).

The Company cannot predict the advertising market's trend in the short, medium and long term, and given the large fixed cost component associated with businesses with a high weighting of advertising revenues, a fall in advertising revenues would have a direct impact on the margins of the Media area and, therefore, on the operating profit and therefore on the Group's cash generation capacity.

This could have a material adverse impact on the Group's business, results of operations, cash flow, prospects and/or financial condition and assets and liabilities, as well as negatively affect the Company's valuation.

14. The Prisa Group's dependence on IT systems exposes the Group significantly to the risks associated with cybersecurity, which could adversely affect the Group's activities and revenues.

The businesses in which the Group operates are heavily reliant on information technology ("IT") both in terms of back office (systems that businesses use to operate their businesses: *Entreprise Resource Planning* (ERP), content management, advertising, broadcasting, etc.), as well as in the front office and the solutions that the Group's businesses offer the market as part of their value proposition: from the websites and apps of digital properties in the area of Media, to the technological platform and educational systems in the area of Education. For this purpose, the Group's annual IT investment totalled EUR 10,814 thousand in 2022 (EUR 14,332 thousand in 2021).

IT systems are exposed to vulnerabilities, such as hardware and software malfunctions, computer viruses, hacking or physical damage to IT facilities. In particular, the Group operates in an environment of increasing cyber threats in recent years.

The Prisa Group's dependence on IT systems significantly exposes the Group to the risks associated with cybersecurity insofar as a relevant part of the Group's products and services and, therefore, its revenues, intrinsically depend on IT systems that are susceptible to cyber-attack. In this regard, significant failures in IT systems and attacks on their security could result in the Group being unable to undertake its activities and conduct its business. For example, cyber-attacks on the Group's IT systems and platforms could impede advertising activities, one of the Group's main sources of revenue (see risk factor 13), and affect the Group's digital subscriptions and education systems, resulting in a consequent loss of revenue. In addition, the occurrence of any of these scenarios could also result in the loss of data or other sensitive information of the Group's customers (see risk factor 20).

This is why IT systems need regular upgrades, some of which are carried out on a preventive basis. However, the Group may not be able to implement the necessary upgrades in a timely manner or the timely upgrades may not work as planned. In addition, the Group may not have sufficient capacity to identify technical vulnerabilities and security weaknesses in operational processes as well as in the ability to detect and react to incidents. Although the Group has outsourced IT management services and is undertaking innovation projects in certain Group companies to various technology providers, if the provision of these services were not to continue or were to be transferred to new providers, the Group's operations could be affected.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

This could have a material adverse effect on the normal course of the Group's business and, therefore, have a material adverse impact on the Group's business, results of operations, cash flow, prospects and/or financial and equity position, as well as negatively affect the Company's valuation.

(D) LEGAL RISKS

15. *The Group could be affected by the proliferation of sectoral regulation in the radio and education business, as well as by changes in the regulations applicable to the businesses in which it operates.*

The Prisa Group operates in regulated sectors and is therefore exposed to regulatory and administrative risks that could adversely affect its business.

In particular, the Group's radio business, which contributed 28% and 25%, respectively, to the Group's operating revenues in 2022 and in the first half of 2023 (30% in 2021 and 29% in the first half of 2022), is subject to the obligation to hold concessions or licences depending on the country in which the Group operates to undertake this activity. These concessions and licences are obtained directly by the Group or through third parties by entering into licence lease agreements. Thus, for example, in Spain, where radio audiovisual communication services are currently subject only to licensing, the term of the licence is 15 years, renewable for successive periods of the same duration provided that the conditions set out in *Law 13/2022 of 7 July on General Audiovisual Communication* (the "**General Law on Audiovisual Communication**"). For further information regarding the regulatory framework of the Group's radio business, see section 9 of the Registration Document.

In this regard, potential regulatory changes that approve more restrictive rules than those currently in force or that demand compliance with more onerous requirements from service providers, such as, for example, changes in the General Law on Audiovisual Communication and in the various regional decrees that implement it and that are applicable when the broadcasting is carried out in their territorial area of coverage, as well as changes in the Technical Plans (as defined in section 9 of the Registration Document) that may affect the map of commercial radio broadcasting licences currently in force in Spain, could affect the Group's ability to maintain or obtain concessions and licences.

There is therefore a risk that existing licences may not be renewed due to various factors (some of which may be beyond the Group's control), that they may be modified or revoked, as well as that upon termination of existing licence leases the relevant third parties may not wish to renew them with the Group or may renew them on less favourable terms.

In addition, the Group's education business, which in the 2022 financial year and the first half of 2023 contributed 52.6% and 53.4%, respectively, to the Group's operating income (48.4% in 2021 and 52.2% in the first half of 2022), is subject to the education policies approved by the governments of the countries in which the Group operates. In this respect, the education business could be affected by legislative changes arising, for example, from the succession of governments, changes in contracting procedures with public administrations or the need to obtain prior administrative authorisations regarding its content. Curricular changes require the Group to modify its educational content, which in turn requires additional investments, and there is a risk that the return on these investments may be lower than expected.

This could have a material adverse impact on the Group's business, results of operations, cash flow, prospects and/or financial condition and assets and liabilities, as well as negatively affect the Company's valuation.

16. *Prisa's businesses are subject to extensive antitrust and merger control regulations, so compliance with these regulations could affect the Group's businesses.*

Prisa businesses are subject to many regulations in terms of fair competition, control of economic mergers or anti-monopolistic legislation at a global or local level, which means that this risk is particularly relevant for the Prisa Group.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

In this regard, the Group is exposed to the risk of potential non-compliance with applicable antitrust or merger control regulations, which in turn exposes the Group to the risk that the competition authorities and agencies of the countries in which the Group operates may initiate disciplinary proceedings against the Group.

The initiation of disciplinary proceedings against the Group could eventually result in financial penalties being imposed on the Group and damage to its reputation in the markets in which it operates, and could have a material adverse impact on the Group's activities, operating results, cash flow, forecasts and/or financial and equity position, as well as negatively affect the valuation of the Company.

Thus, for example, the National Commission for Markets and Competition (the "CNMC") declared on 30 May 2019 that certain companies of the Santillana group had committed two very serious infringements of Articles 1 of the *Law 15/2007, of 3 July, on the Defence of Competition* and 101 of the Treaty on the Functioning of the European Union, imposing on these companies a cumulative penalty of EUR 9,214 thousand. These proceedings are currently awaiting a vote and judgment. For more information on this procedure, see section 18.6.1 of the Registration Document.

Similarly, the initiation of sanctioning proceedings could result in competition authorities and agencies in other jurisdictions exercising greater scrutiny of the Group's operations for possible collusive behaviour or practices that may lead to distortions of competition in other jurisdictions.

17. The Prisa Group is exposed to litigation and claims from third parties

Prisa Group companies are exposed to claims from third parties, as well as to administrative, judicial and arbitration proceedings arising as a result of undertaking their activities and business, the scope, content or outcome of which cannot be predicted. Thus, for example, in March 2019, the unfavourable ruling in the dispute with Mediapro resulted in an extraordinary expense of EUR 51,036 thousand, which had a material negative impact on the Group's financial statements and financial obligations.

Moreover, when running its activities and businesses, the Group is exposed to potential liabilities and claims in the area of employment relations. Prisa is also exposed to liability for the content in its publications and programmes. This risk is particularly relevant for the Prisa Group considering the current level of indebtedness of the Group and its financial situation. In this respect, further claims or litigation against the Group could have a more detrimental effect on the Group in view of its current situation.

The provision made by the Group as at 31 December 2022 for potential claims and litigation against its companies amounted to approximately EUR 3 million. For further information on claims and litigation which may have or have had in the recent past significant effects on the financial position or profitability of the Company and/or the Group, see section 18.6.1 of the Registration Document.

Although provisions have been made for litigation and contingencies of probable occurrence (probability of more than 50%), there are a number of large litigation cases for which no provision has been made, as they have been classified as possible or remote risk by the Group's internal and external legal advisors.

The Prisa Group cannot assure that the proceedings in which it is involved or those that may arise will be resolved in its favour.

If these are not resolved in favour of the Prisa Group, in addition to affecting its reputation, this could have a material adverse impact on the Group's activities, operating results, cash generation, forecasts and/or financial and equity position, as well as negatively affecting the Company's valuation.

18. Certain copyrighted content developed by the Group in the course of its business may be subject to reproduction by unauthorised third parties.

The Group's businesses largely depend on the intellectual and industrial property rights over, among other items, brands, literary content or technology wholly developed by the Group. Brands and other intellectual and industrial property rights comprise one of the pillars of success and maintenance of the Group's competitive advantage.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

However, there is a risk that third parties, without the Company's authorisation, may attempt to copy or otherwise obtain and misuse content, services or technology developed by the Group, such as unauthorised copying of books and other content, misuse of radio signals, etc. In this regard, there is no certainty that the measures taken to protect intellectual and industrial property rights are sufficient to prevent the misuse and appropriation of such rights.

Similarly, recent technological advances have made it much easier for unauthorised reproduction and distribution of content through various channels, making it more difficult to enforce the protection mechanisms associated with intellectual and industrial property rights. In addition, the Group's international presence entails the risk that it may not be able to protect intellectual property rights efficiently in all jurisdictions in which it operates.

All of this could have a material adverse impact on the Group's business, results of operations, cash flow, prospects and/or financial condition and assets and liabilities, as well as negatively affect the Company's valuation.

19. An increase in royalties for the use of third party intellectual property rights for any reason could affect the Group's business.

In order to use third-party intellectual property rights, the Group has non-exclusive paid-for permission from management companies servicing the owners of these rights. Thus, during the 2022 financial year and during the first half of 2023, the consideration paid by the Group for the use of third-party intellectual property rights represented 3.3% and 3.1%, respectively, of the Company's consolidated operating expenses (excluding depreciation and impairment of fixed assets) in these periods (2.8% during the 2021 financial year and 3.2% during the first half of 2022).

To the extent that the Group is not involved in determining the economic consideration for the use of these rights, there is a risk that significant upward variations in the amount of this consideration could have a material adverse effect on the Group's financial position and business.

The revised text of the Law on Intellectual Property approved by Royal Legislative Decree 1/1996, of 12 April (the "**Intellectual Property Law**") obliges collecting societies (e.g. SGAE, AGEDI, CEDRO, etc.) to set general tariffs, which determine the remuneration required for the use of their repertoire, the amounts of which shall be established on reasonable terms, taking into account the requirements set out in art. 164.3 of the Copyright Act. These general tariffs are therefore set unilaterally by the collecting societies, without any intervention by the users of the repertoires, who will only have the right to challenge them through administrative channels. In IPR-intensive businesses (such as commercial radio), changes in tariffs by collecting societies may impact on the variable costs of the affected business unit.

This could have a material adverse impact on the Group's business, results of operations, cash flow, prospects and/or financial condition and assets and liabilities, as well as negatively affect the Company's valuation.

20. The Group is subject to compliance with a wide range of data protection regulations and compliance with such regulations may affect the Group's business.

The Group has a large amount of personal data at its disposal through undertaking its business, included those related to employees, readers and students. Therefore, the Group is subject to data protection regulations in the various countries where it operates.

Thus, for example, Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of individuals with regard to the processing of personal data and on the free movement of such data, in force since May 2018, substantially amended the data protection rules at EU level to impose new obligations on data subjects and significantly increased the data protection obligations of issuers and the penalties for serious breaches. Similarly, certain Latin American countries have in recent years adopted rules to regulate and/or develop this area.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

In this regard, this risk is particularly relevant for the Prisa Group insofar as the Group's activity is concentrated in countries of the European Union and Latin America, and insofar as, in undertaking its activity, the Prisa Group obtains personal data (including student data) and personal information of a financial nature in order to make the corresponding payments and collections.

The growing digital activity of the Group's businesses entails a particular risk related to the IT management of personal data, which could result in security breaches of varying scope and severity occurring (see risk factor no. 14). Thus, in 2022, a possible alteration of one of the Group's web pages was detected, which consisted of including a fraudulent form with the intention of obtaining bank details of the website's users. This incident was initially considered by the Group as a security breach that could affect personal data, which triggered the established investigation and resolution process, in compliance with current legislation and internal policies and procedures. Once all the various measures were taken to manage and resolve the incident, its scope was limited, affecting only a small number of users, who were duly informed, and causing no damage to the Group's systems and information or to the rights of third parties related to it.

Failure to comply could result in reputational damage to the Group and the payment of significant fines. In addition, any disclosure of such personal information by unauthorised third parties or employees could affect the Group's reputation, limit its ability to attract and retain consumers or expose it to claims for damages suffered by individuals to whom the personal information relates.

All of this could have a material adverse impact on the Group's business, results of operations, cash flow, prospects and/or financial condition and assets and liabilities, as well as negatively affect the Company's valuation.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

II. UNIVERSAL REGISTRATION DOCUMENT

(Drawn up in accordance with Annex 2 to Commission Delegated Regulation (EU) 2019/980, 14 March 2019)

1. RESPONSIBLE PERSONS, INFORMATION ON THIRD PARTIES, EXPERT REPORTS AND APPROVAL BY THE COMPETENT AUTHORITY.

1.1. Indication of the persons responsible for the information provided in the registration document.

Ms Pilar Gil Miguel, in the name and on behalf of Prisa, in her capacity as Chief Financial Officer (CFO), and by virtue of the powers in force expressly conferred by resolution of the Board of Directors of Prisa at its meeting held on 24 May 2022, executed in a public deed authorised by the notary public of Madrid, Mr José María Madridejos Fernández on 3 June 2022, under number 1,265 of the order of his protocol and registered in the Commercial Registry of Madrid on 14 June 2022, in volume 42,359, folio 22, page M-7,674, entry no. 780, assumes responsibility for the contents of the Registration Document.

1.2. Declaration of those responsible for the registration document on the information contained in the registration document.

Ms Pilar Gil Miguel, in her capacity as representative, declares that, to the best of her knowledge, the information contained in the Registration Document is in accordance with the facts and contains no omission likely to affect its contents.

1.3. Statements or reports attributed to persons as experts included in the registration document.

No statements or reports attributed to any person as an expert are included in the Registration Document.

1.4. Declaration on information from a third party included in the registration document.

Where the information in the Registration Document is derived from a third party, that information has been accurately reproduced and, so far as the Company is aware and is able to determine from the information published by that third party, no facts have been omitted which would make the reproduced information inaccurate or misleading. In addition, the source(s) of information is indicated.

1.5. Statement on the approval of the registration document by the competent authority.

It is hereby noted that:

- The Registration Document has been approved by the Spanish Securities and Exchange Commission (the “CNMV”), in its capacity as the Spanish competent authority under Regulation (EU) 2017/1129.
- The CNMV only approves the Registration Document to the extent that it meets the standards of completeness, consistency and intelligibility required by Regulation (EU) 2017/1129.
- Such approval should not be considered as an endorsement of the issuer referred to in the Registration Document.

The Registration Document, as amended from time to time, together with the relevant securities note and, where applicable, summary note, approved in accordance with Regulation (EU) 2017/1129, may be used for an offer of securities to the public and/or for admission to trading on a regulated market.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

2. STATUTORY AUDITORS

2.1. Name and address of the issuer's auditors for the period covered by the historical financial information.

The Company's individual and consolidated financial statements for 2022, 2021 and 2020 were audited by Ernst & Young, S.L. ("EY"), with registered office in Madrid (Spain), at Calle Raimundo Fernández Villaverde, 65 (post code 28003), and registered in the Official Register of Auditors (ROAC) under number S0530.

The Ordinary General Shareholders' Meeting of Prisa held on 29 June 2020 resolved to elect EY as auditors of the annual accounts of the Company and the Group for the 2020, 2021 and 2022 financial years. Likewise, the Ordinary General Shareholders' Meeting of Prisa held on 27 June 2023 resolved to extend the appointment of EY as auditors of the Company and its consolidated group for a period of one year to audit the financial statements ending on 31 December 2023.

2.2. Additional information concerning the appointment of the issuer's auditors

EY has not resigned or been removed from its duties as auditor of Prisa and its consolidated group during the years for which it has been appointed auditor by virtue of the corresponding resolutions of the Company's General Shareholders' Meeting.

3. RISK FACTORS

See Section I ("*Risk Factors*") of the Registration Document.

4. INFORMATION ON THE ISSUER

4.1. Legal and commercial name of issuer

The Company's corporate name is "Promotora de Informaciones, S.A." or in short, and in commercial terms, "Prisa".

4.2. Place and registration number of issuer and legal entity identifier (LEI)

The Company is registered in the Mercantile Register of Madrid in volume 2836 general, 2159 of Section 3 of the Companies Book, folio 54, page number M-19511, 1st entry, and has tax identification number (NIF) A-28297059.

The legal entity identifier (LEI code) of Prisa is 959800U3NGPXSCQH54.

4.3. Date of incorporation and period of activity of the issuer

The Company was incorporated on 18 January 1972. In accordance with the provisions of article 4 of its Articles of Association, Prisa carries on its activity indefinitely.

4.4. Registered address and legal form of the issuer, the law under which it operates, country of incorporation, address, telephone number of the registered office (or principal place of business if different from the registered office) and the issuer's website.

Prisa is a commercial company, incorporated in Spain, with the legal form of a public limited company subject to Spanish law and, consequently, mainly subject to the legal regime established in the Capital Companies Act and other regulations applicable to the securities market.

Prisa has its registered office in Madrid (Spain), at calle Gran Vía, no. 32 (post code 28013). The telephone number of the registered office is (+34) 91 330 10 00.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The Company's corporate website is www.prisa.com. The information contained on Prisa's corporate website, as well as the information available on the other websites referred to in the Registration Document, does not form part of the Registration Document and has not been examined or approved by the CNMV.

5. BUSINESS DESCRIPTION

5.1. Main activities

5.1.1. Description of the nature of the issuer's operations and its principal activities

The Prisa Group focuses its activity mainly on the creation and distribution of cultural, educational, information and entertainment content in the Spanish and Portuguese-speaking markets and the growing Hispanic market in the United States.

With brands such as El País, Santillana, Moderna, Compartir, UNO, SER, Los40, WRadio, Radio Caracol or AS, the Group is present in 22 countries, positioning itself as a global multimedia group in the education, information and entertainment businesses.

The Prisa Group's activities are grouped into two main business areas, equivalent to its operating segments: Education and Media. In addition to the business units, the Prisa Group has a Corporate Centre, which defines the Group's strategy and ensures the alignment of the businesses with this corporate strategy.

- The **Education** business unit leads the transformation and digitisation of the K-12 education ecosystem in Latin America, with innovative content and technology solutions for pupils and schools. For further information, see section (A) below.
- The **Media** business unit is one of the largest Media and Entertainment groups in Spanish-speaking countries, at the forefront of digital transformation, with relevant brands in Spain, Latin America and the United States. For further information, see section (B) below.

In 2020, the Prisa Group's activities were grouped into three main business areas, equivalent to its operating segments in this financial year: Education, Radio and Press. In 2021, the Radio and Press segments were consolidated into a single segment called Media.

In 2022, the Prisa Group had operating revenues of EUR 850 million (compared to EUR 741 million in 2021 and EUR 701 million in 2020), 38.5% of which came from Spain and 61.5% from the rest of the countries operated internationally (43.1% and 56.9%, respectively, in 2021, and 40.7% and 59.3%, respectively, in 2020). Six countries accounted for more than 88% of the Group's operating revenues in 2022 (and also in 2021 and 2020): Spain, Brazil, Mexico, Colombia, Argentina and Chile. In that year (2022), the Group's EBITDA⁽⁹⁾ reached EUR 137.6 million (EUR 63.1 million in 2021 and EUR 63.9 million in 2020) and adjusted EBITDA⁽⁹⁾ EUR 147.5 million (EUR 106.7 million in 2021 and EUR 73 million in 2020).

In recent years, in line with the strategic roadmap defined by the Group, the businesses have focused on digital transformation, the acceleration of subscription models and the development of new digital formats, thus aligning themselves with market demands and new digital consumption patterns. In 2022, the Education business reached 2.6 million subscriptions across its education systems; and the Media business surpassed 266 thousand total subscribers in El País and 231 million unique monthly browsers⁽¹⁰⁾, understood as, across all its digital properties, to which is added a monthly average of 45 million downloads of audio content and 80 million hours of streaming listening. Thus, in 2022, the Group's digital revenues reached EUR 295 million, 35% of operating revenues (30% in 2021 and 2020).

For its part, the Corporate Centre, and holding company of the Group's companies, apart from defining the global strategy and providing support to the businesses for its fulfilment, has the priority objective of ensuring that the Group's financial strength is maintained, maximising the cash generation profile and making it stable over time, as well as controlling debt, within the framework of an unwavering commitment to sustainability and ESG criteria.

(9): Alternative performance measure. For more information, see Appendix I of the Registration Document ("*Glossary of alternative performance measures*").

(10): A unique browser is the count of the different browsers that have accessed a website regardless of the visits it generates in a given period of time.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The following tables detail the main aggregates of the Prisa Group by business area in 2022, 2021 and 2020. The “other” column corresponds mainly to the Corporate Centre, and the “adjustments and eliminations” column mainly includes the elimination of operations between the Group’s segments. Adjusted EBITDA⁽¹¹⁾ excludes the cost of compensation. In the following table, as in the rest of the Registration Document, for the calculation of the percentage changes between periods for the different magnitudes analysed, the denominator is treated as an absolute value purposes of the sign of such changes.

2022 financial year, compared to 2021 financial year:

MAIN FIGURES OF THE PRISA GROUP	31/12/2022				
	Business areas			Adjustments and disposals	Prisa Group
	Education	Media	Other		
	Unaudited (thousands of €)				
Operating income ⁽¹⁾	447,435	403,775	5,217	(6,238)	850,189
<i>Change from 31/12/2021</i>	24.7%	5.3%	(4.9)%	3.6%	14.7%
EBITDA ⁽²⁾	96,380	47,787	(6,594)	(2)	137,571
<i>Change from 31/12/2021</i>	39.1%	382.5%	58.3%	99.2%	118.1%
Adjusted EBITDA ⁽²⁾	101,988	52,050	(6,545)	(2)	147,492
<i>Change from 31/12/2021</i>	35.2%	24.3%	36.7%	99.2%	38.2%
Operating income (EBIT) ⁽¹⁾	51,121	20,344	(8,099)	(2)	63,364
<i>Change from 31/12/2021</i>	95.7%	--	51.3%	99.2%	--
EBITDA margin ⁽²⁾	21.5%	11.8%	(126.4)%	0.0%	16.2%
<i>Change from 31/12/2021</i>	2.2 pp	9.3 pp	162.2 pp	(4.0) pp	7.7 pp
Adjusted EBITDA margin ⁽²⁾	22.8%	12.9%	(125.4)%	0.0%	17.3%
<i>Change from 31/12/2021</i>	1.8 pp	2.0 pp	63.1 pp	(4.0) pp	2.9 pp
EBIT margin ⁽²⁾	11.4%	5.0%	(155.2)%	0.0%	7.5%
<i>Change from 31/12/2021</i>	4.1 pp	12.6 pp	148.2 pp	(4.0) pp	10.1 pp

(1): Audited information.

(2): Alternative performance measure. For more information, see Appendix I of the Registration Document (“Glossary of alternative performance measures”).

2021 financial year, compared to 2020 financial year:

MAIN FIGURES OF THE PRISA GROUP	31/12/2021				
	Business areas			Adjustments and disposals	Prisa Group
	Education	Media	Other		
	Unaudited (thousands of €)				
Operating income ⁽¹⁾	358,810	383,343	5,483	(6,468)	741,168
<i>Change from 31/12/2020</i> ⁽²⁾	(1.9)%	14.1%	(38.8)%	35.5%	5.8%
EBITDA ⁽³⁾	69,268	9,903	(15,823)	(259)	63,089
<i>Change from 31/12/2020</i> ⁽²⁾	(10.1)%	--	(83.4)%	--	(1.2)%
Adjusted EBITDA ⁽³⁾	75,451	41,862	(10,336)	(259)	106,717
<i>Change from 31/12/2020</i> ⁽²⁾	(6.7)%	--	(33.8)%	--	46.2%
Operating income (EBIT) ⁽¹⁾	26,118	(28,929)	(16,640)	(258)	(19,709)
<i>Change from 31/12/2020</i> ⁽²⁾	(23.5)%	46.5%	(78.0)%	--	32.3%
EBITDA margin ⁽³⁾	19.3%	2.6%	(288.6)%	4.0%	8.5%

(11): Alternative performance measure. For more information, see Appendix I of the Registration Document (“Glossary of alternative performance measures”).

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

MAIN FIGURES OF THE PRISA GROUP	31/12/2021				
	Business areas			Adjustments and disposals	Prisa Group
	Education	Media	Other		
	Unaudited (thousands of €)				
<i>Change from 31/12/2020⁽²⁾.....</i>	<i>(1.8) pp</i>	<i>4.2 pp</i>	<i>(192.3) pp</i>	<i>12.4 pp</i>	<i>(0.6) pp</i>
Adjusted EBITDA margin ⁽³⁾	21.0%	10.9%	(188.5)%	4.0%	14.4%
<i>Change from 31/12/2020⁽²⁾.....</i>	<i>(1.1) pp</i>	<i>11.2 pp</i>	<i>(102.3) pp</i>	<i>10.1 pp</i>	<i>4.0 pp</i>
EBIT margin ⁽³⁾	7.3%	(7.5)%	(303.5)%	4.0%	(2.7)%
<i>Change from 31/12/2020⁽²⁾.....</i>	<i>(2.1) pp</i>	<i>8.6 pp</i>	<i>(199.2) pp</i>	<i>6.0 pp</i>	<i>1.5 pp</i>

(1): Audited information.

(2): Change calculated with respect to the financial information at 31 December 2020 as amended (unaudited) by the Company for the purpose of presenting it in accordance with the new segments (Education and Media) into which the Prisa Group's activities are grouped from 2021 and to make the information comparable. Such amended financial information is included in Note 17-"Business Segments" of Prisa's audited consolidated financial statements for 2021.

(3): Alternative performance measure. For more information, see Appendix I of the Registration Document ("*Glossary of alternative performance measures*").

Below is a more detailed description of the business areas (operating segments) of the Prisa Group.

(A) Education Area

The Prisa Group carries out its activities in the Education area through Grupo Santillana Educación Global, S.L.U. (formerly Grupo Santillana Ediciones, S.L.) ("**Santillana**"), 100% owned by Prisa, which has been present in the sector for more than 5 decades.

Santillana focuses its activity on creating and distributing educational content and services for all levels of education from 3 to 18 years old (with a special focus on K-12, the largest compulsory education market: primary and secondary schooling) in Spanish, Portuguese and English, in various formats, and adapted to the regulations and educational models of the countries in which it operates; orienting the business model towards offering comprehensive solutions not only for pupils, but also for teachers and schools as a whole.

Santillana is currently the only operator in the K-12 market operating in practically all Latin American countries, with a relevant position in most of them. Through brands such as Compartir, UNO, Moderna, Farias Brito or Richmond Solution, among others, Santillana, in 2022, around 28 million pupils benefited from the educational content and services offered by Santillana, including up to 2.6 million subscriptions to the wide range of educational systems.

Until 2020, the education market in Spain was also operated by Santillana, but the Spanish business was sold at the end of that year, leaving the company to focus on its Latin American business. In Spain, although the education business was sold, Santillana maintains its holding company, which invoices revenues to the countries associated with the services provided.

The development of Santillana's business, despite being less dependent on the economic cycle than other businesses of the Group (such as, above all, advertising in the Media business), is highly conditioned by seasonality, due to carrying out campaigns in each of the hemispheres (north and south), the succession of school seasons with different calendars in the countries operated, the different laws in force in these countries and the educational cycles in which they find themselves. The business is also partly dependent on winning institutional public procurement orders from governments, which are not always recurrent (see risk factors 7 and 12).

- In the Northern Campaign countries, the school calendar starts in the third quarter of the year and ends in the second quarter of the following year: Mexico, Puerto Rico, Dominican Republic and some campaigns in Ecuador and Colombia.
- In the Southern Campaign countries, the school calendar starts in the first quarter of the year and ends in the last quarter of the same year: Brazil, Argentina, Chile, Peru, Bolivia, Uruguay, Paraguay, Central America North (Guatemala, Honduras, El Salvador), Central America South (Nicaragua, Costa Rica, Panama) and some campaigns in Ecuador and Colombia.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Santillana, therefore, adapts its activity throughout the year according to the development of school calendars in each of the campaigns.

In 2022, Santillana accounted for 53% of the Group's operating revenues (EUR 447 million) and achieved EBITDA⁽¹²⁾ of EUR 96 million (adjusted EBITDA⁽¹²⁾ of EUR 102 million) and an EBITDA margin⁽¹²⁾ of 21.5% (22.8% Adjusted EBITDA margin⁽¹²⁾). During 2021 and 2020, Santillana accounted for 48% and 52% of the Group's operating revenues, respectively (EUR 359 million and EUR 366 million, respectively) and achieved an EBITDA⁽¹²⁾ of EUR 69 million in 2021 and EUR 77 million in 2020 (adjusted EBITDA⁽¹²⁾ of EUR 75 million and EUR 81 million, respectively) and an EBITDA margin⁽¹²⁾ of 19% in 2021 and 21% in 2020 (adjusted EBITDA margin⁽¹²⁾ of 21% and 22%, respectively).

As for the geographic origin of Santillana's operating revenues, in 2022, 99% of revenues originated in Latin America (98% in 2021 and 99% in 2020), mainly Brazil (39%), Mexico (21%) and Colombia (8%).

Santillana's operating income figures by country for 2022, 2021 and 2020 are set out below.

	31/12/2022	31/12/2021	31/12/2020
EDUCATION REVENUES BY COUNTRY	Unaudited (thousands of €)		
Operating income	447,435⁽¹⁾	358,810⁽¹⁾	365,829⁽¹⁾
Brazil.....	172,346	146,603	151,946
Mexico.....	93,497	70,893	62,469
Colombia.....	33,696	28,079	34,591
Argentina.....	36,192	17,737	14,731
Chile.....	15,420	12,809	21,489
Peru.....	12,804	9,694	17,054
Spain.....	2,626	6,196	3,073
Other countries.....	80,854	66,798	60,475

(1): Audited information.

The business unit is organisationally structured by country and has a corporate centre that coordinates and directs the global strategy; operating separate business models according to the markets served: the private education market and the public or institutional education market.

(A.1) Private education market

The private market accounts for approximately 70% of Santillana's business. In 2022, 25% of Santillana's private market turnover was generated in Brazil, 23% in Mexico and 11% in Colombia (25%, 24% and 13% in 2021, respectively, and 30%, 19% and 14% in 2020, respectively in turn).

Santillana's value proposition for this market is to offer educational solutions for the K-12 public school ecosystem in Latin America, acting through two business models: the didactic model and the subscription model based on educational systems.

The didactic model is the traditional business model, based on the sale of textbooks where normally, the customers are the public schools, the purchase decision is made by the teachers and/or the school principals or owners, the buyer of the product is the parent of the pupil and the end user is the pupil. Santillana holds an important position in most of the countries operated with market shares of around 25% and a portfolio of around 10,000 relevant schools (*source*: internal business estimates).

(12): Alternative performance measure. For more information, see Appendix I of the Registration Document ("*Glossary of alternative performance measures*").

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

In 2022, the didactic model accounted for 26% of Santillana's business and 37% of the business in the private education market (22% and 37% in 2021 and 31% and 45% in 2020, respectively), according to Santillana's new business configuration at the end of 2021.

The subscription model based on educational systems through Santillana's educational technology platform (EdTech) is, for Santillana, the basis of the educational proposal of the future and is, therefore, currently the priority focus of the business unit. Santillana has played a key role in the process of educational technological development in the countries where it is present through the implementation and development of technology in the education system. Santillana has created a technological platform scalable to any user in any region, which includes in its offer a comprehensive service aimed at schools, teachers and pupils, combining technology, training and advice.

This is a business model where contracts are signed with schools for a term, typically 3 or 4 years, for the provision of the service through hybrid (online and offline) education systems that they offer to schools: complete curriculum solutions (comprehensive systems), more flexible modular curriculum solutions according to the demand of the school in each case (flexible systems and English systems) and solutions beyond the curricula to complete the learning pathway of the pupils (supplementary systems).

Through its subscription models based on educational systems, Santillana occupies an important position in most of the countries in which it operates in Latin America (*source*: internal business estimates), with a portfolio of around 10,000 schools and with more than 2.6 million subscriptions by 2022 (2 million subscriptions in 2021 and 1.7 million subscriptions in 2020), of which 0.4 million were in comprehensive systems, 1.6 million in flexible systems and the remainder in English and supplementary systems.

In 2022, the didactic models accounted for 44% of Santillana's business and 63% of the business in the private education market (37% and 63% in 2021 and 37% and 55% in 2020, respectively), taking into account Santillana's new business configuration at the end of 2021.

The subscription model has a number of very significant advantages over the traditional didactic model:

- Education system contracts (subscription model) are signed with schools for periods of typically 3-4 years, which offers long-term revenue certainty, compared to the purely annual tie-in of purchasing textbooks, which are also significantly exposed to the risk of dual use and the risk of content piracy, which increase the uncertainty of the purchase rate from year to year. In recent years, Santillana has had an average loyalty rate of around 88% among its subscription model customers (86% Brazil, 92% Mexico and 89% Colombia).
- The didactic model requires a specific distribution channel for the books (generally through bookstores), while the educational systems are distributed directly through Santillana's technological platform, thus avoiding the loss of the distributor's margin and an excessive dependence on the distribution channel with the inefficiencies that this can generate and the consequent loss of value in the educational solution offered by Santillana.
- In addition, the subscription model enables a large potential for selling the portfolio of complementary and supplementary services: *upselling* and *cross-selling*.

Therefore, there is a great opportunity for Santillana in the transformation of the educational market in Latin America, progressing from a didactic model to a subscription model, especially considering the favourable market context provided by the current situation:

- The level of digitalisation and the use of technological platforms has increased significantly in Latin America. In this respect, the COVID-19 pandemic had a particularly relevant impact on the acceleration of the transformation of the educational model: pupils, families and teachers have quickly become accustomed to using new technologies and the new educational model based on a technological platform that can be online or offline, in the classroom or off-site, in real time or with no time restriction, etc.
- Technology enables greater empowerment for the prescription of educational content and services by teachers and schools, and facilitates greater involvement of families and parents in their children's education, which is significantly increasing the demand for complementary and supplementary content and services.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- The perceived added value of subscription systems for schools and families is now a reality, not only because of the facilities and flexibility offered by hybrid education systems, but also, to a large extent, because of the good results typically obtained by pupils using the more advanced education systems compared to the other educational models.

Santillana has the key elements to be able to realise this transformation of the education market: commercial strength, technology and a branded offering of solutions around education systems. These ingredients also create barriers to entry for local or international operators in those markets where they are not yet positioned and prepared to operate through education systems in a relevant way.

Santillana's commercial network was reorganised in 2021 to prepare the profiles that could lead this market transformation and adjust the remuneration models by objectives in line with the transformation objectives. In this respect, Santillana currently has two main categories of specialised sales representatives: (i) the hunters, who, with a short-term tactical vision, focus on transforming schools that follow the traditional (didactic) model through subscription contracts and capturing new schools; and (ii) the farmers who focus on building loyalty to Santillana's portfolio of schools through continuous monitoring and advice to increase the level of service and generate higher revenues (upselling and cross-selling).

From a technological point of view, Santillana's platform, integrated in the cloud for greater flexibility and potential for scale, connects pupils and families with schools and teachers, enabling the flow of learning and assessment, and it offers various value-added functionalities for users. A multi-product, multi-language and multi-country platform, tested from a cybersecurity standpoint and which allows the capture, analysis and exploitation of large-scale data, placing Big Data as one of the strategic axes of the transformation of the educational model, by allowing progress in the knowledge of the use of the platform and continuous improvement in the user experience. This is increasingly prepared to meet the needs of families.

Big Data is one of Santillana's strategic assets for the future:

- In the commercial sphere, it will enable more advanced analysis of commercial campaigns and the performance of the sales force, reducing costs and speeding up the decision-making process;
- In the area of customer management, it will allow significant improvements in evaluating the satisfaction of all those involved in using the platform (schools, teachers, parents, pupils, etc.) and optimising segmentation; and
- In the strictly educational field, in learning, it enables enormous potential in issues as important for the future of the sector as adaptive learning or the development of artificial intelligence models at the service of learning.

Finally, Santillana has an increasingly broad and robust branded offering of solutions around education systems to complement this market transformation.

- The core solutions, which, grouped under prestigious brands, are mainly focused on satisfying the needs of multiple student profiles in the strictly curricular field: UNO, SFB or Kepler for integrated systems; Compartir, Educa or Pitanguá for flexible systems; Richmond Solution or Educate for English systems.
- Supplementary solutions, aimed at meeting both curricular and non-curricular needs, transforming the school into a one-stop centre where every pupil can go to complete all their training and learning needs. With distinct brands for different niches: Creo (Catholic schools), TecPro (robotics), Loqueleo and Horizum (literature and communication), Crescemos (socio-emotional), among others.

(A.2) Public education market

The public market accounts for approximately 30% of Santillana's business. In 2022, 69% of Santillana's turnover in the public market was generated in Brazil and 17% in Mexico (68% and 14% in 2021, respectively, and 68% and 12% in 2020, respectively in turn).

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Santillana's value proposition for this market is preparing solutions for competition in regular public tendering programmes. With a business model in which solutions are primarily textbook-based, occasionally supported by some digital solutions. The customers are governments and public schools, with the purchasing decision resting with the ministries of education (or, where appropriate, with the competent local authorities), which select the books from among the different proposals submitted by the bidders, through more or less regulated procedures, with more or less decision-making power for teachers depending on the case.

This is normally a fully transparent process with clearly defined stages from the moment the public tender is initiated. In Brazil and Mexico (more than 85% of Santillana's public turnover), the process starts with publishers preparing their educational offer and submitting it for approval by the relevant government according to each tender. Subsequently, publishers promote their offers in schools, where the work of the commercial teams is key, and finally, teachers are involved in evaluating the different offerings and making the corresponding selection decisions. In other countries, such as Chile, the Dominican Republic or Puerto Rico, the dynamic is simpler, with direct selection, centralised in the competent public administration. In any case, all processes are based on the quality and level of fit of the bids in relation to the parameters defined in the tenders and meet the demand of approximately 212 thousand schools and 54 million pupils throughout Latin America.

Historically, there are five countries whose governments have been issuing more or less recurrent tenders in which Santillana participates: Brazil and Mexico, the most relevant in terms of recurrence and volume of orders, together with Puerto Rico, the Dominican Republic and Chile, where orders are less significant and not always recurrent. Occasionally, on an extraordinary basis, a one-off public purchase is made in another country operated by Santillana.

Santillana's sales in the public market are, therefore, especially conditioned by the effective achievement of institutional orders and by the different laws that are being passed in the field of education in general, and curricula in particular. In the particular case of Brazil, this added a marked cyclical component that meant that Santillana's change in revenue was conditioned by the cycles depending on the educational segment (corresponding to each educational stage) for which the government made the public order, but in more recent years, this impact has been softening (see, however, risk factor no. 9 of the Registration Document).

In Brazil, the Ministry of Education manages the "*Programa Nacional do Livro e do Material Didático*" (PNLD), organising annual tenders, with three particularly significant segments: Fundamental 1, Fundamental 2 and Ensino Medio. As a general rule, each year a new institutional order is tendered for one of the segments (the "**New Order**") and a replacement order for the other two segments (the "**Replacement Order**").

The New Order implies that all books and teaching materials requested by the Government for the selected segment are renewed according to the new curriculum and content requested by the Government. This is a new order in which publishers renew their content in accordance with the curricular conditions set out in the PNLD. Publishers submit the books and materials for each subject and the Government selects and approves the books it considers appropriate to be used in the new school year for the educational segment corresponding to that New Order. Approved books are promoted directly by each publisher in public schools. It is the schools who select the books. This is done through a platform where each school enters its selection and the government closes the global order.

The Replacement Order implies, in turn, that the Government requests additional quantities of books and teaching materials for the other two segments for which there is no new curriculum that year. The publishers already have the books and teaching materials (they do not prepare new prototypes) and simply serve the order placed by the government for the new school year.

In 2022, Santillana gained a market share of 20%, according to PNLD data for December 2022.

Below is a summary of the sales cycles in Brazil and the shares obtained by Santillana in that country in recent years, according to data from the FNDE (*Fundo Nacional de Desenvolvimento da Educação*) for the 2018-2020 period and from the Brazilian Ministry of Education for 2021 and 2022. In this regard, the

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

following table shows, for 2018 to 2022, the amount invoiced by Santillana in each of the educational segments (first column), specifying in each year the segment to which the New Order corresponded (corresponding, therefore, to the other segments, the Replacement Order) and the market share obtained by Santillana in said New Order.

SANTILLANA SALES BY SEGMENT OF EACH EDUCATIONAL STAGE	2018	2019	2020	2021	2022
	New Order: Fundamental 1	New Order: Fundamental 2	Without New Order	New Order: Ensino Medio	New Order: Fundamental 1
	(millions of Brazilian Reais)				
PNLD for children.....	0	0	0	4.4	5.0
Fundamental 1 PNLD.....	152.3	137.5	121.4	163.7	132.8
Fundamental 2 PNLD.....	36.3	113.9	197.4	61.9	58.5
Ensino Medio PNLD.....	63.2	49.6	56.8	224.9	84.2
PNLD SUBTOTAL WITHOUT OTHER SALES	251.8	301.0	375.6	454.9	280.5
Other sales.....	15.9	23.6	0.7	11.6	5.4
PNLD TOTAL WITHOUT OTHER SALES	267.7	324.6	376.4	466.5	285.9
Santillana's Market Share in the New Order	25.00%	32.00%	--	32.00%	19.70%

Source: FNDE (Fundo Nacional de Desenvolvimento da Educação) for the 2018-2020 period and the Brazilian Ministry of Education for 2021 and 2022.

In Mexico, annual orders are organised through the Comisión Nacional de Libros de Texto Gratuitos (CONALITEG). In 2022, Santillana, with a 22.5% share, was the second most relevant operator, according to CONALITEG's June 2022 data.

Santillana estimates a public market that, while showing moderate growth rates in the future, will remain stable: Public procurement programmes have more than 50 years of history and have generally proven to be resilient to changes of government in countries. In addition, more and more opportunities are likely to arise as governments demand more digital education solutions, an area in which Santillana is positioned by its experience in developing education systems for the private market.

Therefore, Santillana's commitment to the public market focuses on maintaining its positioning (recognised prestigious brands) in order to continue increasing its market shares.

In 2022, Santillana presented revenue growth of 24.7% and EBITDA growth⁽¹³⁾ of 39.1% compared to 2021. In particular, private sales grew by 43% compared to 2021 and, in terms of EBITDA⁽¹³⁾, growth was 56%, mainly thanks to the growth of the subscription business, and thanks to the recovery of educational sales after overcoming the impact of the COVID-19 pandemic that affected the previous two years (return to normality of schools in Latin America). In 2022, revenues from the public business were slightly below 2021 due to the cancellation of the tender in the Dominican Republic and the delay of part of the PNLD programme in Brazil which remained to be delivered and invoiced in 2023. However, in terms of EBITDA⁽¹³⁾, public business grew by 18% in 2022.

The following table shows the main figures of the Prisa Group in the Education area, with a breakdown of operating income by type of business, for the years ended 31 December 2022, 2021 and 2020.

KEY FIGURES OF THE PRISA GROUP EDUCATION AREA	2022	2021	2020
	Audited (thousands of €)		
Operating income.....	447,435	358,810	365,829
Revenue.....	443,326	355,616	363,937
Private business: subscription ⁽¹⁾	192,555	134,066	135,901
Private business: didactic ⁽¹⁾	114,213	80,092	112,833

(13): Alternative performance measure. For more information, see Appendix I of the Registration Document ("*Glossary of alternative performance measures*").

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

	2022	2021	2020
KEY FIGURES OF THE PRISA GROUP EDUCATION AREA	Audited (thousands of €)		
Public business ⁽¹⁾	134,508	135,956	113,298
Sale and transfer of intellectual property ⁽¹⁾	156	265	1,464
Provision of other services and other ⁽¹⁾	1,892	5,237	441
Other income	4,109	3,194	1,892
EBITDA ⁽¹⁾⁽²⁾	96,380	69,268	77,027
Adjusted EBITDA ⁽¹⁾⁽²⁾	101,988	75,451	80,882
Operating income (EBIT)	51,121	26,118	34,141
EBITDA margin ⁽¹⁾⁽²⁾	21.5%	19.3%	21.1%
Adjusted EBITDA margin ⁽¹⁾⁽²⁾	22.8%	21.0%	22.1%
EBIT margin ⁽¹⁾⁽²⁾	11.4%	7.3%	9.3%

(1): Unaudited.

(2): Alternative performance measure. For more information, see Appendix I of the Registration Document ("*Glossary of alternative performance measures*").

(B) Media Area

The Prisa Group carries out its activities in the Media area through Prisa Media, S.A.U. ("**Prisa Media**"), whose brands and assets have been present in the sector for decades.

Today, Prisa Media is one of the largest Media and Entertainment groups in the Spanish-speaking world. Through recognised brands such as Ser, Los40, Dial, El País, AS, Cinco Días, Radio Caracol, WRadio, Podium Podcast and LaCoproductora, among others, it is present in 12 countries directly or through franchises, with a potential market of 500 million Spanish speakers.

In 2022, the aggregate online audience of all Prisa Media's digital properties reached 231 million unique browsers from around the world. El País had more than 266,000 total subscribers in 2022, the radio added with all its brands an audience of more than 23 million daily listeners. In the field of digital audio, 45 million downloads were achieved and 80 million hours of listening in streaming on average per month throughout 2022. In addition, in the area of social media, Prisa Media reached 145 million followers in 2022.

On the basis of its two core businesses, radio and press, Prisa Media has developed a wide range of content that has transcended traditional media and has been reinforced by the development of a complementary offer based on differential capabilities in audio and video. Thus, Prisa Media's value proposition focuses on the generation of news, sports, music and entertainment content in multiple formats, for distribution through different media and offline and online platforms, both proprietary and third-party.

With the scale provided by its portfolio of prestigious premium brands, Prisa Media stands as one of the multimedia groups that aggregates the largest audiences in the Spanish-speaking market and consolidates its important position in most of the advertising markets in which it operates.

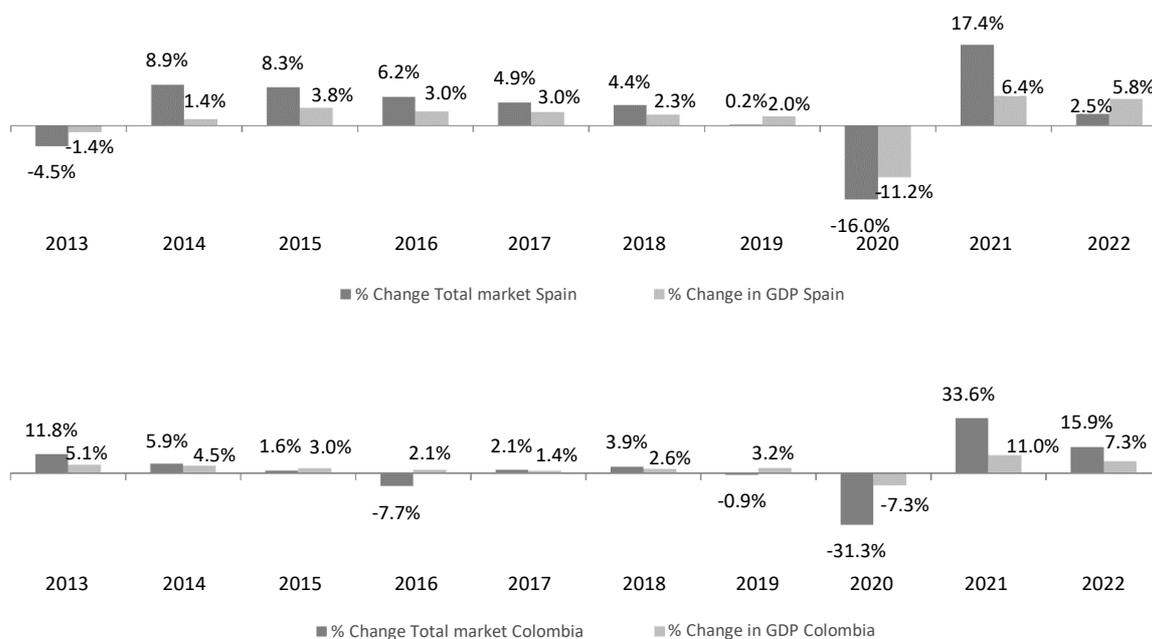
The business unit is organisationally structured on transversal service platforms to achieve a more agile and efficient management, based on digital transformation and the convergence of resources: commercial, digital and technology, audio, video operations, human resources and talent, legal, marketing and audiences. The business model focuses on leveraging the scale and knowledge of audiences for monetisation through two main lines of activity: advertising (which accounted for 77% of area revenues in 2022) and circulation (13% of revenues in 2022), with increasing weight of the paid digital subscription model (27% of total circulation revenues in 2022); lines of activity that are in turn complemented by other activities such as the organisation and management of events, audiovisual production following the acquisition of Lacoproductora in the second quarter of 2022 and the distribution of promotions, as well as the identification of new alternative ways of generating revenues that are taking shape as the digital transformation accelerates.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The development of the Media business is therefore highly dependent on the economic cycle and is conditioned by the seasonality of the advertising market (see risk factors 7 and 13). The advertising market is particularly sensitive to the trend of countries' economies. In particular, the performance of advertising investment compared to the performance of GDP is very representative: it normally grows more than the economy does, but it also falls more sharply when the economy deteriorates.

The advertising investment trend is shown below (*source: i2p periods 2013-2022 for Spain Average periods 2013-2022 for Colombia*) relative to GDP (*source: IMF October 2023, data 2013 to 2022*) in the most relevant markets for Prisa Media (Spain and Colombia):



Moreover, the advertising market tends to show its highest volume of revenue in the second and fourth quarters (especially in the latter) and is sometimes significantly impacted when events of great media impact take place, especially in the sporting sphere (World Cup or European Cup, Superbowl, Olympic Games, etc.), but also in other areas, such as politics (elections).

In 2022, Prisa Media contributed 47% to the Group's operating revenues (EUR 404 million) and achieved EBITDA⁽¹⁴⁾ of EUR 48 million (adjusted EBITDA⁽¹⁴⁾ of EUR 52 million), an EBITDA margin⁽¹⁴⁾ of 11.8% (12.9% adjusted EBITDA margin⁽¹⁴⁾). During 2021 and 2020, Prisa Media contributed 52% and 48% to the Group's operating revenues, respectively (EUR 383 million in 2021 and EUR 336 million in 2020) and recorded an EBITDA⁽¹⁴⁾ of EUR 10 million in 2021 and EUR -5 million in 2020 (adjusted EBITDA⁽¹⁴⁾ of EUR 42 million in 2021 and -1 million in 2020).

As for the geographic origin of operating revenues, in 2022, 81% of Prisa Media's revenues were generated in Spain (82% and 84% in Spain in 2021 and 2020, respectively) and the rest outside Spain, mainly Latam and USA.

(14): Alternative performance measure. For more information, see Appendix I of the Registration Document ("*Glossary of alternative performance measures*").

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Prisa Media's operating income figures by country for 2022, 2021 and 2020 are set out below.

	31/12/2022	31/12/2021	31/12/2020
INCOME IN THE AREA OF MEDIA BY COUNTRY	Unaudited (thousands of €)		
Operating income	403,775⁽¹⁾	383,343⁽¹⁾	335,878⁽²⁾
Spain	325,302	314,716	283,322
Colombia	49,204	41,488	31,508
Chile	20,195	19,765	14,239
USA	7,978	6,493	3,727
Other	1,097	882	3,082

(1): Audited information.

(2): Financial information at 31 December 2020 as amended (unaudited) by the Company for the purpose of presenting it in accordance with the new segments (Education and Media) into which the Prisa Group's activities are grouped from 2021 and to make the information comparable. Such amended financial information is included in Note 17 - "Business Segments" of Prisa's audited consolidated financial statements for 2021.

(B.1) Radio

The radio business accounts for 60% of Prisa Media's operating revenues in 2022 (57% share of operating revenues in 2021 and 55% in 2020). In 2022, 70% of radio turnover will be generated in Spain (72% in 2021 and 75% in 2020).

Prisa Media has one of the largest Spanish-language radio groups with more than 23 million listeners⁽¹⁵⁾ (aggregate audience data for the countries in which it operates and more than 1,000 radio stations, including its own, subsidiaries and associates, in 12 countries).

The radio business develops a model aimed at offering the best content, preserving the value of global and local brands to multiply the generation of business value; revitalising the traditional radio formats of talk radio and radio music formulas; and promoting new digital audio formats (podcasts). The commitment to digital transformation has led Prisa Media to position itself as one of the leading producers of audio in Spanish worldwide according to Triton Digital (a reference company in services and technology in the audio and podcast industry), reaching more than 480 million downloads, 950 million hours of listening and more than 1,000 podcast productions by 2022.

In general, most of the radio business' operating revenues are generated through the sale of advertising inventory of Prisa Media's radio and digital radio and audio properties. In 2022, 93% of radio operating revenues were generated through advertising (95% in 2021 and 2020). In the coming years, Prisa Media has among its strategic objectives to diversify its revenues beyond advertising and circulation through the original production of audio and video programmes and strategic alliances for the production of content for distribution on third-party platforms such as Spotify, Podimo, Storytel or Amazon, among others.

In Spain, Prisa Media is the market leader in radio, with an audience of over 9 million listeners in the latest wave of the 2022 General Media Survey ("EGM"). In the area of spoken radio, SER, a benchmark in Spanish radio news with programmes such as "Hoy por hoy", "Hora 25", "La Ventana", "A vivir que son dos días" and "El Languero", among others, achieved an audience share of 33%. In music radio, with radio formulas such as the family of radio stations under the Los40 brand (Los40, Los40 Classic, Los40 Urban, Los40 Dance) or Cadena Dial, it achieved a share of 45%. In addition, under the SER and Los40 brands, Prisa Media organises a multitude of events throughout Spain, including the "Los40 music awards", a significant positioning in the offline market, which also provides the basis for potential in the online advertising market.

(15): Sources: Spain (Encuesta General de Medios -EGM- 3rd wave 2022, population aged 14+, all social classes, measured on weekdays, base Spain, December 2022), Colombia (ECAR, population aged 12-69, all social classes, Monday to Sunday, base 18 markets, October 2022), Chile (IPSOS and EGM, population aged 15+, all social classes, Monday to Saturday, base Santiago de Chile), Mexico (INRA AMCM, MEDIÓMETRO, population aged 13+, Monday to Friday, 6 a.m. to 10 p.m., base Valle de Mexico metropolitan area, December 2022).

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

According to EGM, 3rd wave of 2022, the audience of Prisa Media’s radio stations in Spain in 2022 was as follows:

AUDIENCES OF BROADCASTERS IN SPAIN 2022	Third Wave EGM 2022		Share
	(thousands of listeners)	Position	Percentage
Generalist Radio	4,161	1	33.5%
SER.....	4,161	1	33.5%
Music Radio⁽¹⁾	5,559	1	45.4%
LOS40	2,928		23.9%
Cadena Dial	1,567		12.8%
LOS40 Classic	703		5.7%
Radiolé	377		3.1%
LOS40 Urban.....	286		2.3%

(1): It does not reflect the sum of the different radio stations because duplications are eliminated.

This leadership position in the radio audience market shown in the table above is reflected in the advertising market, where both SER and Los40 are leaders in their respective fields (talk radio and music radio) with advertising shares in 2022 of 39% and 30% respectively (37% and 26% in 2021 and 36% and 24% in 2020, respectively) of the total Spanish advertising market, according to i2P market data.

Internationally, Prisa Media has radio operations in three countries (in addition to the other countries where Prisa Media brands are present through franchises). In 2022, 30% of radio turnover was generated outside Spain (29% in 2021 and 27% in 2020).

In Colombia, Prisa Media is the leader with an aggregate audience of almost 8 million listeners, according to the latest Estudio Continuo de Audiencia Radial (“**ECAR**”) from July-October 2022: an audience share of 45% in spoken-word radio and 23% in music radio. In spoken-word radio, Caracol Radio continues to be the leading news, sports and entertainment channel in Colombia and, together with W Radio, are the pillars of Prisa Media’s leadership in Colombia. In addition, in music radio, although it does not lead in audience share, Prisa Media has a relevant positioning through brands such as Tropicana, Bésame, Oxígeno and Radioactiva, among others. This resulted in an aggregate advertising share of 41.4% in 2022 (40% in 2021), confirming Prisa Media’s advertising leadership in Colombia (*source: Asomedios December 2022*).

In Chile, Prisa Media is also the leader, with an aggregate audience of over 4 million listeners, according to the latest Ipsos survey data (“**IPSOS**”) September-December 2022: an audience share of 46%. With brands such as ADN, the country’s most widely spoken radio brand, or Radio Imagina (the country’s most listened to radio station) or Radio Activa, among others in the music sector, Prisa Media’s radio stations in Chile will have an aggregate advertising share of 27.5% in 2022 (28.5% in 2021) (*source: Agencia de Medios December 2022*).

And in Mexico, Prisa Media has a 50% stake (consolidated by the equity method), in the radio group Sistema de Radiópolis, S.A. de C.V. (“**Radiópolis**”) leading the Mexico City market with an audience of close to 2 million listeners, according to the latest market research data conducted by Mexican market research Investigación de Mercados INRA, S.C. (“**INRA**”) for October-December 2022: an audience share of 14.5%. And it operates brands as relevant as W Radio in the talk radio field, or KeBuena or Los40, among others, in music radio (*source: INRA October-December 2022*).

Of the consolidated operating revenues that Prisa Media obtained through the international radio business in 2022 (Mexico consolidated by the equity method), 70% was generated in Colombia and 28% in Chile (65% and 31% in 2021 and 62% and 27% in 2020, respectively).

The radio operations in Argentina and Miami, which have little weight in the aggregate revenues of Prisa Media, were terminated in 2022, in line with the Group’s efficiency plans and focus on its strategic businesses.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The audience in 2022 for Prisa Radio's main international stations was as follows:

AUDIENCES OF MAJOR INTERNATIONAL BROADCASTERS PRISA 2022	Thousands of listeners⁽¹⁾	Position	Share Percentage
Colombia.....	7,926	1	28.3%
Chile.....	4,185	1	46.2%
Mexico.....	1,592	1	14.5%

(1): Source: Colombia (ECAR 2022, July-October 2022), Chile (IPSOS 2022, September-December 2022) and Mexico (INRA 2022, October-December 2022).

As for the Spanish-speaking market in the United States, in line with the Prisa Group's strategy for this market, in May 2022, Prisa Media reached an agreement with iHeartMedia, one of the leading audio companies in the United States, to integrate Prisa Media's talk radio streaming services into the iHeartRadio catalogue, which has more than 250 million monthly listeners through its 860 stations across the country, more than 3.2 billion downloads and 167 million registered users. Through this alliance, Prisa Media expands its presence in the United States and consolidates its media relevance in the Spanish-speaking market, while boosting its firm commitment to the development of digital audio.

(B.2) Press

In 2022, the press business will account for more than 38% of Prisa Media's total (43% of operating revenues in 2021 and 44% in 2020).

This business activity encompasses various information and entertainment brands with a global vocation, among which the following stand out: El País, As, Cinco Días, HuffPost, SModa, Retina, Icon and MeriStation, among others.

In a context where digital transformation has changed press consumption patterns in recent years (see also risk factor 11), Prisa Media has focused its efforts on responding with quality products under increasingly global, recognised and solvent brands, and offering more and more multimedia content and services. Thus, the newspaper business has been focused in recent years on moving towards a fully digital and scalable business model, prioritising technological readiness to ensure growth and leadership of digital audiences, while shaping a lighter and more flexible structure for the traditional, more paper-based business.

Examples of some relevant initiatives in this regard include: in the area of digital transformation, the consolidation of the implementation of the Washington Post's ARC technology as a content management system, the establishment of centres of excellence by type of technology and service, the launch of the daily podcast "Hoy en El País" in early 2022, and progress in data-driven management of digital audiences; and in the area of the search for flexibility in the traditional business, in 2021 all the printing plants managed by the business unit were removed from Prisa Media's perimeter (all newspapers are now printed through third parties) and various operations of unprofitable brands and formats were closed.

This has allowed us to continue creating and working on new revenue streams, with a strong focus on innovation in advertising formats and, above all, on the great commitment to the future of the press business: the digital subscription payment model, launched for El País in May 2020.

In this regard, Prisa Media's three most relevant digital properties in the press area added an average of 166 million monthly unique browsers in 2022 (191 million in 2021 and 188 million in 2020): El País with 74 million (86 million in 2021 and 96 million in 2020), AS with 94 million (108 million in 2021 and 95 million in 2020) and HuffPost with 13 million (15 million in 2021 and 18 million in 2020). In addition, El País will have more than 227 thousand digital subscribers (for a total of 266 thousand subscribers) by the end of 2022 (137 thousand digital-only subscribers in 2021, 85 thousand in 2020 and a total of 177 thousand subscribers in 2021, 131 thousand in 2020).

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The press business unit's operating revenues are mainly generated through the sale of online and offline advertising inventory and through the sale of online (digital subscription payment) and offline (print circulation) copies, with a less significant participation of the promotions business line (associated with the traditional print business) and events organisation. In 2022, advertising accounted for 55% of press revenues (57% in 2021 and 55% in 2020) with digital advertising accounting for 68% (68% in 2021 and 67% in 2020), and copy sales for 35% (32% in 2021 and 34% in 2020), with the digital subscription payment model accounting for 27% of copy sales (20% in 2021 and 9% in 2020).

Prisa Media continues to work on exploiting new revenue streams in its press business and, in the coming years, will continue to drive expansion in new products and services and new markets, highlighting in this regard the commitment to video as a key growth vector, both in terms of revenue through the production and generation of audiovisual content for third parties, and to structurally improve the quality and quantity of the audiovisual content of its own brands. In addition, Prisa Media's strategic objectives include increasing the weight of other revenues beyond advertising and copy sales, with strategic alliances with large platforms and other possible technological partners being a route with great potential.

Within Prisa Media's global brand portfolio in the press area, El País and AS account for 94% of operating revenues in 2022 (92% in 2021 and 91% in 2020). El País has a leading position in the Spanish-speaking news world and in Spain in particular, with a multi-product presence; Press, Digital and Podcasts. Within its presence in the Spanish-speaking world, it has six editions in Spain and Latin America (Mexico, Colombia, Chile, Argentina and America) and is also strengthening its presence in the United States through a specific edition in English for that market. In turn, As is a leading newspaper in the Spanish-language Sports category in the world (internal data, Adobe Analytics).

In 2022, El País accounted for 67% of the operating revenues of Prisa Media's press business (64% in 2021 and 67% in 2020). El País is one of the world's leading Spanish-language newspapers, but it also has a special and unique version for all of Latin America, and an English-language version, with specific content aimed at the North American audience. The newspaper can now be consulted in multiple formats through numerous narratives, from text to virtual reality, from video to interactive graphics. It has more than 19 million followers on the main social media (Facebook, X (previously Twitter), Instagram, LinkedIn, Telegram and YouTube). El País has editorial offices in Madrid, Barcelona, Mexico, Washington and São Paulo, and a significant network of correspondents and collaborators and more than 400 journalists who keep the various digital editions of the newspaper permanently updated.

El País offers its readers an open and global dialogue, based on information, analysis, tolerance, democracy and dignity. The commitment to quality content, brand recognition, the constant development of the range of content and services on offer, constant innovation and its global vocation have contributed to consolidating El País's position in the press market.

El País's commitment to offering new quality products and services to its readers continues to crystallise in new content verticals on topics of great interest to the audience, such as technology (Retina) or Health and Wellbeing, and in a constant reinforcement of the multimedia offer. Following on from this, video and audio formats have emerged as a key growth vector, as exemplified by some of the initiatives being promoted:

- El País's strategic commitment to video through YouTube has been a constant in recent years. In 2020, it reached its first million followers and now has more than 2.3 million followers. This channel has also become a gateway to El País for younger audiences.
- In March 2022, as part of Prisa Media's firm commitment to the development of audio, the daily podcast "Hoy en El País" was launched and is distributed through El País, Prisa Media's own platform, Podium Podcast and various third party platforms such as Spotify, iVox and Apple Podcast. In 2022 it reached a daily average of 49,635 downloads (*source*: Triton digital).

In terms of unique browsers, El País reached a monthly average of 74 million by the end of 2022 (86 million in 2021 and 96 million in 2020), with a large share of the Latin American market and growing importance of the American market: 48% of unique browsers came from Spain, 39% from Latin America and almost 8% from the United States. According to the most recent data from the audience meter recognised in Spain (GfK), El País had around 16 million unique users in 2023, while always occupying the top positions

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

(depending on the month) in the ranking of the Spanish generalist press. Moreover, in recent years, El País has been the most widely distributed Spanish-language daily newspaper in Spain: according to the Broadcasting Justification Office (OJD), El País had an average daily circulation of 60,472 copies during 2022 (66,829 in 2021 and 79,658 in 2020 according to OJD data); the paper version of El País continues to gain market share over its competitors' editions, reaching a share of almost 34% from Monday to Saturday and almost 50% on Sundays in sales by number (i.e. without taking into account subscriptions, free or block sales), according to OJD data.

This positions El País as the leader in the Spanish press advertising market, with a 24% share in 2022 (26% in 2021 and 25% in 2020), according to data from the Asociación de Medios de Información ("AMI"), with solid foundations for growth in the other markets where it is present and where it has low advertising shares (Colombia, Chile, Mexico, USA); markets that are expected to grow in the coming years and which, due to their size and digital maturity, represent a great opportunity for El País. In addition, El País has developed a paid digital subscription model which, since its launch in March 2020, has shown a strong growth rate.

El País closed 2022 with 227 thousand digital-only subscribers (137 thousand in 2021 and 85 thousand in 2020), with an average revenue per user (ARPU) of EUR 6.3 and a monthly churn rate of 2.4%. El País' subscription model generated 9% of press operating revenues in 2022 (6% in 2021 and 3% in 2020). And it is expected to be a growth factor in the newspaper business as a complement to advertising revenues, as it has higher contribution margins than the paper product and, in the advertising space, has greater potential for profitability. Growth that has been recurrently demonstrated over the last few months with a net growth of around 7 thousand monthly subscribers.

In 2022, the sports newspaper AS accounted for 28% of the operating revenues of Prisa Media's press business (28% in 2021 and 24% in 2020). AS is a leading Spanish-language sports newspaper in the world, with a global reach of more than 90 million unique browsers per month (internal data, as of August 2023, Adobe Analytics). Its content offer includes both sports content (football, basketball, motor racing, tennis, cycling, etc.), as well as a variety of additional entertainment products; As TV (sports video platform), Meristation (gaming portal) and Serielistas (series review ranking). As a global Ibero-American sports daily, AS holds a dominant position also among Latin American sports media (excluding Brazil) and is a benchmark for sports information in the Spanish-language market. It has eight editions in Spanish (Spain, Chile, Colombia, Mexico, United States, Argentina, Peru and Rest of America). The newspaper also has an English edition for the American market in the United States.

In terms of unique browsers, AS reached a monthly average of 94 million by the end of 2022 (108 million in 2021 and 95 million in 2020), with a majority share of the Latin American market and growing importance of the American market: 36% of unique browsers came from Spain, 43% from Latin America and 13% from the United States. According to the most recent data from the audience meter recognised in Spain (GfK), AS had around 14 million unique users in 2023, while always occupying the top positions (depending on the month) in the ranking of the Spanish sporting press. Moreover, in recent years, AS has been among the most widely distributed daily sports newspapers in Spain: according to the Broadcasting Justification Office (OJD), AS had an average daily circulation of 44,719 copies during 2022 (50,160 in 2021 and 63,515 in 2020); reaching a share of 32%, only surpassed by its main competitor.

This makes AS the second largest player in the Spanish sports press advertising market, with a 30% share in 2022 (33% in 2021 and 2020), according to AMI data from December 2022, with solid foundations for growth in the rest of the markets where it is present and where it has even lower advertising shares (Colombia, Chile, Mexico and the USA); markets which are expected to grow in the coming years and which, due to their size and digital maturity, represent an opportunity for AS.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The following table shows the main figures of the Prisa Group in the Media area, with a breakdown of operating income by type of business, for the years ended 31 December 2022, 2021 and 2020.

	31/12/2022	31/12/2021	31/12/2020
KEY FIGURES OF THE PRISA GROUP MEDIA AREA	Unaudited (thousands of €)		
Operating income.....	403,775 ⁽²⁾	383,343 ⁽²⁾	335,878 ⁽³⁾
Spain Radio	171,571	158,323	138,845
Advertising	156,576	147,232	128,875
Other	14,995	11,091	9,970
International Radio	70,648	63,470	50,878
Advertising	68,288	60,543	47,730
Other	2,361	2,927	3,148
Global press.....	153,854	162,923	147,413
Advertising	84,908	92,572	81,471
Circulation.....	53,715	51,878	49,891
Other	15,231	18,473	16,051
Adjustments and disposals	7,702	(1,373)	(1,257)
EBITDA ⁽¹⁾	47,787	9,903	(5,375)
Adjusted EBITDA ⁽¹⁾	52,050	41,862	(774)
Operating income (EBIT)	20,344 ⁽²⁾	(28,928) ⁽²⁾	(54,102) ⁽³⁾
EBITDA margin ⁽¹⁾	11.8%	2.6%	(1.6)%
Adjusted EBITDA margin ⁽¹⁾	12.9%	10.9%	(0.2)%
EBIT margin ⁽¹⁾	5.0%	(7.5)%	(16.1)%

(1): Alternative performance measure. For more information, see Appendix I of the Registration Document ("*Glossary of alternative performance measures*").

(2): Audited information.

(3): Financial information at 31 December 2020 as amended (unaudited) by the Company for the purpose of presenting it in accordance with the new segments (Education and Media) into which the Prisa Group's activities are grouped from 2021 and to make the information comparable. Such amended financial information is included in Note 17- "*Business Segments*" of Prisa's audited consolidated financial statements for 2021.

5.1.2. Indication of any significant new products and/or services that have been introduced and, to the extent that their development has been publicly disclosed, their stage of development.

Notwithstanding the following, the Prisa Group has not introduced significant new products and/or services.

In research and development, the Group is constantly adapting applications and management processes to changes occurring in its businesses, as well as technological changes. It participates in and is a member of various international and domestic associations and forums which enable it to identify any improvements or opportunities to innovate and develop its services, products, processes and management systems.

In this respect, in the field of Education, for example, it is worth highlighting the development of the E-stela and Pleno platforms, fundamental in the digital educational offer, through subscription models, which facilitate access to curricular content for teachers and pupils and whose use has reached maximum levels of activity in 2020 and 2021 (in the context of COVID-19). During 2022, a significant but more normalised level of activity was recorded, with 146 million sessions, with more than 89 million content consumption by teachers and students and with more than 542 thousand virtual classrooms through synchronous communication tools (Microsoft Teams, Google Meet and Zoom).

Furthermore, in the Media area, for example, in May 2020 the El País paid digital subscription model was launched, reaching a figure of 227 thousand exclusive digital subscribers by the end of 2022. In addition, we are working on boosting the consumption of audio and video formats, through developing podcasts, videos and news sound bites, integrating new tools that facilitate audio distribution and improve user awareness in order to optimise advertising revenues.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

5.2. Main markets

In terms of geographic segmentation of the markets in which it operates, America is the Group's main geographic market, followed by Spain.

In terms of its activities in the different market segments, the Prisa Group is mainly exposed to the education market (through Santillana in the Education business area), the advertising market and the circulation market, i.e. sales of copies and digital subscriptions (mainly through the Media business area).

(A) Geographic markets

Regarding the geographical distribution of operating revenues, in 2022, the Prisa Group generated 62% of its operating revenues outside Spain (57% in 2021 and 59% in 2020). Of the total operating revenues generated internationally, EUR 523 million, almost all (99.7%) came from the Americas (Latin America + USA), with three main countries accounting for 67%: Brazil (33%), Mexico (18%) and Colombia (16%). In 2021 and 2020, EUR 422 million and EUR 415 million, respectively, were generated in the international area (99% in the Americas (Latin America + USA) in both years as well), with country weights similar to 2022: Brazil (35% in 2021 and 37% in 2020), Mexico (17% in 2021 and 15% in 2020) and Colombia (16% in both years).

In the international area, the Education business generated 85% of the Group's total operating revenues in 2022 (84% in 2021 and 87% in 2020) and the Media business area generated 15% (16% in 2021 and 13% in 2020).

The trend of the Group's operating income by geographical origin for the last three financial years (2022, 2021 and 2020) is shown below:

	<u>31/12/2022</u>	<u>31/12/2021</u>	<u>31/12/2020</u>
CHANGE IN THE GROUP'S OPERATING REVENUES BY GEOGRAPHICAL ORIGIN	Unaudited (thousands of €)		
Spain.....	327,060	319,223	285,449
International	523,129	421,945	415,192
Brazil.....	172,351	146,603	151,945
Mexico.....	94,573	71,722	63,362
Colombia.....	82,900	69,567	66,098
Argentina.....	36,200	17,737	16,787
Chile.....	35,615	32,574	35,729
Peru	12,803	9,694	17,054
Other	88,688	74,048	64,217
Total revenue	850,189⁽¹⁾	741,168⁽¹⁾	700,641⁽¹⁾
<i>Spain (%)</i>	<i>38.5%</i>	<i>43.1%</i>	<i>40.7%</i>
<i>International (%).....</i>	<i>61.5%</i>	<i>56.9%</i>	<i>59.3%</i>

(1): Audited information.

The Group's results in Latin America are affected by the exchange rate impact from currency fluctuations relative to the euro (see risk factor no. 6). In 2022, they were positively affected by the appreciations of the Brazilian real, the Mexican peso and the US dollar. Excluding the impact of exchange rates, Latin America's results continue to show growth in local currency terms on an aggregate basis, although uncertainty persists in the current market environment (see, inter alia, risk factor no. 9).

For the coming years, according to data from the International Monetary Fund (IMF) from October 2023, the markets in which the Group is present are generally expected to show growth rates, highlighting the recovery after the significant falls that occurred in 2020 due to the COVID-19 pandemic. However, the current macroeconomic situation is uncertain and with little visibility, with significant increases in inflation and rising commodity prices, which affects the markets in which the Group operates (see, among others, risk factor no. 10).

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The table below shows the IMF's GDP growth estimates as of October 2023 for the years 2023-2024 and the actual data for 2020-2021-2022 for the main countries in which the Group is present:

ESTIMATED GDP GROWTH	2024	2023	2022	2021	2020
Spain.....	1.7%	2.5%	5.8%	6.4%	(11.2)%
Brazil.....	1.5%	3.1%	2.9%	5.0%	(3.3)%
Mexico.....	2.1%	3.2%	3.9%	5.8%	(8.7)%
Colombia.....	2.0%	1.4%	7.3%	11.0%	(7.3)%
Argentina.....	2.8%	(2.5)%	5.0%	10.7%	(9.9)%
Chile.....	1.6%	(0.5)%	2.4%	11.7%	(6.1)%
Peru.....	2.7%	1.1%	2.7%	13.3%	(11.0)%
United States.....	1.5%	2.1%	2.1%	5.9%	(2.8)%

Source: International Monetary Fund (IMF) in October 2023: World Economic Outlook.

(B) Education market

Prisa Group is exposed to the education market through Santillana, which in 2022 generated EUR 447 million in operating revenues (EUR 359 million in 2021 and EUR 366 million in 2020).

In most of the geographic markets operated by Santillana (Latin America), the education sector is undergoing a process of transformation of the education system, both in the digital and pedagogical spheres (see risk factor 11). The model moves from the universalisation of education based on the traditional didactic (textbook) educational model, towards enhancing the learning experience through access to an integrated offer of quality content, services and technology, based on educational systems. This transformation is taking place at different rates depending on the situation in each country, but in general, at an increasingly rapid pace, as barriers to entry, including resistance to change (especially on the part of teachers), the scarcity of approved digital products and limited resources at schools to invest in technological infrastructures, are being eased. Moreover, this transformation is most noticeable and rapid in the area of private education and still incipient in the area of public education.

While globally the digital transformation is already affecting the entire education sector, the distinct educational submarkets will be progressively impacted in different ways.

- *Market K-12:* these are pupils in pre-primary, primary, secondary and baccalaureate education, aged between 6 and 18 years old. The contents of this educational strand must obey a regulated education and it also includes the compulsory education courses (primary and secondary), and must therefore respond to the homologated syllabus of the official curriculum of the regulated education.

While the traditional didactic (textbook) model continues to have a significant presence, it is the market that is most rapidly transforming towards subscription models based on educational systems. This is the main market where Santillana operates, offering educational solutions for both the private market (didactic and subscription) and the public market. For a more detailed description of the dynamics of the public and private markets, see sections (A.1) and (A.2) of section 5.1.1 of the Registration Document.

- *University and lifelong learning:* these markets are increasingly dependent on mobile and ubiquitous learning, impacted by the global e-Learning market, which continues to grow. Lifelong learning will play an important role in developing the skills and expertise needed for the changing work environment. Santillana is not present in the University segment.

This dynamic digital and technological environment, which demands new learning systems, will increase the supply of massive open online courses offering a greater variety of subjects and formats (MOOCs - massive open online courses) available on different platforms, some of which are promoted by the universities themselves (edX, Coursera, Udacity, Udemy, Harvard Open Courses, Stanford MOOCs, etc.)

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

This section focuses on the K-12 sector, as it corresponds to the main market where Santillana operates.

As for the K-12 sector in the private market, the dynamics are faster. The presence of technology is seen as an essential tool for achieving pedagogical objectives, which must necessarily be accompanied by a change in the teaching and learning process so that pupils learn more and better. The transition from the traditional textbook is developing faster and faster, albeit at varying rates in different countries, with countries such as Brazil and Colombia being very advanced in this respect.

This is why companies are making an effort to adapt their resources and content to the digital ecosystem. However, they are facing the following barriers to digital transformation, which are stronger or weaker, again depending on the country:

- Resistance to change, especially from teachers.
The digital transformation has already reached the different players in the education system (institutions, schools, teachers, pupils, tools and content) but the main barrier is the teacher's attitude as a key element for change.
- Lack of knowledge and experience of trainers in the new teaching process and in the use of e-learning tools.
- Limited resources at schools to invest in technological infrastructures for education.
- There is a lack of classroom equipment, specialised technical figures, connectivity (quality broadband penetration), equipment for pupils and households.
- Shortage of approved multimedia content for learning.
Content is multiplying and diversifying, from the traditional book, complemented with digital support material, to technological platforms for educational services, online courses, user-generated content, etc., where an agent is needed to certify the quality of the content, organise it and make it accessible in a user-friendly environment.

In this respect, the sector is being impacted by the following transformative trends:

- The pupil is becoming the centre of the educational experience. Better knowledge of the learner, learner experience, collaboration and communication in the learning process, new educational formats, etc.
Personalisation: the social implication of digital transformation is complex and will require a flexible transformation that enables personalisation of the student's learning (fostering creativity, entrepreneurship, innovation, etc.)
Technological assessment platforms, Big Data and learning analytics will better adapt learning levels and difficulties to the profile and needs of each pupil (adaptive learning).
- Content and services: new formats, new platforms and user-generated content, emergence of tools for content creation, video, etc.
The development of the maker culture is reaching schools, which are transformed into personal factories with the incorporation of robotics, programming, 3D design, etc.
Social media foster collaboration and participation of the educational community (collaborative learning).
- Equipment: the BYOD (Bring Your Own Device) trend will be progressively incorporated into schools, which will have to establish security mechanisms and good usage practices.
- Increased presence of technology operators such as Google (G-Suite), Amazon (support for OER Open Educational Resources), Microsoft and Apple.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

In this environment, Santillana has developed a competitive position as the only operator with a presence throughout Latin America, accompanying the centre and the group of trainers along the path of the digital process by offering:

- A portfolio of value-added content and services for traditional education (Santillana and Moderna), languages (Richmond, Santillana Spanish and French), comprehensive and flexible teaching systems (UNO, SFB, Kepler, Compartir, Educa, Pitanguá) and supplementary teaching systems (Creo, TecPro, Loqueleo, Horizum, Crescemos). This is all done on all types of media and formats: from the textbook with digital supplementary material to Santillana's educational technology platform on which the education systems rely, as well as other tools and services already in place.
- Different promotional and after-sales services through its own commercial network, providing the school director with the necessary technical support to drive the digital transformation, as well as training, coaching and advice for teachers in the new learning process and instructing them on the potential of digital technologies in education.

According to internal information from Santillana, the private K-12 education market in Latin America had approximately 19 million pupils in 2022: 9 million in Brazil, of which 3 million in the educational market and 6 million in the subscription market; and 10 million in the rest of Latin America, 8 million in the educational market and 2 million in the subscription market.

Santillana estimates that by 2025 this K-12 market will reach 20 million students (5% growth over 2022) with a greater weight of students in the subscription educational model than in the didactic model: 9 million in Brazil, of which 2 million in education and 7 million in subscription; and 11 million in the rest of Latin America, of which 6 million in education and 5 million in subscription.

In the different countries, Santillana competes, firstly, with an atomised market of local companies and, secondly, with a small number of larger publishing groups, which participate to a greater or lesser extent in the region and with varying weight in the different segments of education.

In Brazil⁽¹⁶⁾, the largest market, the two relevant local players, Arco and Vasta, account for slightly more than half of the market share. Santillana, with its operations in the traditional educational market and in the subscription model, ranks third with an aggregate share of around 10%. The rest of the market is distributed between local operators such as FTD or Bernoulli and some multi-country operators such as SM. Arco is the private market leader in subscription models (it does not operate in didactic); Vasta, the second largest, operates in didactic and subscription, as FTD. While SM is present only in didactic and Bernoulli only in subscription.

In Mexico⁽¹⁶⁾, Santillana is the market leader with an aggregate market share (combined educational and subscription) of over 25%. As for the rest: more than half of the market is still in the hands of didactic model operators, some multi-country such as SM or Ediciones Castillo (Macmillan Group) and also local operators; and around 15% is in the hands of subscription model operators, such as Knotion or Amco.

In Colombia⁽¹⁶⁾, Santillana leads with a share of around 50% (jointly teaching and subscription). Around 35% of the share is in the hands of traditional operators (didactic model), usually local, such as L&L. The remainder of the market is shared by a minority of subscription model operators.

As far as the K-12 sector in the public education market is concerned, it continues to rely on the traditional textbook format, with a certain tendency to complement it with some digital solutions; although this trend is developing slowly. The public market is based on transparent tendering processes, with defined stages from the moment the public tender is launched: publishers prepare their educational offerings and submit them for approval by the relevant government, then promote their offerings in schools (where the work of the commercial teams is key), and finally, teachers are involved in evaluating the different offerings and making the corresponding selection decisions. The whole process is based on the quality and the level of fit of the bids in relation to the parameters defined in the tenders. This market serves the demand of approximately 212 thousand schools and 54 million pupils across Latin America.

(16): Own estimate based on publicly available information and internal company information.

English translation for information purposes only.

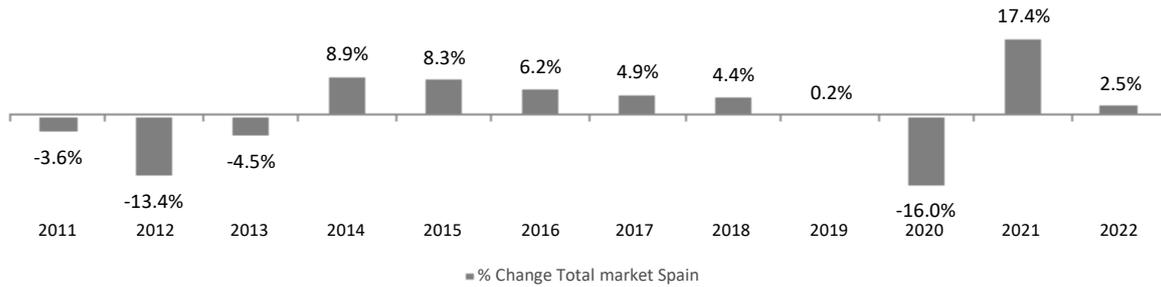
In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

(C) Advertising market

Prisa Group is exposed to the advertising market in Spain through the Media business area (radio and press); and in America, mainly through its radio businesses, with a significant weighting in Colombia and Chile. Advertising revenues accounted for 36% of the Group’s operating revenues in 2022 (EUR 310 million), compared to 40% and 36% in the same period in 2021 and 2020, respectively (EUR 298 million in 2021 and EUR 255 million in 2020).

Advertising market in Spain

The change in advertising investment in Spain in recent years is shown below:



Source: i2p, Arce Media, prepared by Mediaheadline.

For several years now, overall advertising investment in traditional media has been steadily decelerating. The sum of digital media has been growing year by year since 2010 and from 2020 onwards it will surpass traditional media as a whole. 2020 was a year of sharp decline resulting from the COVID-19 pandemic.

In 2022, the traditional media advertising market in Spain will continue to be led by television, which remains the leading sector in terms of advertising investment, followed by radio and the press. Prisa has a significant position in these sectors.

Changes in media consumption habits, especially among the younger population, have led to a shift in advertising campaigns towards more specific target audiences and more digital media. Part of the advertising budgets that were allocated to traditional media in the past are being diverted to other purely digital segments such as social media and search engines, among others. In this context where digital transformation is significantly changing consumption patterns, Prisa Media has focused its efforts on responding with quality products with prestigious brands, and offering more and more multimedia content and services.

The change in advertising investment by segment in Spain in 2022, 2021 and 2020 was as follows:

ADVERTISING SPEND IN SPAIN BY SEGMENT	2022	Change	2021	Change	2020
	(thousand €)	2022-2021 (%)	(thousand €)	2021-2020 (%)	(thousand €)
Television	1,781.7	(3.7)%	1,850.5	9.0%	1,697.3
Offline	1,694.4	(4.8)%	1,780.0	8.5%	1,641.3
Online	87.4	23.8%	70.6	26.1%	56.0
Press	733.1	0.9%	726.3	8.5%	669.6
Offline	334.1	2.1%	327.1	(1.5)%	332.0
Online	399.0	(0.1)%	399.2	18.2%	337.6
Radio.....	415.9	7.7%	386.2	13.8%	339.4
Offline	401.5	7.5%	373.6	13.6%	328.9
Online	14.4	14.1%	12.6	20.2%	10.5

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

	2022	Change 2022-2021	2021	Change 2021-2020	2020
ADVERTISING SPEND IN SPAIN BY SEGMENT	(thousand €)	(%)	(thousand €)	(%)	(thousand €)
Outdoor	373.0	18.1%	316.0	28.3%	246.3
Offline	281.5	14.0%	246.9	21.7%	202.9
Online	91.5	32.4%	69.1	59.6%	43.3
Magazines.....	151.8	2.7%	147.8	4.1%	142.0
Offline	81.3	(1.4)%	82.5	(5.8)%	87.6
Online	70.5	8.0%	65.3	20.0%	54.4
Sunday supplements.....	11.7	(1.5)%	11.9	1.7%	11.7
Cinema.....	24.0	47.1%	16.3	2.6%	15.9
Portals.....	232.6	0.0%	232.6	21.3%	191.7
Total.....	3,723.9	1.0%	3,687.7	11.3%	3,313.9
Social media, search engines, etc.....	2,799.1	4.5%	2,678.5	27.1%	2,107.5
Total Market.....	6,523.0	2.5%	6,366.2	17.4%	5,421.4

Source: i2p, Arce Media, prepared by Mediahotline (2022, 2021 and 2020).

In 2022, the estimated growth of the traditional media advertising market (aggregate of online and offline) in Spain was 1.0%. Including Influencers, Digital Classifieds, Social Media and Search Engines, growth in 2022 amounted to 2.5%. The market recovered part of the decline suffered by the COVID-19 pandemic, but has still not reached 2019 levels (2.4% decline in 2022 vs 2019 in the total advertising market).

The market in which the Group is present, press and radio, grew by 1% and 8%, respectively, in 2022 compared to 2021. However, television, the medium with the largest share of the total advertising market, fell by 4% in 2022.

With regard to the Group, EUR 237 million in advertising revenues were generated in Spain in 2022, showing a 1% growth compared to the previous year, in line with market growth in traditional media. In terms of the origin of advertising revenues, 73% was generated in the radio business and 27% in the press business, with the radio business increasing its contribution in recent years due to the declines experienced in the traditional part of the press business. The radio business grew by 8% (above market growth), while the press business fell by 8% against a market growth of 1% driven by local growth, a market in which Prisa has a limited presence. The weight of digital advertising in total advertising in Spain represented 27% in 2022, becoming increasingly significant (29% in 2021 and 27% in 2020), especially in the press, with 67% of total advertising (69% in 2021 and 65% in 2020).

PWC estimates in the report “Global Entertainment and Media Outlook 2023-2027” (published in June 2023) for the coming years on the trend of the advertising market in Spain for radio and press are detailed below, showing growth in both radio and digital press:

	2023	2024	2025	2026	2027
ADVERTISING MARKET TREND SPAIN	(\$ million)				
Radio.....	537.7	544.2	548.7	552.0	554.8
Change from previous year	1.9%	1.2%	0.8%	0.6%	0.5%
Offline Press.....	203.3	189.9	177.1	166.1	156.4
Change from previous year	(9.1)%	(6.6)%	(6.7)%	(6.3)%	(5.8)%
Online Press.....	398.9	418.4	439.9	463.7	490.1
Change from previous year	5.5%	4.9%	5.1%	5.4%	5.7%

Source: Price WaterhouseCoopers “Global Entertainment and Media Outlook 2023-2027”.

Advertising investment in digital media continues to gain market share, and according to the aforementioned report “Global Entertainment and Media Outlook 2023-2027”, the growth of digital advertising revenues will offset the aggregate decline in print advertising in Spain.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Advertising market in the Americas

The Prisa Group has a significant presence mainly in the radio advertising market in several Latin American countries: mainly Colombia and Chile and Mexico (where it has a leading audience position according to the ECAR audience studies July-October 2022, IPSOS September-December 2022 and INRA October-December 2022, respectively).

In 2022, the Group generated EUR 73 million in advertising revenues in the Americas, up 13% compared to 2021, outpacing market growth and recovering part of the decline experienced as a result of the COVID-19 pandemic (30% increase in 2021 and 40% decrease in 2020). As for the origin of advertising revenues in the Americas, 67% originated in Colombia and 27% in Chile.

PWC estimates in the report “*Global Entertainment and Media Outlook 2023-2027*” (published in June 2023) on the trend of the radio advertising market in the coming years in the main countries in which Prisa is present in the Americas are detailed below, showing growth in all three cases:

	2023	2024	2025	2026	2027
INTERNATIONAL RADIO ADVERTISING MARKET TREND	% change from previous year				
Chile.....	3.6%	2.5%	1.7%	1.4%	1.2%
Colombia.....	5.2%	3.0%	2.3%	2.0%	1.7%
Mexico.....	1.5%	0.8%	0.6%	0.5%	0.4%
Total Latin America.....	2.6%	1.6%	1.2%	1.0%	1.0%

Source: Price WaterhouseCoopers “*Global Entertainment and Media Outlook 2023-2027*”.

In addition, the Group has a presence in the Americas through the digital press, which represented 5% of total advertising revenues in the Americas in 2022 (1% in 2021).

PWC estimates in the report “*Global Entertainment and Media Outlook 2023-2027*” (published in June 2023) on the trend of the digital press advertising market in the coming years in Latin America is detailed below, showing growth for the 2023-2027 period:

	2023	2024	2025	2026	2027
TREND OF THE DIGITAL PRESS ADVERTISING MARKET IN LATIN AMERICA	(\$ million)				
Digital Press (including magazines).....	253.7	273.7	294.1	315.0	336.8
<i>Change from previous year.....</i>	8.4%	7.9%	7.4%	7.1%	6.9%

Source: Price WaterhouseCoopers “*Global Entertainment and Media Outlook 2023-2027*”.

(D) Newspaper circulation market: offline and online

The Prisa Group is exposed to the newspaper circulation market (offline copy sales and online digital subscription sales) through the Media business area. In 2022, the Prisa Group generated EUR 54 million in circulation revenues, representing 6% of the Group’s total operating revenues (7% in 2021 and 2020).

Offline circulation market

The newspaper sector in general has been experiencing significant declines in print newspaper circulation in recent years as a result of the structural changes the industry is undergoing, according to data from the Broadcasting Justification Office. In this environment, Prisa has maintained its leadership in the national press with El País and has maintained its second position in the sports press with AS.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The average daily circulation and market share in Spain of the main Spanish national and sports newspapers is shown below:

	Number of copies per day			Market share copies per day		
	2022	2021	2020	2022	2021	2020
NATIONAL NEWSPAPERS	(units)			(%)		
El País.....	60,472	66,829	79,658	27%	27%	26%
El Mundo.....	37,842	40,030	53,106	17%	16%	17%
ABC.....	43,922	49,429	57,128	20%	20%	19%
La Vanguardia.....	56,660	63,741	74,229	25%	25%	24%
El Periódico.....	25,426	30,054	39,371	11%	12%	13%
Total.....	224,322	250,083	303,492	100%	100%	100%

Source: Broadcasting Justification Office (OJD), 2022, 2021 and 2020 (second quarter of 2020 not published).

	Number of copies per day			Market share copies per day		
	2022	2021	2020	2022	2021	2020
SPORTS NEWSPAPERS	(units)			(%)		
AS.....	44,719	50,160	63,515	32%	33%	33%
Marca.....	54,015	58,015	71,427	38%	38%	37%
Sport.....	17,452	19,136	23,350	12%	12%	12%
Mundo Deportivo.....	25,194	26,321	32,770	18%	17%	17%
Total.....	141,380	153,632	191,062	100%	100%	100%

Source: Broadcasting Justification Office (OJD), 2022, 2021 and 2020 (second quarter of 2020 not published).

According to data from the Broadcasting Justification Office, the market share in 2022 (monthly average) of El País was 27% and of AS, 32% in their respective markets.

Prisa Media's offline circulation revenues, which accounted for 73% of total circulation revenues in 2022 (80% in 2021 and 91% in 2020), had a 5% drop compared to 2021, which was offset by growth in online circulation thanks to the development of El País' digital subscription payment model (+37%).

According to PWC estimates in the report "Global Entertainment and Media Outlook 2023-2027" (published in June 2023) on the trend of the offline circulation market in Spain, the market will continue to decline in the coming years:

	Newspaper offline circulation				
	2023	2024	2025	2026	2027
TREND OF THE OFFLINE CIRCULATION MARKET	(\$ million)				
Spain.....	411	382	358	336	317
Change from previous year.....	(7.2)%	(6.9)%	(6.4)%	(6.0)%	(5.7)%

Source: Price WaterhouseCoopers "Global Entertainment and Media Outlook (2023-2027)".

Online circulation market

In May 2020, in the context of the digital transformation of the press market, El País launched its digital subscription payment model, which has shown significant growth in the number of subscribers to date. In 2022 it surpassed 227 thousand exclusive digital subscribers (more than 136 thousand in 2021 and close to 85 thousand in 2020), generating 27% of Prisa Media's total circulation revenues (20% in 2021 and 9% in 2020).

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

PWC estimates in the report “Global Entertainment and Media Outlook 2023-2027” (published in June 2023) on the trend of the online circulation market in Spain and Latin America foresee continued growth in the coming years:

	Newspaper online circulation				
	2023	2024	2025	2026	2027
ONLINE CIRCULATION MARKET TREND	(\$ million)				
Spain.....	42	44	47	50	53
Change from previous year	7.6%	4.9%	5.5%	5.7%	5.9%
Latin America.....	196	214	231	249	268
Change from previous year	9.4%	8.9%	8.2%	7.8%	7.7%

Source: Price WaterhouseCoopers “Global Entertainment and Media Outlook (2023-2027)”.

5.3. Significant events in the development of the issuer’s business activity

The following are the most important events in the development of the Prisa Group’s activity:

- **1972:** Incorporation of the Company.
- **1976:** El País newspaper is published for the first time.
- **1980s:** Prisa acquires Cadena Ser and Diario Cinco Días.
- **1990:** Sogecable (then 25% owned by Prisa) is granted a licence to operate Canal + as the first pay-TV in Spain.
- **1996:** Prisa acquires a majority stake in Diario AS and launches the websites of El País, Digital+, AS and Cadena SER.
- **1997:** Sogecable launches Canal Satélite Digital, a multi-channel digital platform in Spain.
- **1999:**
 - Prisa expands its activity in the music market and founds Gran Vía Musical.
 - Prisa acquires a stake in Caracol, S.A., one of the largest radio groups in Colombia, and creates Participaciones de Radio Latinoamericana, S.L. through which Prisa carries out its radio operations in Chile, Costa Rica, Panama, the United States and France.
- **2000:**
 - Prisa begins trading on the Spanish stock market.
 - Prisa expands its media advertising sales activity and acquires Gerencia de Medios.
 - Prisa extends its activities to book publishing and printing through Santillana and Dédalo, respectively.
- **2001:**
 - Prisa forms Plural Entertainment to develop and produce audiovisual content.
 - Prisa enters the radio market in Mexico through an agreement with Grupo Televisa S.A.B., and the acquisition of a 50% stake in Radiópolis.
 - Prisa acquires Editora Moderna in Brazil.
- **2002:** Prisa establishes Grupo Latino de Radio, S.A., GLR, as a holding company for the restructuring of its radio businesses in Latin America. Prisa transfers its stakes in Participaciones de Radio Latinoamericana, S.L., Radiópolis and Radio Caracol to the new holding company.
- **2005:** Prisa enters the Portuguese media market through the acquisition of 100% of the share capital of Vertex, holder of 33% of the shares of Media Capital Group.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- **2006:**
 - Prisa increases its stake in Sogecable to 42.9%.
 - Prisa integrates its radio activities in Latin America and Spain into Unión Radio (now Prisa Radio).
- **2007:**
 - Prisa acquires 100% of Iberoamericana Radio Chile, S.A.
 - Prisa, through Vertix, increases its stake in Media Capital to 94.7%.
- **2008:**
 - Prisa acquires the remainder of Sogecable's share capital, to reach a 100% stake, and extends the maturity of the bridge loan obtained to finance this acquisition from June 2008 to March 2009.
 - 3i Group plc entered the shareholding structure of Unión Radio (now Prisa Radio) with an 8.14% stake.
- **2009:**
 - Prisa extends the maturity of the bridge loan until March 2010.
 - Merger between Canal Satélite Digital and DTS, the latter being the acquiring company.
- **2010:**
 - On 5 March 2010, Prisa signed a contract (Business Combination Agreement or BCA) with the US company Liberty Acquisition Holdings Corp by virtue of which the Extraordinary General Shareholders' Meeting of Prisa agreed to carry out two cash capital increases for a total effective amount of EUR 650 million, which were subscribed by the investors of Liberty Acquisition Holdings Corp. Prisa's shares were admitted to trading on the Spanish Stock Exchanges and on the New York Stock Exchange (NYSE) in the form of American Depositary Shares.

In turn, Prisa shareholders who were shareholders prior to 23 November 2010 were granted Prisa warrants which were admitted to trading on the Spanish Stock Exchanges.
 - Sale of a 25% stake in Santillana to DLJ SAP Publishing Coöperatief, UA.
 - Through Prisa Televisión (formerly known as Sogecable), Prisa sold a 44% stake in DTS to Telefónica (22%) and Gestevisión Telecinco, S.A. (22%), EUR 976 million, mainly for debt repayments.
 - On 28 December 2010, Prisa Televisión sold 100% of Sociedad General de Televisión Cuatro, S.A. and its subsidiaries to Gestevisión Telecinco, S.A. The sale was carried out through the subscription by Prisa Televisión of a 17.336% stake in Gestevisión Telecinco, S.A. through a non-cash capital increase approved by the latter's shareholders at their General Meeting on 24 December 2010. The market value of this investment at the time of subscription was EUR 590 million.
- **2011:**
 - Sale of a 10% stake in Media Capital to PortQuay West I, B.V., a company controlled by Miguel Paes do Amaral.
 - Prisa refinances its debt until 2013.
- **2012:**
 - On 30 June 2012, the General Shareholders' Meeting of Prisa resolved to issue bonds necessarily convertible into Class A ordinary shares in 2 tranches: a "tranche A" amounting to EUR 334 million and subscribed by HSBC Bank Plc, Banco Santander, S.A. and CaixaBank, S.A. and a "tranche B" amounting to EUR 100 million and subscribed by Telefónica, S.A.
- **2013:**
 - Increase of the stake in Media Capital by 10% as a result of the repurchase of the shares sold in 2011.
 - Sale of the press distribution business.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- Through Prisa Radio, an agreement was reached with 3i Group plc for the acquisition of its treasury shares.
 - Merger by absorption between Prisa Televisión and Prisa.
 - The General Meeting of Shareholders of Prisa held on 10 December 2013 resolved to issue *warrants* in favour of certain creditor entities of the Company which incorporated the right to subscribe Class A shares by offsetting claims and which could be exercised during a period of five years (the “**2013 Warrants**”).
 - On 12 December 2013, the contracts and other documentation relating to the restructuring and extension of Prisa’s debt signed with all creditor banks and institutional investors representing 100% of its financial debt came into force. Along with the debt refinancing, an additional financing contract with certain institutional investors for an amount of approximately EUR 353 million also came into force.
- **2014:**
- During the year, Prisa sold shares in Mediaset España Comunicación, S.A. representing 13.7% of its share capital.
 - On 2 July 2014, the sale and purchase agreement was signed between Prisa and Telefónica de Contenidos, S.A.U. for the sale to the latter of 56% of DTS for an initial price of EUR 750 million. The signing of this contract entailed the automatic conversion of part of Prisa’s financial debt into participating loans, as set out in the Group’s refinancing agreement signed in 2013, in order to remove the cause for dissolution in which the Company found itself following the recording of the accounting loss arising from the sale agreement.
 - On 1 July 2014, through Prisa’s subsidiary Santillana Ediciones Generales, S.L., the sale of its general publishing business in all countries in which it had a presence except Brazil to Penguin Random House Grupo Editorial, S.A. was executed for an initial adjusted price of EUR 55.4 million.
 - On 7 July 2014, the mandatory conversions took place of (i) the Class B non-voting shares convertible into ordinary shares; as well as (ii) all of the necessarily convertible bonds issued in 2012 in favour of certain creditor entities and Telefónica, S.A.
 - Between May and September 2014, the Company repurchased debt for a total amount of EUR 643.5 million through outright purchases and reverse auctions.
 - On 7 August 2014, the reverse auction addressed to Prisa’s creditors was closed, with Prisa agreeing to repurchase a total amount of EUR 406.6 million of debt.
 - Also on 2 September 2014, Prisa notified the NYSE of its intention to delist the American Depositary Shares over the Class A ordinary shares (ADSs) and its intention to terminate the registration of the ADSs with the *Securities Exchange Commission* (SEC) and end its reporting obligations under the US Securities Exchange Act of 1934).
 - On 11 September 2014, a cash capital increase was executed for a total effective amount of EUR 100 million, which was fully subscribed and paid in by Consorcio Transportista Occher, S.A. de C.V. and the net amount of which was used to repurchase EUR 133.1 million of debt.
 - On 1 October 2014, through Prisa’s subsidiary Santillana Ediciones Generales, S.L., the sale of its general publishing business to Penguin Random House Holdings (Brazil), Ltda. was executed for an initial adjusted price of EUR 7.9 million.
- **2015:**
- During 2015, the Company sold shares in Mediaset España Comunicación, S.A. representing 3.6% of its share capital.
 - On 30 April 2015, Prisa transferred all of its shares in DTS, Distribuidora de Televisión Digital, S.A.U. to Telefónica de Contenidos, S.A.U. (“**DTS**”) (56% of the capital of DTS) for a final amount of EUR 724.6 million.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- On 22 May 2015, a pooling of shares (or contrasplit) and a capital reduction of EUR 1.30 was executed, leaving the share capital of Prisa established at EUR 215,807,874 represented by 71,935,958 shares of EUR 3 par value each.
- On 2 December 2015, a cash capital increase was executed for a total effective amount of EUR 64 million which was fully subscribed and paid up by International Media Group, S.à. r.l.
- During 2015, Prisa cancelled debt totalling EUR 833.9 million with the proceeds from the sales of DTS, Mediaset España Comunicación, S.A. and Ediciones Generales.
- **2016:**
 - On 1 February 2016, Prisa repurchased debt from its lenders for a total amount of EUR 65.9 million through a reverse auction procedure.
 - On 1 March 2016, Santillana entered into an agreement with Carvajal, S.A. for the purchase of the latter's education business for a final price, after adjustments, of COP \$51,880,276,089, the buyer having paid EUR 14.4 million. The transaction consisted of the purchase of the shares held by Carvajal S.A. in the companies engaged in the education business in Colombia, Argentina, Chile, Guatemala, Mexico, Peru and Puerto Rico, as well as the transfer of certain brands linked to the business and the granting of a licence for brands associated with the NORMA name of Grupo Carvajal.
 - On 1 April 2016, the General Meeting of Prisa resolved to issue bonds necessarily convertible into newly issued shares of Prisa and their subscription through the exchange of loans. This issue finally amounted to EUR 100.7 million, divided into EUR 32.1 million of Tranche A (subscribed by HSBC Bank Plc, several Santander Group entities and CaixaBank, S.A.) and EUR 68.6 million of Tranche B, fully subscribed by HSBC Bank Plc.
 - During 2016, Prisa repaid debt totalling EUR 140.8 million with the proceeds from the sale of DTS and the proceeds from the capital increase in December 2015.
- **2017 and 2018:**
 - *Sale of Grupo Media Capital SGPS, S.A. to Altice NV:*

On 13 July 2017, the Board of Directors of Prisa agreed to accept the binding offer submitted by Altice NV ("**Altice**") for the entire stake held indirectly by Prisa, through its wholly owned subsidiary Vertex, in Media Capital for an enterprise value of EUR 440 million.

The final price of the transaction was subject to the usual adjustments for such transactions. This transaction, net of the costs necessary to carry out the sale, implied the recording of an accounting loss in Prisa's consolidated accounts for 2017 of EUR 76.9 million and in Prisa's individual accounts of EUR 89.3 million. The recording of this accounting loss and the reduction of Prisa's individual equity resulted in the Company's technical grounds for dissolution. In order to redress this situation, certain restructuring and capital structure strengthening operations were carried out, as detailed below.

The implementation of the transaction was made conditional upon, among other things, obtaining the necessary authorisation from the Portuguese competition authorities.

In June 2018, the aforementioned sale and purchase agreement was terminated as a result of the failure of the parties to comply with the last of the outstanding conditions precedent, relating to the buyer obtaining the required authorisation for the transaction from the Portuguese competition authority, by the deadline agreed by the parties.
 - *Capital increase to cover the early conversion and subsequent redemption of all the bonds belonging to the issue of bonds necessarily convertible into Prisa shares issued in 2016:*

On 31 October 2017, the holders of the bonds necessarily convertible into Prisa shares issued in 2016, amounting to EUR 100.7 million, exercised the early conversion option to which they were entitled in accordance with the conversion bases and modalities. This conversion resulted in the execution, on 17 November 2017, of a capital increase for an effective amount of EUR 9,861,920.70, through the issue of 10,491,405 new ordinary shares of the Company, and the consequent early redemption of all the bonds.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- *Transactions to restructure and strengthen the Company's capital structure:*

As indicated above, in order to redress the situation resulting from the agreement to sell Media Capital, the Company approved, among others, the following measures aimed at strengthening and optimising the financial and equity structure: (i) the implementation of a series of capital and reserve reductions; (ii) a cash capital increase of EUR 563.2 million; and (iii) the restructuring of the Group's financial debt.

o Reductions of capital and reserves:

The Extraordinary General Meeting of Shareholders of the Company resolved, on 15 November 2017, (i) to carry out a loss offset against voluntary reserves in the amount of EUR 1,578.7 million and to the legal reserve in the amount of EUR 5.3 million; (ii) a share capital reduction of EUR 154.3 million by decreasing the par value of the Company's shares by EUR 1.97 to EUR 1.03 per share, to offset losses; and (iii) a subsequent capital reduction by EUR 7 million by decreasing the par value of Prisa shares by EUR 0.09 to EUR 0.94 per share, to increase the legal reserve. The aforementioned capital and reserve reductions were implemented in November 2017. These operations allowed Prisa to remove the dissolution cause referred to above.

o Cash capital increase for an effective amount of EUR 563.2 million:

On 22 January 2018, the Board of Directors of the Company resolved to implement a capital increase for a total effective amount (nominal amount plus share premium) of EUR 563.2 million (total nominal amount of EUR 441.2 million) by issuing and putting into circulation 469,350,139 new ordinary shares of the Company at an issue price of EUR 1.20 (with a par value of EUR 0.94 and an issue premium of EUR 0.26 each), pursuant to (i) the resolution to increase the cash capital for a total effective amount of EUR 450 million (nominal amount plus issue premium) adopted by the extraordinary general meeting of shareholders on 15 November 2017; and (ii) the resolution to increase capital in cash for a total effective amount of EUR 113.2 million (nominal amount plus share premium), passed by the Board of Directors of the Company on 22 January 2018 pursuant to the delegation made in its favour by the Ordinary General Shareholders' Meeting of 20 April 2015. All of the new shares (469,350,139) were subscribed during the pre-emptive subscription period and the additional allotment period.

o 2018 Refinancing:

On 22 January 2018, Prisa signed with all of its financial creditors the Override Agreement (agreement for the refinancing of the Group's debt signed in December 2013). This is an agreement to refinance and amend the terms of Prisa's financial debt (the "**2018 Refinancing**"). On 29 June 2018, the 2018 Refinancing came into effect, once the agreements reached with all of its creditors were concluded. On the same date, and as one of the preconditions for the entry into force of the agreement, the Company cancelled debt in the amount of EUR 480 million with the funds from the cash capital increase described above (EUR 450 million) and with cash available from the Company (EUR 30 million). The basic terms of the 2018 Refinancing agreement provided for the extension of the maturity of the debt until November and December 2022, and no amortisation obligation until December 2020.

o On 29 June 2018, and within the framework of the 2018 Refinancing, the Company entered into a Super Senior credit facility for a maximum amount of up to EUR 86.5 million, of which EUR 50 million was intended to finance the Company's operational needs.

o Extinguishment of 2013 Warrants:

In December 2018, the 5-year term for exercising the 2013 Warrants issued expired. Consequently, in that month, all 2013 Warrants still to be exercised at that date were extinguished, as well as the credits not offset as a result of not having exercised them, which entailed a reversal of the reserve set up for this purpose with a credit to voluntary reserves.

o Credit rating:

The Group obtained a credit rating from two prestigious international agencies (Fitch and S&P), which assigned a rating of "B" and "B-", respectively, in both cases with a stable outlook, in line with those obtained by other companies in the industry.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

▪ **2019:**

- *Execution of the acquisition of 6.11% of Prisa Radio, S.A. owned by certain entities of the 3i Group by Prisa Radio, S.A. and termination of the framework agreement for the acquisition of shares and the regulation of the rights of shareholders of Prisa Radio, S.A.:*

On 27 February 2019, Prisa Radio, S.A. ("**Prisa Radio**") executed the acquisition in treasury stock of 6.11% of its share capital still held by certain entities of the 3i Group and the termination of the framework agreement for the acquisition of shares and the regulation of the rights of Prisa Radio's shareholders entered into on 14 November 2013 between Prisa Radio, 3i, Prisa and Grupo Godó de Comunicación, S.A. (the "**Grupo Godó**"), which regulated the withdrawal of 3i from the share capital of Prisa Radio. This acquisition was financed with funds from the Term Facility tranche of the Super Senior credit facility (EUR 36.5 million), which were drawn down by Prisa and lent by Prisa to Prisa Radio in order to carry out the acquisition. Subsequently, Prisa Radio agreed and executed the redemption of all the treasury shares, representing 8.1417% of the share capital, leaving Prisa Radio's share capital distributed as follows: 80% owned by Prisa Activos Radiofónicos, S.L. and the remaining 20% by Grupo Godó.

- *Cash capital increase to cover the acquisition of 25% of Santillana's share capital:*

In April 2019, a capital increase was carried out, with pre-emptive subscription rights, for a total effective amount (nominal amount plus share premium) of EUR 199.8 million (nominal amount of EUR 141.2 million), through the issue and subscription of 150,243,297 new ordinary shares of the Company, each with a par value of EUR 0.94, of the same class and series as the other outstanding shares. The issue price of the shares was EUR 1.33 (with a par value of EUR 0.94 and a share premium of EUR 0.39 each). As a result, the combined par value of the shares is EUR 141.2 million) and their share premium is EUR 58.6 million.

This capital increase was carried out under the delegation granted by the Ordinary General Shareholders' Meeting held on 25 April 2018 and was intended to partially finance the acquisition of 25% of the share capital of Grupo Santillana Educación Global, S.L.

On 26 February 2019, the Board of Directors of Prisa approved the acquisition by Prisa Activos Educativos, S.L.U. of the remaining 25% of the share capital of Santillana held by DLJ, a company owned by funds advised and managed by Victoria Capital Partners (the "**Santillana Acquisition**"), and on the same date the corresponding share purchase agreement was signed between Prisa Activos Educativos, Prisa, Santillana and DLJ. The price for the Santillana Acquisition was set at a fixed amount of EUR 312.5 million. The acquisition was finally closed on 12 April 2019 following the required authorisation by the Spanish National Markets and Competition Commission and the receipt of the funds from the aforementioned capital increase.

- *Sale of Grupo Media Capital SGPS, S.A. to Cofina, SGPS, S.A.:*

In order to strengthen the Group's financial structure, in September 2019, the Board of Directors of Prisa agreed to sell to Cofina SGPS, S.A. ("**Cofina**") the entire stake that Prisa holds in its subsidiary Vertex SGPS, S.A. ("**Vertex**"), which in turn owns 94.69% of Grupo Media Capital SGPS, S.A. ("**Media Capital**"), on the basis of an Enterprise Value of the latter entity of EUR 255 million, which implied a price, for 94.69% of Media Capital, of EUR 170.6 million. On 23 December 2019, the Board of Directors resolved to amend the purchase agreement by setting the final transaction price (without the possibility of adjustments) at EUR 123.3 million, based on an enterprise value of EUR 205.0 thousand.

The execution of the sale and purchase was pending the condition precedent consisting in the registration in the Portuguese Commercial Register (*Conservatória de Registo Comercial*) of the capital increase approved by Cofina to finance part of the purchase price. According to Cofina's statements in the sale and purchase agreement, it had the necessary commitments to finance the amount needed to complete the transaction, both from credit institutions and from its relevant shareholders, in the latter case to cover the amount corresponding to the capital increase. On 11 March 2020, Cofina voluntarily renounced to continue with the capital increase approved by its shareholders on 29 January 2020, thereby failing to comply with the provisions of the sale and purchase agreement and terminating the agreement. In this respect, the Company has taken and will continue to take all measures and actions against Cofina in defence of its interests, those of its shareholders and others affected by the situation created by Cofina.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

This resulted in the recording of an accounting loss in the Prisa Group of EUR 131.6 million in 2019 due to the lower valuation of Media Capital.

▪ **2020:**

- In May 2020, Vertix (a wholly-owned subsidiary of Prisa) sold the shares representing 30.22% of the share capital of Media Capital to Pluris Investments, S.A. for EUR 10.5 million.

In September 2020, Prisa entered into separate agreements with a number of investors to purchase and sell shares in Media Capital, which together represented the entire shareholding (64.47%) held by Prisa through Vertix. On 3 November 2020, the sale of shares was completed for a price of EUR 36.9 million. These transactions resulted in an accounting loss of EUR 77 million.

- On 29 June 2020, the General Shareholders' Meeting of Prisa resolved to reduce the share capital in order to restore its equity balance. In this respect, the Company agreed to implement the three share capital reductions detailed below: (i) a capital reduction by reducing the par value of the Company's shares, to offset the Company's losses, in the amount of EUR 320.8 million; (ii) a capital reduction by reducing the par value of the Company's shares, to increase the Company's legal reserve, in the amount of EUR 7.1 million; and (iii) a capital reduction by reducing the par value of the Company's shares, in order to create a legal reserve for the Company, which can only be drawn down under the same conditions as for capital reductions, amounting to EUR 267.4 million.
- On 19 October 2020, Prisa, through its subsidiary Santillana, entered into an agreement with Sanoma Corporation, a Finnish media company with a presence in Europe in the education sector, for the sale of Santillana's pre K-12 and K-12 business in Spain ("**Santillana España**"). Excluded from the transaction were Santillana's private and public activities in Latin America, which continue to be carried out by Prisa, indirectly through Santillana. On 31 December 2020, the transaction was closed at an enterprise value of EUR 465 million and resulted in a total cash inflow received from the buyer of EUR 418 million. The impact of the transaction on the consolidated income statement for 2020 amounted to a capital gain of EUR 377 million. EUR 375 million of the cash raised was earmarked for the partial repayment of Prisa's syndicated loan.
- 2020 Refinancing: in October 2020, Prisa signed a new lock-up agreement, which incorporated a term sheet regulating, among other matters, the essential conditions for the refinancing of the Group's syndicated financial debt (the "**2020 Refinancing**"). The execution of the 2020 Refinancing was conditional, inter alia, on the successful completion of the transfer of certain assets of Santillana's K-12 and pre-K-12 business in Spain and was binding on all creditors of the financial debt to be refinanced. On 31 December 2020, following the completion of the sale of Santillana in Spain described above, Prisa concluded the execution of the agreements reached with all of its creditors, which led to the entry into force of the 2020 Refinancing and modification of the terms of its debt.

▪ **2022:**

- 2022 Refinancing:

In February 2022, the Board of Directors of Prisa unanimously approved the signing of a lock-up agreement incorporating a term sheet with the basic conditions for the modification of the Group's syndicated financial debt (the "**2022 Refinancing**"). On 19 April 2022, the 2022 Refinancing came into effect, once the agreements reached with all of its creditors were concluded. The basic terms of the agreed 2022 Refinancing consisted, among other aspects, of an extension of the maturity of the financial debt to 2026 and 2027 and a division of the syndicated loan into two differentiated tranches (one of senior debt and the other of junior debt) and a relaxation of the contractual commitments of the current debt that allowed, among other improvements, smoothing the financial ratios required by their respective contracts. In addition, a Term Sheet was signed with the basic conditions for the modification of the Company's Super Senior Term & Revolving Facilities Agreement which, among other terms, entails an extension of its maturity until June 2026. For further information, see section 8.1 (B) of the Registration Document.

- The 2022 Refinancing agreement included a financing, structuring and underwriting fee that Prisa could pay, at its option, either in cash or by capitalisation. Prisa opted to pay the aforementioned fee by means of its capitalisation and consequent delivery of newly issued shares. Thus, the Prisa Shareholders' Meeting held on 28 June 2022 resolved to increase the share capital by a nominal

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

amount of EUR 3.2 million, by issuing and putting into circulation 32 million new ordinary shares of EUR 0.10 par value each, of the same class and series as those currently in circulation, by means of offsetting credits. The General Meeting delegated the implementation of this agreement to the Board of Directors.

The Board of Directors of Prisa held on 28 June 2022 agreed on the execution of the increase adopted by the General Meeting, fixing all its terms. As a result of this agreement, these shares were subscribed and paid in full by the entities that were creditors of the aforementioned commissions through the offsetting of such commissions. As a consequence of this netting, the claims of the 2022 Refinancing were extinguished.

The new shares were issued at a par value of EUR 0.10 plus a share premium of EUR 0.534 per share, resulting in an issue price per share (capital plus share premium) of EUR 0.634. The total amount of the share premium corresponding to the new shares amounted to EUR 17.1 million, the total effective amount of the capital increase being EUR 20.3 million (par value plus share premium).

- In May 2022, Prisa Media acquired the remaining 20% of the share capital of Prisa Radio held by Grupo Godó for EUR 45 million, split into a payment of EUR 30 million at the signing of the agreement and the remaining EUR 15 million to be paid in May 2023 (see section 8 of the Registration Document).
- On 26 July 2022, the Board of Directors of Prisa agreed to terminate the American Depositary Shares programme in Prisa ordinary shares (ADSS) that had been traded over the counter (OTC) in the US since September 2014 following delisting from the New York Stock Exchange (NYSE) and termination of their deregistration with the U.S. *Securities and Exchange Commission* (SEC).

▪ **2023:**

- *Issue of subordinated debentures necessarily convertible into newly issued ordinary shares of the Company.*

In January 2023, the Board of Directors of Prisa unanimously resolved to make an issue (with pre-emptive subscription rights for Prisa shareholders) of subordinated debentures necessarily convertible into newly issued ordinary shares of the Company, the main terms and conditions of which are described in section 8.1 of the Registration Document. This issue was instrumented through a public subscription offer for a total maximum nominal amount of up to EUR 130 million through the issue and flotation of up to a total of 351,350 convertible bonds, whose securities note was registered in the official registers of the CNMV on 10 January 2023 (with official registration number 11259). In February 2023, convertible bonds amounting to a total of EUR 130 million were subscribed, i.e. the full amount of the offer. The issue of the aforementioned mandatory convertible bond was treated as a compound financial instrument, and almost all of it was recorded in Prisa's consolidated equity.

The aforementioned issue was configured as an instrument to reduce Prisa's syndicated financial debt, which is indexed to variable interest rates and was the subject of the 2022 Refinancing. In this regard, in February 2023, the Company obtained the necessary funds to partially pay off the Junior debt tranche early, mainly in the amount of EUR 110 million. The remaining EUR 130 million (net of transaction costs) was earmarked for the Group's operational needs.

Following the ordinary conversion periods that have taken place to date in accordance with the terms and conditions of the issue (in May and November 2023), which establishes semi-annual early conversion windows at the discretion of the holders of such debentures, a total of 267,621 subordinated debentures (representing 76.17% of the convertible debentures issued) have been converted for a total nominal amount of EUR 99,019,770, resulting in the issue of a total of 267,621,000 newly issued ordinary shares of the Company, taking into account the established conversion price (EUR 0.37).

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

5.4. Strategy and objectives

The Group's short, medium and long-term strategy is to grow its Education and Media businesses, leveraging digital transformation and subscription models, thereby contributing to the Group's key objectives: to maximise cash generation and control debt to optimise the balance sheet structure.

This strategy is, in turn, linked to the Group's firm commitment to sustainability and ESG criteria (environmental, social and governance criteria), thereby aligning the Group's objectives with the Sustainable Development Goals (SDGs) established in 2015 by the United Nations General Assembly.

Prisa's strategic roadmap in the Education area focuses on business growth driven by expansion in the markets operated and by the continued development of subscription models based on educational systems, always preserving the quality of education, and with the educational community in general and the student body in particular as the epicentre of Santillana's activity. This roadmap is embodied in the following key strategic objectives:

- Maintain leadership position and expand into new growth segments.
- Continue to lead the digital transformation and the development of hybrid education solutions (online and offline) as the basis for education systems under subscription models. Always with a focus on improving the learning experience in a holistic way.
- Enhance a quality offer of complementary educational products and services that contribute to improving the quality of the learning process.
- To continue to focus on the most advanced technology as the driving force behind the future educational technology proposal and to position Big Data applied to pedagogy as a strategic asset to better understand the use of the educational platform and optimise the user experience.

In short, we are committed to an inspiring, student-centred education that empowers teachers to improve education, providing service and support to schools and families, with innovation and creativity as the cornerstones of learning.

This shall all take place within the framework of a firm commitment to sustainability and the ESG objectives of Santillana and the Group, promoting and disseminating an agenda of social and environmental responsibility among the millions of users (children, young people and teachers) who benefit from Santillana's educational proposals. This will contribute to creating better life opportunities for future generations, an irrevocable commitment of Santillana as an educational company.

Prisa expects that the achievement of these strategic objectives will allow it to continue to increase revenues and improve margins and, therefore, will lead to a potential increase in the profitability of the Education business, consolidating Santillana as one of the leading educational technology companies in Latin America.

Prisa's strategic roadmap in the Media area focuses on accelerating digital transformation, reinforcing the leadership of the brands and maintaining them as a benchmark in quality information and entertainment. This roadmap is embodied in the following key strategic objectives:

- Provide entertainment and guarantee quality information to society by generating an objective, contrasted, diverse, critical and inclusive vision of the reality of events.
- Continue to reinforce the leading position of Prisa Media's brands and digital properties by expanding their impact and (global) reach to further increase market share.
- Expand digital audiences in Spain and Latin America.
- Accelerate the digital transformation from offline models to user-oriented and user-focused multimedia digital models.
- Strengthen the commercial strategy with diversification of commercial proposals and continue to promote the different monetisation channels.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

This shall all take place within the framework of a firm commitment to sustainability and the ESG objectives of Prisa Media and the Group: focus on the quality of information and entertainment to continue contributing to the development of a more diverse, inclusive and informed society.

Prisa expects that the achievement of these strategic objectives will allow it to continue to increase revenues and improve margins and, therefore, will lead to a potential increase in the profitability of Prisa Media's business, consolidating it as a global benchmark Spanish-language media group.

As required by applicable regulations, Prisa has presented, for the years covered by the historical financial information included in the Registration Document (2022, 2021 and 2020), the corresponding statements of non-financial information forming part of the respective management reports of the consolidated financial statements for those years, which have been incorporated by reference into the Registration Document. These statements of non-financial information include, among other matters, the information necessary to understand the Group's annual progress and performance in environmental, social, corporate governance, personnel and human rights matters, highlighting Prisa's contribution to sustainable development and, in particular, to the United Nations 2030 Agenda. All these commitments were included in Prisa's Sustainability Master Plan 2022-2025, approved by the Board of Directors of the Company in October 2022 and available on the Prisa website (www.prisa.com), in response to the need to structure Prisa's ambition in ESG terms.

In this respect, the promotion of the Sustainable Development Goals (SDGs) is a strategic objective of the Group and its business units, through responsible management of the environment, commitment to society and the Group's professionals, and with a transparent governance model that guarantees ethical and responsible management that preserves human rights. In 2021, the Group intensified communication with credit rating agencies and sustainability indices, thus showing a clear commitment to the future introduction of ESG criteria in Prisa's financial instruments. Prisa is currently included in the following ESG ratings and indices: Sustainalytics, MSCI, ESG Climate Risk (Moody's), Refinitiv, FTSE4Good, Bloomberg ESG and IBEX Gender Equality Index.

Specifically, the Group's sustainability strategy focuses on three major commitments, involving the entire organisation. The first is the real, direct and positive impact generated by the content and services offered by the Group through its business areas (Santillana, in education, and PRISA Media, in information and entertainment); a direct impact on students, schools and audiences, especially in their ability to raise awareness of the major social and environmental challenges facing society. The second is responsible management in relation to talent, the supply chain and the environment. And the third is committed governance that upholds ethical and compliance values at the corporate level.

Furthermore, Prisa's commitment to sustainability is also reflected in the creation of both the Sustainability Commission, responsible for coordinating and ensuring that the sustainability strategy is implemented in an orderly and efficient manner, and the Sustainability Commission of the Board of Directors, made up of four board members whose powers have been regulated in the Regulations of the Board of Directors.

Similarly, the Prisa Sustainability Policy, approved by the Company's Board of Directors in December 2018 and revised on several occasions, most recently in February 2022, establishes a general reference framework to ensure responsible behaviour with key stakeholders. This policy is also available on the Prisa website (www.prisa.com).

In terms of diversity, Prisa has maintained a constant effort to achieve high levels of female representation in the Company's management bodies and top management positions, in application of the principles and objectives of the *Diversity Policy in the composition of the Board of Directors and selection of directors*, approved by the Board of Directors of Prisa on 18 December 2015 and last amended on 16 November 2020, which is also available on Prisa's website (www.prisa.com). The principles and objectives of the diversity policy can be summarised as follows: diversity in the composition of the Board in its broadest sense (knowledge, experience, background, age and gender), with particular emphasis on gender diversity, and an appropriate balance on the Board as a whole, enriching decision-making and bringing pluralistic viewpoints to the discussion of matters within its competence. In particular, the aforementioned commitment to gender diversity has resulted in the Board of Directors currently being made up of 7 women, representing 46.67% of the total number of Board members, and the presence of women in the Group's senior management is 55.55%.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

In the area of criminal compliance, Prisa establishes compliance models to minimise risks in matters related to corruption, bribery, money laundering, workplace harassment, breach of privacy and others (including ESG risks), as well as to ensure respect for and protection of human rights. In this respect, the Company has adopted, inter alia, the following rules: *la Anti-Corruption Policy, Privacy policy, Code of Ethics, Code of Ethics and Conduct for Suppliers* and *Compliance Policy*. The latter can be consulted on the Prisa website (www.prisa.com). The objective of these compliance models is to ensure compliance with the law and voluntarily acquired commitments, as well as to promote an ethical culture to minimise any reputational risks that could have a negative impact on the Group and its results as a consequence of behaviour that does not meet the expectations of the market and the various stakeholders.

5.5. Brief information concerning the extent of the issuer's reliance on patents or licences, industrial, commercial or financial contracts.

Prisa's activities have a considerable dependence on administrative concessions and licences and elements of industrial property.

Concessions and licences

The radio activities carried out by Prisa require the corresponding administrative concessions and licences to be obtained and, where applicable, their renewal. The renewal of licences or concessions, as well as the granting of new licences or concessions, must be approved by the relevant administrative authorities (see section 9 of the Registration Document). These activities are also subject to the requirements set out in the current regulations on the revocation of concessions and licences. Failure to comply with certain requirements could result in the loss of administrative concessions or licences held by Prisa.

Currently, the companies of the Prisa Group have obtained the necessary administrative concessions and licences to carry on their business and business activity, which are in full force and effect. Prisa understands that the obligations under its concessions and licences are not being breached and Prisa is not aware of any grounds for their revocation. In any case, given the large number of existing licences and concessions, the unlikely revocation of any radio licence would not have a significant impact on business.

Industrial property

Prisa owns various brands under which it markets different products and services in its various areas of activity. Notwithstanding the fact that the most important trademarks are protected for Spain in the classes of the nomenclature that correspond to the businesses they support, Prisa dedicates significant efforts and resources to protecting its main industrial property assets in order to extend protection by applying for Community trademarks for the territory of the European Union, as well as in the countries of the Americas in which it is or could reasonably become present.

Some of Prisa's most important brands are firmly established in Latin America, the most important being Santillana, El País, Moderna, UNO, Richmond, Compartir, Loqueleo, Radio Caracol, W Radio and Los40, which are protected in Spain and in certain countries in the Americas.

Prisa maintains a centralised monitoring of the brands in order to carry out an exhaustive control and monitoring of their portfolio, as well as to maximise the profitability of the existing portfolio, so that each Group company can take advantage of the information held by the others or even obtain licences for the use of brands owned by another Group company.

The following are considered to be the most important brands: Prisa, El País, Santillana, Moderna, UNO, Compartir, Richmond, Loqueleo, As, Cinco Días, Plural, TVI, Cadena SER, Los40, Cadena Dial, Radio Caracol, W Radio and ADN Radio.

With regard to the Internet, the Group companies have registered the ".com" and ".es" domains with their most important brand names, in most cases.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

5.6. Basis for any statement made by the issuer about its competitive position

In the Registration Document, Prisa relies on information and figures on market share in the sectors in which it operates, as well as other industry data. Prisa has obtained these figures and information from external sources such as independent industry publications, state publications or reports from market research companies, such as OJD, AMI, i2p, Asomedios, IMF, PriceWaterhouseCoopers, EGM, ECAR, IPSOS, INRA, Triton digital and Gfk.

Prisa has supplemented this information where necessary, with data from other external sources, discussions with its customers and through its own internal estimates, taking into account publicly available information on other operators in the sector and the views of Prisa management on information that is not publicly available. Prisa considers these sources and estimates to be reliable, but has not independently verified them.

5.7. Investments

5.7.1. Significant investments of the issuer during each financial year of the period covered by the historical financial information and up to the date of the registration document.

The following tables detail, by item and by geography, the development of the recurring investments made by the Prisa Group during each financial year of the period covered by the historical financial information (2022, 2021 and 2020) and during the first half of 2023.

	<u>30/06/2023</u>	<u>31/12/2022</u>	<u>31/12/2021</u>	<u>31/12/2020</u>
RECURRENT INVESTMENTS BY ITEM (according to IFRS)	Unaudited (thousands of €)			
Intangible assets	15,168⁽¹⁾	40,641⁽²⁾	34,332⁽²⁾	31,512⁽²⁾
Computer software.....	4,756	12,742	11,667	11,100
Prototypes.....	10,077	27,184	21,856	19,548
Advances on copyrights.....	293	589	625	757
Other intangible assets.....	42	126	184	107
Property, plant, and equipment	5,589⁽¹⁾	11,163⁽²⁾	10,936⁽²⁾	13,899⁽²⁾
Land and buildings.....	58	83	120	104
Plant and machinery.....	443	1,394	1,416	1,629
Advances and intangible assets in progress.....	230	1,645	711	411
Other items of property, plant and equipment.....	4,858	8,041	8,689	11,755
Total	20,757	51,804	45,268	45,411

(1): Information subject to limited review.

(2): Audited information.

	<u>30/06/2023</u>	<u>31/12/2022</u>	<u>31/12/2021</u>	<u>31/12/2020</u>
RECURRENT INVESTMENTS BY GEOGRAPHY (according to IFRS)	Unaudited (thousands of €)			
National.....	4,870	12,910	14,190	15,018
International.....	15,887	38,894	31,078	30,393
Total	20,757	51,804	45,268	45,411

Main concepts and valuation criteria

- **Computer software:** This includes the amounts paid to develop specific computer programs or the amounts incurred in acquiring from third parties the licenses to use programs. They are amortised on a straight-line basis, depending on the type of programme or development, over the period in which they contribute to the generation of benefits.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- **Prototypes:** This account includes basically prototypes for the publication of books, which are measured at the costs incurred in materials and work performed by third parties to obtain the physical medium required for industrial mass reproduction. Prototypes are amortised on a straight-line basis over three financial years from the time of market launch, in the case of textbooks and language books, atlases, dictionaries, encyclopaedias and major works. The cost of the prototypes of books that are not expected to be published is charged to the income statement for the year in which the decision not to publish is taken.
- **Advances on copyrights:** includes amounts advanced to authors, whether paid or unpaid, on account of future royalties or royalties for the right to use the various manifestations of intellectual property. These advances are taken to expenses in the income statement from the date on which the book is launched on the market, at the rate established in each contract, which is applied to the book cover price. These items are presented in the balance sheet at cost, less the portion charged to income. This cost is reviewed each year and, where necessary, an allowance is recognised based on the projected sales of the related publication.
- **Other intangible assets:** This includes basically the amounts paid to acquire administrative concessions for the operation of radio frequencies, which are subject to temporary administrative concessions. These concessions are granted for multi-year renewable periods, depending on the legislation of each country, and are amortised on a straight-line basis over the concession period, except in cases where the renewal costs are not significant and the obligations required are readily achievable, in which case they are considered assets with indefinite useful lives (the latter mainly correspond to Sociedad Española de Radiodifusión, S.L. and Grupo Latino de Radiodifusión Chile, Ltda.).

Information relating to property, plant and equipment is described in section 18.1.1 of the Registration Document.

Description of the main investments

The performance of realised investments is mainly affected by the performance of Santillana, which accounted for 76% in 2022, 75% in 2021 and 77% in 2020 of the Group's total investments.

By geographical scope, investments are mainly international (representing 75% in 2022, 69% in 2021 and 67% in 2020 of the Group's total investments), closely related to the investments required for prototypes and for the development of Santillana's teaching systems, mainly related to the digitalisation of classrooms. In the first half of 2023, investments in classroom digitalisation of EUR 3.3 million were made (EUR 3.6 million in 2022, EUR 5.9 million in 2021 and EUR 8.7 million in 2020).

- **First half of 2023 and until the date of the Registration Document:** The main investments in the first half of 2023 were as follows:
 - In Santillana, a total of EUR 17,175 thousand were invested, mainly in prototypes for EUR 10,077 thousand (mostly in Brazil and Mexico) and in digitalisation of classrooms for EUR 3,318 thousand.
 - In the Media business, a total of EUR 3,561 thousand was invested (EUR 1,565 thousand in the radio business, EUR 1,512 thousand in the press business and EUR 484 thousand in Prisa Media holding).
 - In the radio business, EUR 1,168 thousand were invested in Spain, mainly in the commercial system, station installations, website developments and mobility projects. In the international radio area, investments amounted to EUR 397 thousand, mainly in the commercial system and in equipment renewal. Digital investments accounted for 35% of the total.
 - In the press business, investments were mainly made in website development, mobility projects and technological renewal. Digital investments accounted for 77% of the total.

Since 30 June 2023 and up to the date of the Registration Document, the Group has continued to make the customary recurring investments for the conduct of its business in line with those described in this section of the Registration Document.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- 2022: the main investments in 2022 were as follows:
 - In Santillana, a total of EUR 39,586 thousand were invested, mainly in prototypes for EUR 27,184 thousand (mainly in Brazil and Mexico) and in digitalisation of classrooms for EUR 3,556 thousand.
 - In the Media business, a total of EUR 11,994 thousand was invested (EUR 6,746 thousand in the radio business, EUR 4,333 thousand in the press business and EUR 915 thousand in Prisa Media holding).
 - In the radio business, EUR 4,814 thousand were invested in Spain, mainly in the commercial system, radio station installations, technological renovation, broadcasting systems and in a Data project. In the international radio area, investments amounted to EUR 1,932 thousand, mainly in the commercial system and in equipment renewal. Digital investments accounted for 22% of the total.
 - In the press business, investments were mainly made in website developments, mobility projects and a Data and CRM project. Digital investments accounted for 79% of the total.
- 2021: the main investments in 2021 were as follows:
 - In Santillana, a total of EUR 34,160 thousand were invested, mainly in prototypes for EUR 21,856 thousand (mostly in Brazil, Mexico and Santillana Global in digitalisation of classrooms for EUR 5,908 thousand).
 - In the Media business, a total of EUR 11,037 thousand was invested (EUR 5,357 thousand in the radio business and EUR 5,640 thousand in the press business).
 - In the radio business, EUR 3,942 thousand were invested in Spain, mainly in technical investment relating to the refurbishment of studios and facilities, commercial and management systems, broadcasting systems and technological renovation. In the international radio area, investments amounted to EUR 1,415 thousand mainly in the commercial system and in technical equipment and systems renewal in Colombia. Digital investments accounted for 20% of the total.
 - In the press business, investments were mainly made in website development, the complete redesign of the El País website, a Data and CRM project and mobility projects. Digital investments accounted for 89% of the total.
- 2020: the main investments in 2020 were as follows:
 - In Santillana, a total of EUR 34,872 thousand were invested, mainly in prototypes for EUR 19,548 thousand (mostly in Brazil, Mexico and Santillana Global in digitalisation of classrooms for EUR 8,655 thousand).
 - In the Media business, a total of EUR 9,789 thousand was invested (EUR 4,748 thousand in the radio business and EUR 4,886 thousand in the press business).
 - In the radio business, EUR 3,909 thousand were invested in Spain, mainly in technical investment relating to the remodelling of studios and facilities, commercial and management systems, mobility and technological renovation (including the purchase of laptops for teleworking in pandemics). In the international radio area, investments amounted to EUR 841 thousand, mainly in the commercial system, the renovation of the Cali headquarters, the renovation of technical equipment and systems in Colombia. Digital investments accounted for 32% of the total.
 - In the press business, investments were mainly made in website development, a CRM project and technological renovation (including the purchase of laptops for teleworking in pandemics). Digital investments accounted for 84% of the total.

5.7.2. Significant investments of the issuer in progress or for which firm commitments have been made.

Apart from the usual recurring investments for the development of the Group's activity, at the date of the Registration Document, there are no significant investments in progress, nor have the management bodies of the Prisa Group adopted firm commitments to make significant investments in the future.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

5.7.3. Information relating to companies in which the issuer holds a proportion of the capital that may have a significant effect on the assessment of its own assets and liabilities, financial position or profit and loss.

The Company does not currently hold any interests in companies outside the Prisa Group that could affect or have a significant effect on the assessment of the Group's own assets and liabilities, financial position or profit and loss.

5.7.4. Environmental aspects that may affect the issuer's use of tangible fixed assets

Prisa is committed to respecting the environment, reducing costs and the impact of its operations on the environment. The environmental safety policy applies a number of basic principles to provide safe products and services that respect the environment throughout their life cycle. It states that Prisa:

- Shall comply with applicable legal requirements and, where possible, anticipate them.
- Will actively pursue pollution reduction and prevention, energy conservation and waste reduction in its operations.
- Will require its suppliers to conduct their operations in an environmentally responsible manner.
- Will ensure safety in its industrial operations to avoid incidents and negative effects on the environment.

This policy is articulated on 3 levels:

- Consumption control.
- Emission control.
- Waste control.

The aim is to provide safe products and services, which respect the environment throughout their life cycle, by conducting operations in an environmentally responsible manner.

The assessment indicates that the Group has no environmental liabilities, expenses, assets, provisions or contingencies that could be material to the Group's equity, financial position and results.

English translation for information purposes only.

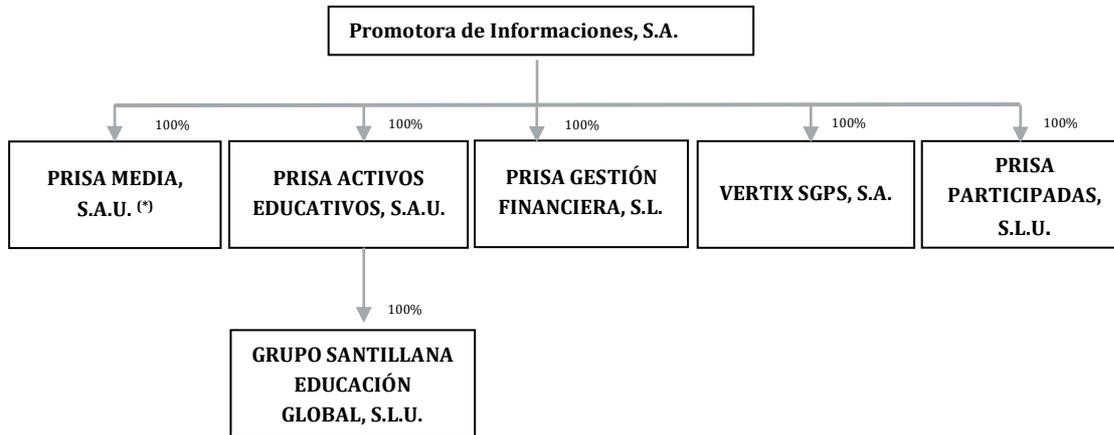
In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

6. ORGANISATIONAL STRUCTURE

6.1. Brief description of the group and the sender's position in it

As of the date of the Registration Document, Prisa is the parent company of the Prisa Group. The Prisa Group companies are those listed in section 6.2 below.

Below is an organisation chart of the main companies of the Prisa Group as at the date of the Registration Document:



(*): Includes the radio and press (news) business and subsidiaries.

6.2. List of significant subsidiaries of the issuer and additional information

At the date of the Registration Document, the scope of consolidation of the Prisa Group consisted of 106 fully consolidated companies and 20 companies accounted for using the equity method.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The following table contains information as of the date of the Registration Document on the subsidiaries integrated in the Prisa Group.

Company	Registered office	Activity	Holding company	% nominal
EDUCATION				
Global Integration				
Activa Educa, S.A. (Guatemala)	26 Avenida 2-20 zona 14. Guatemala - Guatemala	Publisher	Santillana Educación Pacífico, S.L. Santillana Sistemas Educativos, S.L.U.	97.203% 2.797%
Avalia Qualidade Educacional Ltda.	Rua Padre Adelino, 758. Belezinho. Sao Paulo. Brazil	Publisher	Santillana Latam, S.L.U. Grupo Santillana Educación Global, S.L.U.	99.99% 1 share
Distribuidora y Editora Richmond, S.A.S.	Edificio Punto 99, Carrera 11ª N°98-50 Oficina 501. Bogotá. Colombia	Publisher	Santillana Sistemas Educativos, S.L.U. Grupo Santillana Educación Global, S.L.U. Santillana Educación Pacífico, S.L.	98.44% 1.53% 0.03%
Ediciones Santillana Inc. (Puerto Rico)	1506 Roosevelt Avenue. Guaynabo. Puerto Rico	Publisher	Santillana Latam, S.L.U.	100%
Ediciones Santillana, S.A. (Argentina)	Leandro N. Alem. 720. Buenos Aires. 1001. Argentina	Publisher	Santillana Sistemas Educativos, S.L.U. Grupo Santillana Educación Global, S.L.U.	95.00% 5.00%
Ediciones Santillana, S.A. (Uruguay)	Juan Manuel Blanes 1132 Montevideo Uruguay	Publisher	Santillana Sistemas Educativos, S.L.U.	100%
Editora Altea Ltda.	Avenida Papa João Paulo I, nº 2258, Galpão 1 Papa, Sala 02 São Paulo. Brazil	Publisher	Editora Moderna, Ltda	100.00%
Editora Moderna Ltda.	Rua Padre Adelino, 758. Belezinho. Sao Paulo. Brazil	Publisher	Santillana Latam, S.L.U. Grupo Santillana Educación Global, S.L.U.	100% 1 share
Editora Pitanguá Ltda.	Avenida Papa João Paulo I, nº 2258, Galpão 1 Papa, Sala 01, São Paulo. Brazil	Publisher	Editora Moderna, Ltda	100.00%
Editorial Santillana, S.A. (Guatemala)	26 Avenida 2-20 zona 14. Guatemala - Guatemala	Publisher	Santillana Sistemas Educativos, S.L.U. Grupo Santillana Educación Global, S.L.U.	99.991% 0.009%
Editorial Santillana, S.A. (Honduras)	Colonia los Profesionales Boulevard Suyapa, Metropolis Torre 20501, Tegucigalpa Honduras	Publisher	Santillana Sistemas Educativos, S.L.U. Grupo Santillana Educación Global, S.L.U.	99.00% 1.00%
Editorial Santillana, S.A. (Dom. Rep.)	Juan Sánchez Ramírez, 9. Gazcue. Santo Domingo. Dominican Republic	Publisher	Santillana Latam, S.L.U. Grupo Santillana Educación Global, S.L.U. Ediciones Santillana Inc. (Puerto Rico)	99.952% 0.040% 0.008%
Editorial Santillana, S.A. (Venezuela)	Avenida Rómulo Gallegos. Edificio Zulia 1º. Caracas. Venezuela	Publisher	Santillana Latam, S.L.U.	100%
Editorial Santillana, S.A. de C.V. (Mexico)	Avenida Rio Mixcoac 274 Col Acacias. Mexico City Mexico	Publisher	Santillana Latam, S.L.U. Educa Inventia, S.A. de C.V.	99.99% 1 share
Editorial Santillana, S.A. de C.V. (El Salvador)	3a. Calle Poniente Y 87 Avenida Norte, No. 311, colonia Escalon San Salvador	Publisher	Santillana Sistemas Educativos, S.L.U. Grupo Santillana Educación Global, S.L.U.	99.95% 0.05%

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Company	Registered office	Activity	Holding company	% nominal
Editorial Santillana, S.A.S. (Colombia)	Edificio Punto 99, Carrera 11ª N°98-50 Oficina 501. Bogotá. Colombia	Publisher	Santillana Sistemas Educativos, S.L.U.	94.64%
			Grupo Santillana Educación Global, S.L.U.	2.05%
			Distribuidora y Editora Richmond, S.A.S.	3.31%
Educa Inventia, S.A. de C.V. (Mexico)	Avenida Rio Mixcoac 274 Col Acacias. Mexico City Mexico	Publisher	Santillana Latam, S.L.U.	99.99%
			Editorial Santillana, S.A. de C.V.	1 share
Educactiva Ediciones, S.A.S. (Colombia)	Avenida El Dorado No. 90 - 10 Bogotá, Colombia	Publisher	Santillana Sistemas Educativos, S.L.U.	100%
Educactiva, S.A. (Chile)	Avenida Andrés Bello 2299 Oficina 1001 Providencia. Santiago Chile	Publisher	Santillana Educación Pacífico, S.L.	93.52%
			Santillana Sistemas Educativos, S.L.U.	6.48%
Educactiva, S.A.C. (Peru)	Av Primavera 2160 Santiago de Surco - Lima	Publisher	Santillana Educación Pacífico, S.L.	99.998%
			Santillana Sistemas Educativos, S.L.U.	0.002%
Educactiva, S.A.S. (Colombia)	Avenida El Dorado No. 90 - 10 Bogotá, Colombia	Publisher	Santillana Educación Pacífico, S.L.	87.12%
			Santillana Sistemas Educativos, S.L.U.	12.88%
Grupo Santillana Educación Global, S.L.U.	Gran Vía, 32. Madrid	Publisher	Prisa Activos Educativos, S.A.U.	100%
Improve Education Services, S.A.S.	Cr 11 No. 98 50 Of 504. Bogotá Colombia	Publisher	Educactiva Ediciones S.A.S.	50.00%
			Distribuidora y Editora Richmond, S.A.S.	50.00%
Improve Learning S.A.S.	Cr 11 No. 98 50 Of 504. Bogotá Colombia	Publisher	Educactiva Ediciones S.A.S.	50.00%
			Distribuidora y Editora Richmond, S.A.S.	50.00%
Kapelusz Editora, S.A. (Argentina)	Leandro N. Alem. 720. Buenos Aires. 1001. Argentina	Publisher	Santillana Educación Pacífico, S.L.	99.902%
			Santillana Sistemas Educativos, S.L.U.	0.098%
Pleno Internacional, SPA	Avenida Andrés Bello N° 2299 Oficina 1001 Providencia - Santiago	IT advice and consultancy, software development and sales	Santillana Educación Chile, S.A.	70.00%
Programas de Innovación Educativa, S.A de C.V (Formerly Richmond Publishing S.A. de C.V.)	Avenida Rio Mixcoac 274 Col Acacias. Mexico City Mexico	Publisher	Santillana Sistemas Educativos, S.L.U.	87.472%
			Santillana Educación Pacífico, S.L.	12.513%
			Santillana Educación México, S.A. de C.V.	0.015%
Richmond Educação, Ltda.	Rua Padre Adelino, 758. Belezinho. Sao Paulo. Brazil	Publisher	Editora Moderna, Ltda.	100%
			Grupo Santillana Educación Global, S.L.U.	1 share
Salamandra Editorial, Ltda.	Rua Urbano Santos 755, Sao Paulo. Brazil	Publisher	Editora Moderna, Ltda.	100%
			Grupo Santillana Educación Global, S.L.U.	1 share
Santillana de Ediciones, S.A. (Bolivia)	Av. Pedro Rivera n° 3095. Santa Cruz. Bolivia	Publisher	Santillana Sistemas Educativos, S.L.U.	99.70%
			Grupo Santillana Educación Global, S.L.U.	0.15%
			Santillana Educación Pacífico, S.L.	0.15%
Santillana del Pacífico, S.A. de Ediciones	Avenida Andrés Bello 2299 Oficina 1001-1002 Providencia. Santiago Chile	Publisher	Santillana Latam, S.L.U.	100%
			Grupo Santillana Educación Global, S.L.U.	1 share
Santillana Editores, S.A. (Portugal)	Rua do Proletariado n°7 (Lote 1), 2794-076 Carnaxide - Portugal	Publisher	Santillana Latam, S.L.U.	100%

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Company	Registered office	Activity	Holding company	% nominal
Santillana Educaçao, Ltda. (Brazil)	Rua Padre Adelino, 758. Belezinho. Sao Paulo. Brazil	Publisher	Santillana Sistemas Educativos, S.L.U. Grupo Santillana Educación Global, S.L.U.	100% 1 share
Santillana Educación Chile, S.P.A.	Avenida Andrés Bello 2299 Oficina 1002 Providencia. Santiago Chile	Publisher	Santillana Sistemas Educativos, S.L.U. Grupo Santillana Educación Global, S.L.U.	99.99% 0.01%
Santillana Educación México, S.A. de C.V.	Avenida Rio Mixcoac 274 Col Acacias. Mexico City Mexico	Publisher	Programas de Innovación Educativa, S.A de C.V. Santillana Educación Pacífico, S.L.	99.99% 0.01%
Santillana Educación Pacífico, S.L.	Gran Vía, 32. Madrid	Publisher	Santillana Sistemas Educativos, S.L.U. Grupo Santillana Educación Global, S.L.U.	99.996% 0.004%
Santillana Latam, S.L.U.	Gran Vía, 32. Madrid	Publisher	Grupo Santillana Educación Global, S.L.U.	100%
Santillana Sistemas Educativos, S.L.U.	Gran Vía, 32. Madrid	Publisher	Grupo Santillana Educación Global, S.L.U.	100%
Santillana, S.A. (Costa Rica)	La Uruca. 200 m Oeste de Aviación Civil. San José. Costa Rica	Publisher	Santillana Sistemas Educativos, S.L.U. Grupo Santillana Educación Global, S.L.U.	99.992% 0.008%
Santillana, S.A. (Ecuador)	Calle De las Higueras 118 y Julio Arellano. Quito. Ecuador	Publisher	Santillana Sistemas Educativos, S.L.U. Grupo Santillana Educación Global, S.L.U.	100% 1 share
Santillana, S.A. (Paraguay)	Avenida Venezuela. 276. Asunción. Paraguay	Publisher	Santillana Sistemas Educativos, S.L.U. Ediciones Santillana, S.A. (Argentina)	99.89% 0.11%
Santillana, S.A. (Peru)	Av. Primavera 2160 Santiago de Surco - Lima	Publisher	Santillana Sistemas Educativos, S.L.U.	95.00%
Sistemas Educativos de Enseñanza, S.A.S	Calle Robles, piso E4-13. Edificio Proinco Calisto. Quito Distrito Metropolitano	Publisher	Santillana Sistemas Educativos, S.L.U. Grupo Santillana Educación Global, S.L.U.	100% 1 share
Soluções Moderna Editora e Serviços Educacionais Ltda. (Antes Editora Pitangua, LTDA)	Rua Padre Adelino, 758. Sala Avalia, Quarta Parada, - Sao Paulo. Brazil	Publisher	Santillana Latam, S.L.U. Grupo Santillana Educación Global, S.L.U.	100% 1 share
MEDIA				
Global Integration				
La coproductora, S.L.	Cardenal Cisneros, 74. Madrid	Production of feature films, short films, series, miniseries and television films, as well as any other type of audiovisual works	Prisa Media, S.A.U.	70.60%
Mobvious Corp.	7742 N. Kendall Drive 101Miami. Florida. 33156-8550. USA	Digital media advertising marketer	Prisa Brand Solutions USA, Inc.	60.00%
Pódium Podcast, S.L.U.	C/ Gran Vía 32, Madrid	Provision of music services	Prisa Media, S.A.U.	100%
Prisa Media, S.A.U.	C/ Gran Vía, 32. Madrid	The provision, for its own account or for the account of others, of any kind of services related, directly or indirectly, to broadcasting. The provision of advice and services to communications companies in the fields of advertising, programming, administration, marketing and technical, IT and commercial matters and any other matters related to their activity	Promotora de Informaciones, S.A.	100.00%
Prisa Media México, S.A. de C.V. (previously Prisa Brand Solutions México, S.A. de C.V.)	Avenida Paseo de la Reforma 231. Piso 6 Colonia Cuauhtemoc Ciudad de México 06500	Digital media advertising marketer	Prisa Media USA, Inc. Prisa Media, S.A.U.	99.99% 0.01%

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Company	Registered office	Activity	Holding company	% nominal
Prisa Media USA, Inc. (Formerly Prisa Brand Solutions USA, Inc.)	7742 N. Kendall Drive 101Miami. Florida. 33156-8550. US A	Media advertising marketer	Prisa Media, S.A.U.	100%
Equity method				
Por Hache o por B la serie, S.L.	Avenida Diagonal, 177-183 08018 Barcelona	Audiovisual production of a television series	La coproductora, S.L.	25%
Wemass Media Audience Safe Solutions, S.L.	Calle Juan Ignacio Luca de Tena, nº7.	Media advertising contracting. Design, organisation, management and marketing of all kinds of cultural, sporting, promotional and leisure activities and events	Prisa Media, S.A.U.	33.33%
MEDIA - RADIO				
SPAIN RADIO				
Global Integration				
Antena 3 de Radio de León, S.A.	Gran Vía, 32. Madrid	Operation of broadcasting stations	Sociedad Española de Radiodifusión, S.L.U.	99.56%
Compañía Aragonesa de Radiodifusión, S.A.	Paseo de la Constitución, 21. Zaragoza	Operation of broadcasting stations	Sociedad Española de Radiodifusión, S.L.U.	97.03%
Ediciones LM, S.L.	Plaza de Cervantes, 6. Ciudad Real	Operation of broadcasting stations	Sociedad Española de Radiodifusión, S.L.U.	50.00%
Iniciativas Radiofónicas de Castilla La Mancha, S.A.	Carreteros, 1. Toledo	Operation of broadcasting stations	Ediciones LM, S.L. Sociedad Española de Radiodifusión, S.L.U.	40.00% 50.00%
Ondas Galicia, S.A.	San Pedro de Mezonzo, 3. Santiago de Compostela	Operation of broadcasting stations	Sociedad Española de Radiodifusión, S.L.U.	51.14%
Prisa Radio, S.A.U.	Gran Vía, 32. Madrid	Provision of services to radio companies	Prisa Media, S.A.U.	100%
Propulsora Montañesa, S.A.	Pasaje de Peña. Nº 2. Interior. 39008. Santander	Operation of broadcasting stations	Sociedad Española de Radiodifusión, S.L.U.	99.94%
Radio Club Canarias, S.A.	Avenida Anaga, 35. Santa Cruz de Tenerife	Operation of broadcasting stations	Sociedad Española de Radiodifusión, S.L.U.	95.00%
Radio Lleida, S.L.	Calle Vila Antonia. Nº 5. Lleida	Operation of broadcasting stations	Sociedad Española de Radiodifusión, S.L.U.	66.50%
Radio Murcia, S.A.	Radio Murcia, 4. Murcia	Operation of broadcasting stations	Sociedad Española de Radiodifusión, S.L.U.	83.33%
Radio Zaragoza, S.A.	Paseo de la Constitución, 21. Zaragoza	Operation of broadcasting stations	Compañía Aragonesa de Radiodifusión, S.A. Sociedad Española de Radiodifusión, S.L.U.	57.11% 20.77%
Sociedad Española de Radiodifusión, S.L.U.	Gran Vía, 32. Madrid	Operation of broadcasting stations	Prisa Radio, S.A.U.	100%
Sociedad Independiente Comunicación Castilla La Mancha, S.A.	Avenida de la Estación, 5 Bajo. Albacete	Operation of broadcasting stations	Sociedad Española de Radiodifusión, S.L.U.	74.77%
Sonido e Imagen de Canarias, S.A.	Caldera de Bandama, 5. Arrecife. Lanzarote	Operation of broadcasting stations	Sociedad Española de Radiodifusión, S.L.U.	50.00%
Teleser, S.A.	Gran Vía, 32. Madrid	Operation of broadcasting stations	Sociedad Española de Radiodifusión, S.L.U. Radio Zaragoza, S.A.	81.46% 0.65%
Equity method				
Radio Jaén, S.L.	Obispo Aguilar, 1. Jaén	Operation of broadcasting stations	Sociedad Española de Radiodifusión, S.L.U.	35.99%

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Company	Registered office	Activity	Holding company	% nominal
<u>INTERNATIONAL RADIO</u>				
<u>Global Integration</u>				
Blaya y Vega, S.A.	Eliodoro Yáñez. N° 1783. Comuna Providencia Santiago. Chile	Operation of broadcasting stations	Multimedios GLP Chile, SpA. Comercializadora Iberoamericana Radio Chile, S.A.	99.98% 0.02%
Caracol Estéreo, S.A.S	Calle 67 N° 7-37 Piso 7 Bogotá. Colombia	Commercial broadcasting services	Sociedad Española de Radiodifusión, S.L.U. Prisa Radio, S.A.U.	77.04% 2 shares
Caracol, S.A.	Calle 67 N° 7-37 Piso 7 Bogotá. Colombia	Commercial broadcasting services	Sociedad Española de Radiodifusión, S.L.U. Prisa Radio, S.A.U.	77.05% 2 shares
Comercializadora Radio Chile, S.A.	Iberoamericana Eliodoro Yáñez. N° 1783. Comuna Providencia Santiago. Chile	Production and sale of advertising items, promotions and events	Grupo Latino de Radiodifusión Chile, SpA Sociedad Española de Radiodifusión, S.L.U.	99.90% 0.10%
Compañía de Comunicaciones de Colombia, S.A.S	Calle 67 N° 7-37 Piso 7 Bogotá. Colombia	Commercial broadcasting services	Caracol, S.A. Promotora de Publicidad Radial, S.A.S. Sociedad Española de Radiodifusión, S.L.U. Caracol Estéreo, S.A.S. Ecos de la Montaña Cadena Radial Andina, S.A.	43.45% 19.27% 16.76% 11.13% 4.42%
Compañía de Radios, S.A.	Eliodoro Yáñez. N° 1783. Comuna Providencia Santiago. Chile	Operation of broadcasting stations	Sociedad Radiodifusora del Norte, SpA. Iberoamerican Radio Holdings Chile, S.A. Comercializadora Iberoamericana Radio Chile, S.A.	44.32% 40.88% 14.80%
Consortio Radial de Panamá, S. A	Urbanización Obarrio, Calle 54 Edificio Caracol. Panama	Consultancy services and marketing of services and products	Sociedad Española de Radiodifusión, S.L.U.	100%
Corporación Argentina de Radiodifusión, S.A.	Rivadavia 835. Ciudad de Buenos Aires. Argentina	Operation of broadcasting stations	GLR Services Inc. Sociedad Española de Radiodifusión, S.L.U.	76.20% 23.80%
Ecos de la Montaña Cadena Radial Andina, S.A.	Calle 67. N° 7-37. Piso 7. Bogotá. Colombia	Commercial broadcasting services	Sociedad Española de Radiodifusión, S.L.U. Prisa Radio, S.A.U.	76.80% 1 share
Emisora Mil Veinte, S.A.	Calle 67. N° 7-37. Piso 7. Bogotá. Colombia	Commercial broadcasting services	Sociedad Española de Radiodifusión, S.L.U. Prisa Radio, S.A.U.	75.72% 1 share
Fast Net Comunicaciones, S.A.	Eliodoro Yáñez. N° 1783. Comuna Providencia Santiago. Chile	Operation of broadcasting stations	Comercializadora Iberoamericana Radio Chile, S.A. Compañías de Radio, S.A.	99.86% 0.14%
Grupo Latino de Radiodifusión Chile, SpA (**)	Eliodoro Yáñez. N° 1783. Comuna Providencia Santiago. Chile	Operation of broadcasting stations	Sociedad Española de Radiodifusión, S.L.U. Caracol, S.A.	99.9986% 0.0014%
GLR Services Inc.	2100 Coral Way - Miami 33145 - Florida, USA	Provision of services to broadcasting companies	Sociedad Española de Radiodifusión, S.L.U.	100%
Iberoamerican Radio Holdings Chile, S.A.	Eliodoro Yáñez. N° 1783. Comuna Providencia Santiago. Chile	Operation of broadcasting stations	Comercializadora Iberoamericana Radio Chile, S.A. Grupo Latino de Radiodifusión Chile, SpA	100% 1 share

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Company	Registered office	Activity	Holding company	% nominal
Iberoamericana de Noticias Ltda.	Eliodoro Yáñez. N° 1783. Comuna Providencia Santiago. Chile	Operation of media and communication services	Grupo Latino de Radiodifusión Chile SpA. Comercializadora Iberoamericana Radio Chile, S.A.	99.9996% 0.0004%
La Voz de Colombia, S.A.	Calle 67. N° 7-37. Piso 7. Bogotá. Colombia	Commercial broadcasting services	Sociedad Española de Radiodifusión, S.L.U. Caracol, S.A.	75.64% 0.01%
Multimedios GLP Chile SPA	Eliodoro Yáñez. N° 1783. Comuna Providencia Santiago. Chile	Operation of media and communication services	Comercializadora Iberoamericana Radio Chile, S.A.	100%
Prisa Media Colombia, S.A.S (Formerly Comercializadora de Eventos y Deportes, S.A.S.)	Calle 67 N° 7-37 Piso 7 Bogotá. Colombia	Production and organisation of shows and events	Sociedad Española de Radiodifusión, S.L.U.	100%
Promotora de Publicidad Radial, S.A.S	Calle 67. N° 7-37. Piso 7. Bogotá. Colombia	Commercial broadcasting services	Sociedad Española de Radiodifusión, S.L.U. Prisa Radio, S.A.U.	77.04% 2 shares
Sociedad Radiodifusora del Norte, SpA.	Eliodoro Yáñez. N° 1783. Comuna Providencia Santiago. Chile	Operation of broadcasting stations	Comercializadora Iberoamericana Radio Chile, S.A.	100%
Societat de Comunicació i Publicitat, S.L.	Parc. de la Mola, 10 Torre Caldea, 6º Escalde. Engordany. Andorra	Operation of broadcasting stations	Sociedad Española de Radiodifusión, S.L.U. Unión Radio del Pirineu, S.A.	99.00% 1.00%
Equity method				
Cadena Radiodifusora Mexicana, S.A. de C.V.	Calzada de Tlalpan 3000 col Espartaco Mexico City 04870. Mexico	Operation of broadcasting stations	Sistema Radiópolis, S.A. de C.V. Cadena Radiópolis, S.A. de C.V.	100% 353 shares
Cadena Radiópolis, S.A. de C.V.	Calzada de Tlalpan número 3000, Colonia Espartaco, Delegación Coyoacán, 04870, Mexico City.	Provision of public telecommunications and broadcasting services	Sistema Radiópolis, S.A. de C.V. Cadena Radiodifusora Mexicana, S.A. de C.V.	99.90% 0.10%
Caja Radiopolis, S.C	Calzada de Tlalpan 3000 col Espartaco Mexico City 04870. Mexico	Business administration services	Servicios Radiópolis, S.A. de C.V. Radio Comerciales, S.A. de C.V. Xezz, S.A. de C.V.	67.00% 31.00% 2.00%
Fondo Radiopolis, S.C.	Calzada de Tlalpan 3000 col Espartaco Mexico City 04870. Mexico	Business administration services	Servicios Radiópolis, S.A. de C.V. Radio Comerciales, S.A. de C.V. Xezz, S.A. de C.V.	67.00% 31.00% 2.00%
Promotora Radial del Llano, LTDA	Calle 67 N° 7-37 Piso 7 Bogotá. Colombia	Commercial broadcasting services	Caracol, S.A. Promotora de Publicidad Radial, S.A.S	25.00% 25.00%
Q'Hubo Radio, S.A.S	CL 57 No 17 – 48 Bogotá, Colombia	Operation of broadcasting and advertising businesses	Caracol, S.A.	50.00%
Radio Comerciales, S.A. de C.V.	Rubén Darío n° 158. Guadalajara. Mexico	Operation of broadcasting stations	Sistema Radiópolis, S.A. de C.V. Cadena Radiópolis, S.A. de C.V.	99.97% 0.03%
Radio Melodía, S.A. de C.V.	Rubén Darío n° 158. Guadalajara. Mexico	Operation of broadcasting stations	Cadena Radiodifusora Mexicana, S.A. de C.V. Cadena Radiópolis, S.A de CV	99.00% 1.00%
Radio Tapatía, S.A. de C.V.	Rubén Darío n° 158. Guadalajara. Mexico	Operation of broadcasting stations	Cadena Radiodifusora Mexicana, S.A. de C.V. Cadena Radiópolis, S.A. de C.V.	99.00% 1.00%

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Company	Registered office	Activity	Holding company	% nominal
Radiotelevisora de Mexicali, S.A. de C.V.	Avenida Reforma 1270. Mexicali Baja California. Mexico	Operation of broadcasting stations	Sistema Radiópolis, S.A. de C.V. Cadena Radiópolis, S.A. de C.V.	100% 11 shares
Servicios Radiópolis, S.A. de C.V.	Calzada de Tlalpan 3000 col Espartaco Mexico City 04870. Mexico	Operation of broadcasting stations	Sistema Radiópolis, S.A. de C.V. Radio Comerciales, S.A. de C.V.	99.998% 0.002%
Servicios Xezz, S.A. de C.V.	Calzada de Tlalpan 3000 col Espartaco Mexico City 04870. Mexico	Operation of broadcasting stations	Xezz, S.A. de C.V. Radio Comerciales, S.A. de C.V.	99.998% 0.002%
Sistema Radiópolis, S.A. de C.V.	Calzada de Tlalpan 3000 col Espartaco Mexico City 04870. Mexico	Operation of broadcasting stations	Sociedad Española de Radiodifusión, S.L.U.	50.00%
Unión Radio del Pirineu, S.A.	Carrer Prat del Creu, 32. Andorra	Operation of broadcasting stations	Prisa Radio, S.A.U.	33.00%
Xezz, S.A. de C.V.	Rubén Darío nº 158. Guadalajara. Mexico	Operation of broadcasting stations	Cadena Radiodifusora Mexicana, S.A. de C.V. Cadena Radiópolis, S.A de C.V.	99.00% 1.00%
MEDIA - PRESS				
Global Integration				
As Chile SPA	Eliodoro Yáñez 1783, Providencia. Santiago. Chile	Publication and operation of the As newspaper in Chile	Diario As, S.L.	100%
Diario AS Colombia, SAS	Cl 98, nº 1871 OF401. Bogotá D.C.	Publication and operation of the As newspaper in Colombia	Diario As, S.L.	100%
Diario As USA, Inc.	2100 Coral Way Suite 603. 33145 Miami, Florida	Publication and operation of the As newspaper in USA	Diario As, S.L.	100%
Diario As, S.L.	Valentín Beato, 44. Madrid	Publication and operation of the As newspaper	Prisa Media, S.A.U.	75.00%
Diario Cinco Días, S.A.	Miguel Yuste, 42. Madrid	Publication and operation of the Cinco Días newspaper	Prisa Media, S.A.U.	100%
Diario El País Argentina, S.A.	Leandro N. Alem. 720. Buenos Aires. 1001. Argentina	Operation of the El País newspaper in Argentina	Diario El País, S.L. Diario El País México, S.A. de C.V.	95.65% 4.35%
Diario El País México, S.A. de C.V.	Avenida Universidad 767. Colonia del Valle. Mexico City Mexico	Operation of the El País newspaper in Mexico	Diario El País, S.L. Promotora de Informaciones, S.A.	98.39% 1.61%
Diario El País, S.L.	Miguel Yuste, 40. Madrid	Publication and operation of the El País newspaper	Prisa Media, S.A.U.	100%
Ediciones El País, S.L.	Miguel Yuste, 40. Madrid	Publishing, operation and sale of the El País newspaper	Diario El País, S.L. Prisa Media, S.A.U.	99.994% 0.006%
Espacio Digital Editorial, S.L.	Gran Vía, 32. Madrid	Publishing and operation of the digital Huffington Post for Spain	Prisa Media, S.A.U.	100%
Factoría Prisa Noticias, S.L.	Valentín Beato, 44. Madrid	Provision of administrative, technological and legal services, as well as distribution of written and digital media	Prisa Media, S.A.U.	100%
Noticias AS México S.A. de C.V.	Rio Lerma 196 Bis Torre B 503, Mexico City	Publication and operation of the As newspaper in Mexico	Diario As, S.L. Prisa Media, S.A.U.	99.00% 1.00%
Equity method				
Kioskoymás, Sociedad Gestora de la Plataforma Tecnológica, S.L.	Juan Ignacio Luca de Tena, 7. Madrid	Publishing and marketing of periodicals in digital format	Prisa Media, S.A.U.	50.00%
Le Monde Libre Société Comandité Simple	17, Place de la Madeleine. Paris	Holding of shares in publishing companies	Prisa Media, S.A.U.	20.00%

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Company	Registered office	Activity	Holding company	% nominal
OTHER				
Global Integration				
Prisa Activos Educativos, S.A.U.	Gran Vía, 32. Madrid	Performing all activities inherent to the publishing business in its broadest sense and, in particular, the publishing, marketing and distribution of all kinds of publications and the provision of publishing, cultural, educational, leisure and entertainment services	Promotora de Informaciones, S.A.	100%
Prisa Gestión Financiera, S.L.	Gran Vía, 32. Madrid	Management and operation of information and social communication media, whatever their technical support. Capital and money market performance	Promotora de Informaciones, S.A.	100%
Prisa Participadas, S.L.	Gran Vía, 32. Madrid	Management and operation of printed and audiovisual media, participation in companies and businesses, and the provision of all kinds of services	Promotora de Informaciones, S.A.	100%
Productora Extremeña de Televisión, S.A. (In liquidation)	Gran Vía, 32. Madrid.	Provision of local television services	Prisa Participadas, S.L.	70.00%
Promotora de Actividades América 2010 - México, S.A. de C.V. (In liquidation)	Avenida Paseo de la Reforma 300. Piso 9. Col. Juárez. 06600. Mexico. Mexico City	Development, coordination and management of projects of all kinds, national and international, related to the commemoration of the Bicentenary of the Independence of the American nations.	Promotora de Actividades América 2010, S.L. Prisa Participadas, S.L.	99.998% 1 share
Promotora de Actividades América 2010, S.L. (In liquidation)	Gran Vía, 32. Madrid	Production and organisation of activities and projects related to the commemoration of the Bicentenary of the Independence of the American nations	Promotora de Informaciones, S.A.	100%
Promotora de Actividades Audiovisuales de Colombia, Ltda.	Calle 80, 10 23. Bogotá. Colombia	Audiovisual production and distribution	Prisa Participadas, S.L. Promotora de Informaciones, S.A.	99.00% 1.00%
Vertex, SGPS, S.A.	Rua Mario Castellano, nº 40, Queluz de Baixo. Portugal	Holding of shares in companies	Promotora de Informaciones, S.A.	100%

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

In the companies included in the table above, there is no difference between the percentage of shareholding and voting rights in each of these companies, except in Radiópolis where, for Mexican regulatory reasons⁽¹⁷⁾, Prisa has limited voting rights. In this respect, the participation of Prisa, through Sociedad Española de Radiodifusión, S.L.U. (“SER”), in the share capital of Radiópolis (50%) gives SER full economic rights but limited voting rights. Thus, at present, half of SER’s stake in Radiópolis (25%) gives SER full and unrestricted voting rights, while the remaining 25%, being neutral shares, confers voting rights only in relation to a number of matters reserved and authorised by the Mexican Directorate-General for Foreign Investment (not on the rest).

7. OPERATIONAL AND FINANCIAL STUDY

7.1. Financial situation

Information regarding Prisa’s business development and performance, as well as its financial situation, is included in sections 8 and 18.1.1 of the Registration Document, as well as in Section I (*risk factors*) of the Registration Document. In addition, the individual and consolidated management reports of Prisa for the 2022, 2021 and 2020 financial years, as well as the Company’s condensed consolidated interim management report for the first half of 2023 (see section 18.2.1) are incorporated by reference into the Registration Document (see section 18.2.1).

Notwithstanding the foregoing, the key figures and ratios of the Prisa Group at 30 June 2023 and 2022, as well as at 31 December 2022, 2021 and 2020 are set out below.

Key figures and ratios of the Prisa Group at 30 June 2023 and 2022

	<u>30/06/2023</u>	<u>30/06/2022</u>
	<u>Unaudited (thousands of €)</u>	
KEY FIGURES AND RATIOS		
Operating income ⁽¹⁾	440,706	388,171
EBITDA ⁽²⁾	68,344	44,730
Adjusted EBITDA ⁽²⁾	72,909	49,674
Operating income (EBIT) ⁽¹⁾	34,882	10,119
Financial profit or loss ⁽¹⁾	(65,465)	(22,440)
Consolidated result for the year ⁽¹⁾	(36,401)	(14,370)
Profit/(loss) attributable to the parent company ⁽¹⁾	(36,253)	(13,996)

(1): Information subject to limited review.

(2): Alternative performance measure. For more information, see Appendix I of the Registration Document (“Glossary of alternative performance measures”).

	<u>30/06/2023</u>	<u>31/12/2022</u>
	<u>Unaudited (thousands of €)</u>	
FINANCIAL POSITION		
Net bank debt ⁽¹⁾	801,345	856,447
Net bank debt including IFRS 16 ⁽¹⁾	866,357	925,603
Net bank debt including IFRS 16 / adjusted EBITDA ⁽¹⁾	5.1x	6.3x

(1): Alternative performance measure. For more information, see Appendix I of the Registration Document (“Glossary of alternative performance measures”).

(17): Shares in broadcasting frequency licensee companies owned by foreign investors are neutral and therefore confer limited voting rights to the holder.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Key figures and ratios of the Prisa Group at 31 December 2022, 2021 and 2020

	<u>31/12/2022</u>	<u>31/12/2021</u>	<u>31/12/2020</u>
KEY FIGURES AND RATIOS	Audited (thousands of €)		
Operating income	850,189	741,168	700,641
EBITDA ⁽¹⁾	137,571	63,089	63,865
Adjusted EBITDA ⁽¹⁾	147,492	106,717	72,992
Operating income (EBIT)	63,364	(19,709)	(29,109)
Financial profit or loss	(72,335)	(63,261)	(128,825)
Consolidated result for the year	(13,268)	(105,843)	75,450
Profit/(loss) attributable to the parent company	(12,949)	(106,506)	89,737

(1): Alternative performance measure. For more information, see Appendix I of the Registration Document (“Glossary of alternative performance measures”).

	<u>31/12/2022</u>	<u>31/12/2021</u>	<u>31/12/2020</u>
FINANCIAL POSITION	Unaudited (thousands of €)		
Net bank debt ⁽¹⁾	856,447	756,071	679,303
Net bank debt including IFRS 16 ⁽¹⁾	925,603	825,073	796,967
Net bank debt including IFRS 16 / adjusted EBITDA ⁽¹⁾	6.3x	7.7x	10.9x

(1): Alternative performance measure. For more information, see Appendix I of the Registration Document (“Glossary of alternative performance measures”).

7.2. Operating income

(a) *Significant factors, including unusual or infrequent events or new developments, which have materially affected or will materially affect the issuer’s income from operations.*

Apart from what is described in Section I (risk factors) and the most significant trends in relation to the activities and the revenues and expenses of the Prisa Group in the third quarter of 2023 referred to in section 10.1 of the Registration Document, as well as the events described in section 5.3 relating to the financial years 2020, 2022 and 2023 and in sections 18.1.1 and 18.2.1 of the Registration Document containing the Group’s principal financial information for the period covered by the historical and interim financial information included in the Registration Document, there have been no significant factors during the period covered by the financial information in the Registration Document and up to the date of the Registration Document, including significant unusual or infrequent events, that have significantly affected or will significantly affect the revenues of the Prisa Group.

(b) *Significant changes in net sales or net income of the issuer*

See sections 18.1.1 and 18.2.1 of the Registration Document.

8. CAPITAL RESOURCES

8.1. Information on short- and long-term capital resources

Company Rating

The Company currently holds the credit ratings “CCC+” with stable outlook and “Caa1” with stable outlook, granted on 18 January 2023 and 3 March 2023 by S&P Global Ratings Europe Limited (S&P) and Moody’s Investors Service España, S.A., respectively, entities registered in accordance with *Regulation (EC) 1060/2009 of the European Parliament and of the Commission of 16 September 2009 on Credit Rating Agencies*. However, there is no assurance that the credit ratings currently assigned to the Company will be maintained over time as credit ratings are reviewed and updated periodically, and are dependent on a number of factors, some of which are beyond the Company’s control (see risk factor 1). The credit ratings can be consulted on the Prisa website ([link](#)).

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Capital resources

The detail of the Prisa Group's equity and borrowings at 30 June 2023 and 31 December 2022 was as follows:

	<u>30/06/2023</u>		<u>31/12/2022</u>
	<u>Unaudited⁽¹⁾</u>	<u>Change</u>	<u>Audited</u>
<u>EQUITY AND LIABILITIES (under IFRS)</u>	<u>(thousand €)</u>	<u>(%)</u>	<u>(thousand €)</u>
Equity	(421,862)	20.7	(532,160)
Subscribed capital	100,817	36.1	74,065
Other reserves and retained earnings from prior periods.....	(456,788)	12.0	(519,367)
Profit/(loss) for the period attributable to the parent company	(36,253)	(180.0)	(12,949)
Other net equity instruments	30,063	--	0
Treasury shares	(1,120)	(179.3)	(401)
Translation differences	(72,257)	17.5	(87,583)
Minority interests	13,676	(2.8)	14,075
Non-current liabilities	970,820	(9.6)	1,073,345
Non-current bank borrowings	881,058	(10.2)	980,848
Non-current financial liabilities.....	50,525	(6.3)	53,935
Deferred tax liabilities	20,027	0.7	19,894
Long-term provisions	16,195	5.8	15,308
Other non-current liabilities	3,015	(10.3)	3,360
Current liabilities	378,856	(14.2)	441,488
Commercial creditors	204,353	(19.8)	254,800
Associates.....	927	62.3	571
Other non-trade payables	39,810	(9.7)	44,082
Current bank borrowings	38,356	24.4	30,824
Current financial liabilities	17,499	(46.7)	32,832
Public administrations	38,129	25.9	30,286
Current provisions.....	5,178	(16.0)	6,166
Other current liabilities	34,142	(17.7)	41,503
Liabilities associated with assets held for sale	462	9.0	424
Total equity and liabilities	927,814	(5.6)	982,673

(1): Information subject to limited review.

The detail of the Prisa Group's equity and borrowings at 31 December 2022, 2021 and 2020 was as follows:

	<u>31/12/2022</u>		<u>31/12/2021</u>		<u>31/12/2020</u>
	<u>Audited</u>	<u>Change 2022-2021</u>	<u>Audited</u>	<u>Change 2021-2020</u>	<u>Audited</u>
<u>EQUITY AND LIABILITIES (under IFRS)</u>	<u>(thousand €)</u>	<u>(%)</u>	<u>(thousand €)</u>	<u>(%)</u>	<u>(thousand €)</u>
Equity	(532,160)	(4.0)	(511,815)	(27.0)	(402,980)
Subscribed capital	74,065	4.5	70,865	0.0	70,865
Other reserves and retained earnings from prior periods.....	(519,367)	(21.0)	(429,393)	16.8	(516,048)
Profit/(loss) for the year attributable to the parent company	(12,949)	87.8	(106,506)	(218.7)	89,737
Treasury shares	(401)	69.6	(1,320)	13.7	(1,530)
Translation differences	(87,583)	3.1	(90,410)	2.0	(92,275)

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

	31/12/2022	Change 2022-	31/12/2021	Change 2021-	31/12/2020
	Audited	2021	Audited	2020	Audited
EQUITY AND LIABILITIES (under IFRS)	(thousand €)	(%)	(thousand €)	(%)	(thousand €)
Minority interests	14,075	(68.7)	44,949	(2.9)	46,271
Non-current liabilities	1,073,345	3.8	1,033,811	9.0	948,543
Non-current bank borrowings	980,848	5.0	934,342	15.3	810,568
Non-current financial liabilities.....	53,935	0.2	53,854	(45.8)	99,348
Deferred tax liabilities.....	19,894	(6.8)	21,335	26.7	16,840
Long-term provisions	15,308	(27.2)	21,016	9.5	19,195
Other non-current liabilities	3,360	2.9	3,264	25.9	2,592
Current liabilities.....	441,488	23.9	356,287	(16.4)	426,156
Commercial creditors	254,800	30.0	195,983	2.4	191,454
Associates.....	571	(49.2)	1,123	8.6	1,034
Other non-trade payables	44,082	0.7	43,774	10.4	39,656
Current bank borrowings	30,824	106.6	14,918	(85.5)	102,746
Current financial liabilities	32,832	106.7	15,884	(14.4)	18,558
Public administrations	30,286	(11.5)	34,204	16.7	29,321
Current provisions.....	6,166	(56.2)	14,087	41.1	9,986
Other current liabilities	41,503	17.8	35,218	17.5	29,967
Liabilities associated with assets held for sale.....	424	(61.3)	1,096	(68.1)	3,434
Total equity and liabilities	982,673	11.9	878,283	(9.6)	971,719

(A) Equity of the Prisa Group

▪ **Relevant operations in 2023:**

- *Issue of subordinated debentures necessarily convertible into newly issued ordinary shares of the Company and capital increase by early conversion.*

In January 2023, the Board of Directors of Prisa unanimously agreed to issue subordinated debentures (with pre-emptive subscription rights for Prisa shareholders) mandatorily convertible into newly issued ordinary shares of the Company. This issue took place through a public offer for subscription of up to a total of EUR 130 million, by issuing and putting into circulation up to a total of 351,350 convertible bonds. The maturity date of these convertible bonds and conversion into new shares will be on the fifth anniversary of the issue date, with a conversion price of EUR 0.37 per new share having been set, subject to the usual adjustments for this type of operation. The convertible bonds will bear interest (coupon) at a fixed annual rate of 1% (which cannot be capitalised) and payable upon conversion into ordinary shares. In February 2023, convertible bonds amounting to a total of EUR 130 million were subscribed, i.e. the full amount of the offer. The issue of the aforementioned debentures convertible into shares has been treated as a compound financial instrument, being recorded almost entirely in Prisa's consolidated equity in the amount of EUR 126,003 thousand. The remaining amount of EUR 3,997 thousand was initially recorded as a financial liability corresponding to the present value of the aforementioned coupons payable in cash at the end of the fifth anniversary (see sections 5.3 and 18 of the Registration Document).

Following the ordinary conversion periods that have taken place to date in accordance with the terms and conditions of the issue (in May and November 2023), which establishes semi-annual early conversion windows at the discretion of the holders of such debentures, a total of 267,621 subordinated debentures (representing 76.17% of the convertible debentures issued) have been converted for a total nominal amount of EUR 99,019,770, resulting in the issue of a total of 267,621,000 newly issued ordinary shares of the Company, taking into account the established conversion price (EUR 0.37). This has resulted in the reversal of virtually all of the previous financial liability with a credit to consolidated equity, insofar as the Company has only had to pay the accrued coupon corresponding to such bonds from the time of their issue until their early conversion in May 2023.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The aforementioned issue was configured as an instrument to reduce Prisa's syndicated financial debt, which is tied to a variable interest rate and which was the subject of the 2022 Refinancing. In this regard, the issue enabled the Company to obtain the funds necessary to partially pay off early the tranche of Prisa's syndicated financial debt that entails the highest interest expense, i.e. the junior debt tranche tied to a floating interest rate equal to Euribor +8% (between effective and capitalisable), which at 31 December 2022 amounted to EUR 192,013 thousand. Thus, in February 2023, the Group repaid junior debt in the amount of EUR 110 million, so that at 30 June 2023 the junior debt stood at EUR 84,786 thousand.

▪ **Relevant operations in 2022:**

– *Increase in share capital by offsetting claims*

The 2022 Refinancing agreement included a financing, structuring and underwriting fee that Prisa could pay, at its option, either in cash or by capitalisation. Prisa opted to pay the aforementioned fee by means of its capitalisation and consequent delivery of newly issued shares. Accordingly, in June 2022, the Ordinary General Shareholders' Meeting of Prisa resolved to increase the share capital by a nominal amount of EUR 3,200 thousand, by issuing and putting into circulation 32,000,000 new ordinary shares. As a result of this set-off, the claims have been extinguished. For further information, see section 5.3 of the Registration Document.

Following the capital increase, Prisa's share capital was set on 31 December 2022 at EUR 74,065 thousand, represented by 740,650,193 ordinary shares, all of the same class and series, with a par value of EUR 0.10 each.

– *Prisa Radio acquisition*

In May 2022, Prisa Media (a wholly-owned subsidiary of Prisa) acquired 20% of the share capital of Prisa Radio, held by Grupo Godó, for EUR 45 million, of which EUR 30 million was paid on signing the agreement and EUR 15 million was paid in 2023. This acquisition entailed a reduction in "other reserves and retained earnings from prior years" and "exchange differences" of EUR 17 million because, in accordance with IFRS 10, it corresponded to an equity transaction, being a purchase of minority interests that do not give rise to a change of control.

▪ **Relevant operations in 2021:**

- There were no relevant operations in 2021 that had an impact on the Group's equity.

▪ **Relevant operations in 2020:**

– *Reduction of share capital*

On 29 June 2020, the Ordinary General Shareholders' Meeting of Prisa resolved to reduce the share capital in order to re-establish its equity balance. The total amount of share capital subject to the capital reductions carried out amounted to EUR 595,266 thousand. The purpose of these corporate operations was to clean up and strengthen the company's balance sheet and to carry out the mandatory capital reduction required by article 327 of the Spanish Companies Act. For further information, see section 5.3 of the Registration Document.

– *Sale of Santillana in Spain to Sanoma Corporation*

In October 2020, Prisa, through its subsidiary Santillana, entered into an agreement with Sanoma Corporation, a Finnish media company with a presence in Europe in the education sector, for the sale of Santillana's pre K-12 and K-12 business in Spain. On 31 December 2020, the transaction was closed at an enterprise value of EUR 465 million and resulted in a total cash inflow received from the buyer of EUR 418 million. The impact of the transaction on the consolidated income statement for 2020 amounted to a capital gain of EUR 377 million. For further information, see section 5.3 of the Registration Document.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

– *Sale of Media Capital*

In 2020, Vertix, a wholly-owned subsidiary of Prisa, sold the shares representing 94.69% of the share capital of Media Capital for a total price of EUR 47.4 million. These transactions resulted in an accounting loss of EUR 77 million. For further information, see section 5.3 of the Registration Document.

(B) External resources of the Prisa Group

Prisa's main sources of borrowed funds, in addition to debt with credit institutions, are as follows:

- **Non-current and current financial liabilities:** This heading mainly includes the liability for leases recorded under IFRS 16, as follows:

	<u>30/06/2023</u>	<u>31/12/2022</u>	<u>31/12/2021</u>	<u>31/12/2020</u>
	<u>Unaudited⁽¹⁾</u>	<u>Audited</u>		
NON-CURRENT AND CURRENT FINANCIAL LIABILITIES	(thousand €)			
Financial liabilities from leasing.....	48,380	52,006	53,766	99,203
Other financial liabilities.....	2,145	1,929	88	145
Non-current financial liabilities.....	50,525	53,935	53,854	99,348
Financial liabilities from leasing.....	16,632	17,150	15,555	18,462
Other financial liabilities.....	867	15,682	329	96
Current financial liabilities.....	17,499	32,832	15,884	18,558

(1): Information subject to limited review.

The decrease in “*other current financial liabilities*” in the first half of 2023 is mainly due to the payment of the EUR 15,000 thousand outstanding portion of the acquisition of 20% of Prisa Radio from Grupo Godó in April 2022, described above.

The decrease in lease liabilities in 2021 is mainly due to the fact that in December 2021 the Group formalised, among other things, a renegotiation of the lease agreements for its offices on Miguel Yuste (Madrid), Gran Vía (Madrid) and Caspe (Barcelona), which entailed, among other things, the early exit of three of the buildings in the Miguel Yuste complex, a decrease in the minimum duration of the existing lease agreements and a reduction in future lease payments. This meant that, at the effective date of the lease amendment (December 2021), the financial liability and lease tangible fixed assets associated with such contracts were recalculated and reduced considering the effects described above.

- **Commercial creditors:** includes debts owed to suppliers of goods and services.

The information required by the third additional provision of Law 15/2010, of 5 July (amended by the second final provision of Law 31/2014, of 3 December) and the Law 18/2022 of 28 September, prepared in accordance with the resolution of the Spanish Accounting and Audit Institute (ICAC) of 29 January 2016, in relation to the average period of payment to suppliers in commercial transactions of Spanish companies, is detailed below. This information is prepared by the Company on an annual basis and therefore the latest information available is for the 2022 financial year, closed on 31 December.

– **Payment periods:**

<u>PAYMENT PERIODS (unaudited information)</u>	<u>31/12/2022</u>	<u>31/12/2021</u>	<u>31/12/2020</u>
Average period of payment to suppliers ⁽¹⁾	71 days	63 days	66 days
Ratio of settled transactions ⁽²⁾	73 days	70 days	71 days
Ratio of transactions pending payment ⁽³⁾	51 days	34 days	46 days
Ratio of transactions paid in less than 60 days ⁽⁴⁾	45%	--	--
Ratio of invoices paid in less than 60 days ⁽⁵⁾	70%	--	--

(1): Period from the delivery of the goods or provision of the services by the supplier and the eventual payment of the transaction. This ratio is calculated by multiplying the sum of (a) the ratio of transactions paid out by the total amount of payments made (x) plus the ratio of transactions outstanding by the total amount of payments outstanding (y) in the numerator, and (b) the sum of the total amount of payments made and the total amount of payments outstanding at year-end in the denominator.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- (2): Calculated as the quotient composed of (a) the sum (for the transactions under consideration) of (x) the amount of the transaction paid times (y) the number of payment days elapsed on that transaction (calendar days that have elapsed from the date on which computation of the instalment begins until the material payment of the transaction) in the numerator, and (b) the total amount of payments made in the year in the denominator.
- (3): Calculated as the quotient composed of (a) the sum (for the transactions under consideration) of (x) the amount of the transaction outstanding times (y) the number of days outstanding (calendar days elapsed from the date on which computation of the period begins until the last day of the period to which the financial statements relate) in the numerator, and (b) the total amount of payments outstanding at the year-end in the denominator.
- (4): Calculated as the ratio of total payments made within less than 60 days to total payments made (information required from 2022 onwards).
- (5): Calculated as the ratio of the total number of invoices paid in less than 60 days to the total number of invoices paid (information required from 2022 onwards).

- **Payments made and pending:**

	<u>31/12/2022</u>	<u>31/12/2021</u>	<u>31/12/2020</u>
PAYMENTS MADE AND PENDING	Unaudited (thousands of €)		
Total payments made	235,562	249,452	257,662
Total payments made in less than 60 days ⁽¹⁾	105,670	--	--
Total outstanding payments	24,566	61,908	62,098

(1): Information required from the 2022 financial year.

- **Invoices paid:**

	<u>31/12/2022</u>	<u>31/12/2021</u>	<u>31/12/2020</u>
PAYMENTS MADE AND PENDING	Unaudited (number)		
Total number of paid invoices ⁽¹⁾	86,170	--	--
Total number of invoices paid in less than 60 days ⁽¹⁾	60,378	--	--

(1): Information required from the 2022 financial year.

The calculation of the average supplier payment period takes into account the payments made in each year for commercial transactions relating to the delivery of goods or services, as well as the amounts for these transactions pending settlement at the end of each year included under “*trade payables*” in the consolidated balance sheet, referring only to the Spanish entities included in the consolidable group.

The maximum legal payment period applicable in 2022, 2021 and 2020, according to Law 3/2004 of 29 December 2004 and its amendment by Law 15/2010 of 5 July, which establishes measures to combat late payment in commercial transactions, is 60 days by default. The average period of payment to the Group’s suppliers exceeds the statutory maximum period partially on account of agreements arrived at with suppliers to defer payments or, where relevant, to initiate expenditure. In 2022 there was an increase in the average supplier payment period, partly due to the agreements reached with suppliers in connection with the 2022 Refinancing. However, the Group expects to be able to further reduce the average supplier payment period in the coming years.

- **Other non-trade payables:** This heading mainly includes remuneration payable and other payables to suppliers of fixed assets.
- **Other current liabilities:** This includes accruals generated mainly in the Education segment. These unfulfilled performance obligations are satisfied and transferred to the consolidated income statement mainly during the following year. This corresponds primarily to receipts recorded or invoices issued in the current year for which revenue will be accrued during the following year as the performance obligations associated with the contracts are fulfilled.
- **Current and non-current payables to credit institutions:** the change in the bank debt position is shown in the table below:

	<u>30/06/2023</u>	<u>31/12/2022</u>	<u>31/12/2021</u>	<u>31/12/2020</u>
	Unaudited⁽¹⁾	Audited		
CHANGE IN BANK DEBT	(thousand €)			
Prisa syndicated loan	--	--	748,152	752,896
Junior syndicated loan	84,786	192,013	--	--
Senior syndicated loan.....	575,105	575,105	--	--
Super Senior Debt.....	240,000	240,000	150,121	116,500

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

	<u>30/06/2023</u>	<u>31/12/2022</u>	<u>31/12/2021</u>	<u>31/12/2020</u>
	<u>Unaudited⁽¹⁾</u>	<u>Audited</u>		
CHANGE IN BANK DEBT	(thousand €)			
Loans, credit facilities, leasing and others	46,555	40,353	28,576	37,883
Fair value/present value in financial instruments/formalisation costs	(27,032)	(35,799)	22,411	6,035
Total bank debt	919,414	1,011,672	949,260	913,314

(1): Information subject to limited review.

As described in section 5.3 of the Registration Document, in the 2022 Refinancing, the Group's syndicated financial debt was modified, which involved, among other aspects, the division of the syndicated loan into two distinct tranches, one of Senior debt and the other of Junior debt.

The decrease of the Junior syndicated loan in the first half of 2023 is due to the repayment of EUR 110,000 thousand in February 2023 with the proceeds from the issuance of the convertible bonds (see (A) above), offset by the increase due to the accrual of the PIK (capitalisable interest) on the loan and the fair value effect.

The decrease in Prisa's syndicated loan in 2020 was mainly due to the repayment of debt with the proceeds from the sale of Santillana España and the sale of Media Capital executed in 2020 (see section 5.3 of the Registration Document).

In relation to the Super Senior Debt, this debt was partially repaid in 2021 in the amount of EUR 80,000 thousand. EUR 108,500 thousand was made available again in the same year. In addition, and within the framework of the 2022 Refinancing, the Company signed in April 2022 an agreement for the modification of the 2018 Super Senior debt (Super Senior Term & Revolving Facilities Agreement) for a maximum amount of up to EUR 240,000 thousand, which was fully drawn down as at 31 December 2022 and 30 June 2023.

Of the total debt with credit institutions at 31 December 2022, 98.30% was denominated in euros (98.5% at 31 December 2021 and 97.36% at 31 December 2020) and the rest in foreign currency, with no significant variations during the first half of 2023.

The average interest rate on the Group's bank borrowings⁽¹⁸⁾ in 2022, 2021 and 2020 was 6.53%, 5.25% and 5.41%, respectively. In the first half of 2023, the average interest rate on bank debt⁽¹⁸⁾ stood at 8.25%.

Furthermore, of the total debt with credit institutions at 31 December 2022, 2021 and 2020, 97.67%, 97.58% and 96.75%, respectively, was linked to a floating interest rate and the rest to a fixed interest rate, with no significant variations during the first half of 2023 (see risk factor no. 3).

The financial debt is initially recognised by its fair value, also recording the costs incurred obtaining it. In subsequent periods, it is carried at amortised cost, i.e. at the amount at which it was measured on initial recognition, net of principal repayments, plus any difference between the initial amount and the amount at maturity, using the effective interest method.

The balances of bank borrowings at 30 June 2023 and at 31 December 2022, as well as the limits and expected maturities, are as follows:

	<u>Maturity</u>	<u>Limit</u>	<u>Drawn-down amount maturing at short term</u>	<u>Drawn-down amount maturing at long term</u>
DEBTS TO CREDIT INSTITUTIONS AT 30/06/2023	Unaudited⁽¹⁾ (thousands of €)			
Junior syndicated loan ⁽²⁾	2027	84,786	--	84,786
Senior syndicated loan	2026	575,105	--	575,105
Super Senior Debt	2026	240,000	--	240,000
Loans, credit facilities, leasing and others	2023-2027	75,776	38,356	8,199

(18): Alternative performance measure. For more information, see Appendix I of the Registration Document ("*Glossary of alternative performance measures*").

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

	<u>Maturity</u>	<u>Limit</u>	<u>Drawn-down amount maturing at short term</u>	<u>Drawn-down amount maturing at long term</u>
DEBTS TO CREDIT INSTITUTIONS AT 30/06/2023				
Unaudited⁽¹⁾ (thousands of €)				
Fair value/present value in financial instruments/formalisation costs.....	2027	--	--	(27,032)
Total		975,667	38,356	881,058

(1): Information subject to limited review.

(2): The long-term amount drawn down at 30 June 2023 includes capitalisable interest of EUR 9,027 thousand.

	<u>Maturity</u>	<u>Limit</u>	<u>Drawn-down amount maturing at short term</u>	<u>Drawn-down amount maturing at long term</u>
DEBTS TO CREDIT INSTITUTIONS AT 31/12/2022				
Audited (thousands of €)				
Junior syndicated loan ⁽¹⁾	2027	192,013	--	192,013
Senior syndicated loan.....	2026	575,105	--	575,105
Super Senior Debt.....	2026	240,000	--	240,000
Credit facilities	2023-2024	21,590	2,547	--
Loans.....	2023-2027	15,442	9,705	5,737
Finance leases, interest and other	2023-2026	28,254	18,572	3,792
Present value in financial instruments/formalisation costs	2027	--	--	(35,799)
Total		1,072,404	30,824	980,848

(1): The long-term amount drawn down includes capitalised interest of EUR 6,664 thousand.

Also, at 30 June 2023 and 31 December 2022, the Prisa Group's net bank debt including IFRS 16 amounted to EUR 866.4 million and EUR 925.6 million, respectively (equivalent to 5.1 times and 6.3 times adjusted EBITDA, respectively⁽¹⁹⁾).

The main loans and credits with financial institutions are described below:

– *2022 Refinancing*

In February 2022, the Board of Directors of Prisa unanimously approved the signing of a lock-up agreement incorporating a term sheet with the basic conditions for the modification of the Group's syndicated financial debt, the 2022 Refinancing. The 2022 Refinancing came into effect on 19 April 2022, once the agreements reached with all of its creditors were made public.

Therefore, in the context of the 2022 Refinancing, Prisa agreed to renew its syndicated loan (override agreement) for a total nominal amount of EUR 751,114 thousand, which has been structured in two tranches with the following characteristics:

- The nominal amount of the senior debt was fixed at EUR 575,105 thousand, which includes EUR 5,633 thousand of refinancing costs with the credit institutions that have increased the principal of the debt, and with a maturity until 31 December 2026.
- The nominal amount of the junior debt was fixed at EUR 185,349 thousand, which includes EUR 3,707 thousand of refinancing costs with the credit institutions that have increased the principal of the debt, and with a maturity until 30 June 2027.
- The cost of the senior debt is benchmarked to the Euribor⁽²⁰⁾ +5.25% payable in cash, while the cost of the junior debt is benchmarked to the Euribor⁽²⁰⁾ +8% payable partly in cash and partly capitalised.

(19): Alternative performance measure. For more information, see Appendix I of the Registration Document ("*Glossary of alternative performance measures*").

(20): This is the 1, 3 or 6-month Euribor, depending on the interest settlement window chosen by the Company at each maturity. In other words, the Company periodically chooses the interest payment window according to the previous periods, and based on this, the Euribor for that term and for that interest settlement is applied. A new interest payment window would then start as described above.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- The partial modification of the package of debt guarantees.
- Relaxation of the contractual commitments of the existing debt which allowed, among other improvements, to soften the financial ratios required by the contracts in force up to that time.
- A refinancing, structuring and underwriting fee was agreed, which the Company may pay in cash or by issuing shares. Prisa opted to pay the aforementioned fee through issuing shares, whereby 32 million new Prisa shares were issued in June 2022, which it delivered to the creditor entities and those who acted as structuring and/or underwriters of the 2022 Refinancing, and who were entitled to the subscription.

The agreed 2022 Refinancing made the terms of the Group's financial debt more flexible and provided it with a new financial structure to meet its financial commitments, to the benefit of the Group's stability in the short and medium term.

The 2022 Refinancing agreement also entailed a reorganisation of the debt in terms of borrowers, so that the financial debt previously held by Prisa Activos Educativos, S.A.U. was transferred to the Company for a nominal amount of EUR 691,590 thousand.

The new financial contracts stipulated the fulfilment of certain financial ratios for the Group, the application of which began on 30 June 2022, and the non-fulfilment of which would result in the occurrence of an early maturity event of the bank debt (see section 8.3 of the Registration Document). In addition, the agreements associated with the 2022 Refinancing include causes for early maturity that are customary in this type of agreement, including the non-payment of financial obligations by the Company and the guarantors of the debt, a change in the control structure of Prisa (excluding for these purposes the significant shareholders of Prisa at the date of the 2022 Refinancing) by one or more persons acting in concert among themselves (understood as (i) holding or controlling the exercise of more than 50% of the voting rights exercisable at a general shareholders' meeting, (ii) the ability to appoint or remove all or a majority of the directors, or equivalent positions, of the Company; or (iii) the ability to define the operating or financial policies of the Company), the ability to appoint or remove all or a majority of the directors, or equivalent positions, of the Company, or (iv) the ability to define the operating or financial policies of the Company); (ii) the ability to appoint or remove all or a majority of the directors, or equivalent positions, of the Company; or (iii) the ability to define the operating or financial policies of the Company), misrepresentation in financial statements, a declaration of insolvency at the level of the guarantors of the debt or material companies of the Prisa Group, the execution of any expropriation, attachment, foreclosure or similar process over assets of the Company or any guarantor of the debt for an aggregate amount exceeding EUR 5,000,000, the breach of any provision of the financing agreements and of the intercreditor agreement that is not remedied within a period of less than 20 business days, the cessation of business or an expropriation of business or assets that would prevent the Prisa Group from continuing to carry on its business as usual, among others.

Additionally, these contracts include cross-default provisions that could result, if the default occurs in financing contracts with third parties and exceeds certain amounts, in the early maturity and termination of such contracts. Such cross-default clauses would apply in the event that payment obligations on any tranche of third-party debt are defaulted on by any Prisa Group company when due (or, if applicable, after its grace period) or in the event that any tranche of third-party debt is declared due prior to its maturity date or cancelled as a result of the occurrence of an event of default as indicated above. No such defaults have occurred since the effective date of the 2022 Refinancing, nor are they expected in the next 12 months.

Finally, as part of the 2022 Refinancing agreement, the distribution of Prisa's dividends is subject to the limitations and commitments acquired with financial creditors.

– *Other aspects of debt:*

The guarantee structure for syndicated debt is as follows:

- Personal guarantees: the Senior and Junior debt, as refinanced in April 2022, is jointly and severally guaranteed by Prisa and the companies Prisa Activos Educativos, S.A.U., Diario El País, S.L., Grupo de Medios Impresos y Digitales, S.L.U., Grupo Santillana Educación Global, S.L.U., Prisa Media S.A.U. and Prisa Gestión Financiera, S.L.U.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Likewise, and in accordance with this agreement, Prisa Activos Educativos and Prisa Media were transformed into public limited companies, formerly limited liability companies.

- **Security interests:** As a result of the 2022 Refinancing, Prisa has currently pledged certain current accounts held by it and, in addition, the guarantors have pledged, as appropriate, shares and equity interests in certain Group companies and certain bank accounts held by them, all as security for the aforementioned creditors.

A security interest was also granted over the shares of Prisa Radio, S.A. (80% of its share capital) and 100% of the shares (100% of the share capital) of Prisa Activos Educativos, S.A.U., Prisa Media, S.A.U., Prisa Gestión Financiera, S.L.U. and Grupo Santillana Educación Global, S.L.U. Likewise, given its significance in the Group, a pledge was also constituted on 100% of the shares of Editora Moderna Ltda. (Brazil).

- *Accounting aspects of 2022 Refinancing:*

The Company carried out an analysis of the conditions agreed under the 2022 Refinancing and concluded that they constituted a substantial modification of the previous conditions from a qualitative point of view, inter alia, due to the existence of a refinancing, structuring and underwriting fee that could be paid in shares, the modification of the collateral structure and the flexibility to carry out certain purchase and sale transactions. This resulted in the cancellation of the original financial liability and the recognition of a new liability arising from the 2022 Refinancing. The initial recognition of the financial liability was at fair value, which resulted in the initial recognition of finance income of EUR 38,285 thousand under “*fair value in financial instruments*” in the consolidated income statement at 31 December 2022, for the difference between the par value of the debt held by the Group and its fair value at the date of initial recognition. For this purpose, the listed value of the debt on the secondary market was used, according to information provided by a third party on the date of the public offering of the 2022 Refinancing agreement. The fair value of the 2022 Refinancing debt at that date and according to this calculation amounted to EUR 722,169 thousand. Thereafter, the difference between the par value of the debt and its initial fair value will be expensed in the consolidated income statement using the effective interest rate.

In addition, all expenses and fees relating to the 2022 Refinancing were recognised in the account “*Debt arrangement expenses*” in the consolidated income statement at 31 December 2022, including, among others, various fees, in the form of initial discount (“*OID*”) and participation fees (“*consent fees*”) and other associated expenses, for a total amount of EUR 23,505 thousand. In this respect, the refinancing, structuring and underwriting fee, which Prisa opted to pay through the issue of the shares referred to above, was treated from the outset of the 2022 Refinancing as an equity instrument, as it was Prisa’s discretion as to the method of settlement thereof. This resulted in recording in the 2022 financial year an expense in the account “*Debt formalisation expenses*” in the amount of EUR 20,288 thousand with a credit to consolidated equity. For this purpose, the 32 million shares to be issued were valued at Prisa’s share price on the date the 2022 Refinancing agreement was made public.

Finally, a positive impact was recorded under the heading “*Changes in value of financial instruments*” of the financial result in the amount of EUR 23,434 thousand, associated with the derecognition of the original financial liability for interest accrued in prior periods (which accrues at the effective interest rate (“*EIR*”) that did not have to be paid in the end. For further information, see section 18.2.1 of the Registration Document.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

– **Modification of the Super Senior Debt:**

In addition to the Senior and Junior loans referred to above (see “2022 Refinancing” above), Prisa signed an agreement for the modification of the 2018 Super Senior debt (“Super Senior Term & Revolving Facilities Agreement”) on 8 April 2022 for a maximum amount of up to EUR 240,000 thousand. This agreement entailed an extension of its maturity until 30 June 2026, with a cost indexed to Euribor⁽²¹⁾ +5% payable in cash. In addition, the amendment of the agreement led to a change of lender.

Of the total amount of the Super Senior Debt, EUR 160,000 thousand corresponded to the new Super Senior Term Loan Facility, drawn down at the time of the 2022 Refinancing and with which the previous Super Senior debt was fully cancelled for the amount thereof at 19 April 2022, and EUR 80,000 thousand corresponded to a revolving credit line, Super Senior Revolving Facility debt, intended to cover operational needs, which was not drawn down at 31 December 2021. In the last quarter of 2022, the Company drew down the entire Revolving Facility in the amount of EUR 80,000 thousand, so that, at 31 December 2022 and at the date of the Registration Document, the amount drawn down on the Super Senior Debt totalled EUR 240,000 thousand.

The collateral structure of this Super Senior debt is the same as that referred to above in respect of Prisa’s Senior and Junior debt, such that the creditors of this debt and the creditors of the syndicated debt share the same collateral package. However, the Super Senior debt has a preferential ranking for collection and enforcement of collateral over the Senior and Junior debt in the event of a default under the financing agreements.

In addition, expenses related to the cancellation of the Super Senior Debt with the previous lender were recognised in “Other financial expenses” in the consolidated income statement at 31 December 2022. The costs associated with the arrangement of the debt with the new lender were capitalised and are taken to the consolidated income statement over the term of the loan using the effective interest method.

Capital management policy

The principal objective of Prisa’s capital management policy is to achieve an appropriate capital structure (equity and debt) that guarantees the sustainability of its business, aligning shareholder interests with those of its various financial creditors.

Accordingly, in recent years, the Directors of Prisa have taken a series of measures to strengthen the Group’s financial and equity structure, with a focus on profitable growth and value creation as described below.

On 29 June 2020, the General Shareholders’ Meeting of Prisa resolved to reduce the share capital in order to restore its equity balance.

On 19 October 2020, Prisa, through its subsidiary Grupo Santillana Educación Global, S.L., entered into an agreement with Sanoma Corporation, a Finnish media company with a presence in Europe in the education sector, for the sale of Santillana’s pre K-12 and K-12 business in Spain. This deal was closed on 31 December 2020.

In April 2022, the 2022 Refinancing came into force, which eased the terms of the Group’s financial debt and provided the Group with a new financial structure to meet its financial commitments, to the benefit of the Group’s stability in the short and medium term.

(21): This is the 1, 3 or 6-month Euribor, depending on the interest settlement window chosen by the Company at each maturity. In other words, the Company periodically chooses the interest payment window according to the previous periods, and based on this, the Euribor for that term and for that interest settlement is applied. A new interest payment window would then start as described above.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

In February 2023, the Company issued 351,350 subordinated debentures necessarily convertible into newly issued ordinary shares of Prisa, each with a nominal value of EUR 370, for a total nominal amount of EUR 129,999,500, which were fully subscribed. This issue raised the funds necessary to pay off, in part and in advance, the EUR 110 million tranche of the Company's junior syndicated financial debt. This issue improved the Group's equity position, insofar as this instrument was considered a compound financial instrument, in which almost all of the cash received from the issue was recorded as equity, insofar as the convertible bonds are mandatorily converted into new shares of the Company at a fixed conversion rate.

Within the framework of the aforementioned issue of subordinated debentures necessarily convertible into newly issued ordinary shares of the Company, in May 2023, the share capital of the Company was increased by a nominal amount of EUR 26,752.1 thousand to cover the early conversion of 267,521 subordinated debentures, which have been converted and redeemed after the first ordinary conversion period of the issue.

Currently, the net worth of Prisa (parent company) is more than two thirds of the share capital, which means that it is in a situation of equity equilibrium.

Future payment commitments

The following table displays the contractual obligations of Prisa as at 31 December 2022. It does not include the obligations related to the company's 2022 Refinancing, and the associated interest. These obligations will be included separately in the table below, restated at 30 June 2023 as they represent the Group's most significant commitment, which is as follows:

	Years						
	Total	2023	2024	2025	2026	2027	2028 onwards
MATURITY OF THE DEBT	Unaudited (thousands of €)						
Bank borrowing ⁽¹⁾	27,867	13,174	1,522	8,851	4,239	81	--
Cash interest obligations in respect of financial debt ⁽²⁾	47,537	12,191	11,782	11,782	11,782	--	--
Leases ⁽³⁾	83,213	18,688	16,052	16,052	9,717	9,717	12,987
Future commitments ⁽⁴⁾	88,654	22,680	19,529	18,473	9,040	9,322	9,610
Guarantees ⁽⁵⁾	4,875	3,095	--	--	--	--	1,780
Other liabilities ⁽⁶⁾	9,579	2,638	1,401	1,261	983	533	2,763
Total	261,725	72,466⁽⁷⁾	50,286	56,419	35,761	19,653	27,140

(1): Includes the maturities of the debt with credit institutions of the Santillana and Media businesses at 31 December 2022.

(2): They represent an estimate of the future cash interest payments of the Santillana and Media businesses based on prevailing interest rates in 2023, i.e. the expected cash outflows in each year on that basis for the remuneration of loans and credit facilities drawn down (not being balances outstanding at year-end). Cash interest obligations include the remuneration of credit facilities which are usually drawn down and repaid during the same period, so that at the end of each year there is no balance outstanding or drawn down, which means that there is no change in cash in that period for this item. However, there is a negative cash flow variation due to the payment of interest associated with the period in which these policies have been drawn down, which is reflected in this line.

(3): Includes minimum lease payments derived from various assets and services used by Prisa. The most important are the buildings on Gran Vía, 32 (Madrid), Miguel Yuste (Madrid), Caspe (Barcelona), Santillana's warehouses and offices in Mexico and Brazil and the vehicles of the management staff.

(4): They represent an estimate of the Group's contractual commitments with Axion for the use of radio frequencies until 2031, amounting to EUR 53 million, with technology service providers and Indra Sistemas, S.A. for the provision of services for a period of three years and amounting to approximately EUR 12 million.

(5): Guarantees with an unspecified maturity date are included in the maturity window "2028 onwards".

(6): Includes long-term provisions for taxes corresponding to the estimated amount of tax liabilities arising from inspections carried out at various Prisa companies, which were in progress at 31 December 2022. As the maturity date of these obligations is undetermined, this amount is included in the maturity tranche of "2028 onwards". It also includes the provision for employment regularisation processes, which are expected to be implemented in the coming years.

(7): Of this amount, approximately EUR 42 million had fallen due by 30 June 2023 and has been duly paid.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The table below shows the Company's obligations as at 30 June 2023 arising from the 2022 Refinancing agreement:

DEBT AND INTEREST ARISING FROM THE 2022 REFINANCING	Years						2028 onwards
	Total	2023	2024	2025	2026	2027	
	Unaudited (thousands of €)						
Bank borrowing ⁽¹⁾	918,852	--	--	--	815,105	103,747	--
Cash interest obligations in respect of financial debt ⁽²⁾	255,075	36,421	75,281	72,796	66,433	4,144	--
Total	1,173,927	36,421	75,281	72,796	881,538	107,891	--

(1): Includes maturities of gross (nominal) debt. Includes payment in kind (PIK) on junior debt, i.e. interest that accrues and capitalises over the life of the loan and is not payable until the maturity of the loan. For this reason, the total debt with credit institutions in this table does not coincide with the Group's total debt at 30 June 2023.

(2): They represent an estimate of future cash interest payments based on the forward curve as of 14 September 2023, and in line with current debt levels and principal maturity schedule. Quarterly interest payments are due in January, April, July and October of each year.

Liquidity risk management

The management of liquidity risk includes the detailed monitoring of the repayment schedule of the Group's borrowings and the maintenance of credit lines and other financing channels that enable it to cover foreseeable cash needs at short, medium and long term. In this respect, the Group has Super Senior debt to meet operational needs and other Group companies have credit facilities for the same purpose.

The following table details the liquidity analysis of the Prisa Group at 30 June 2023, for its debt with credit institutions, which accounts for almost all non-derivative financial liabilities. The table has been compiled on the basis of cash outflows undiscounted from expected contractual maturities. The flows include both the expected repayments and interest payments. Where such settlement is not fixed, the amount has been determined by considering the Euribor forward curve at 14 September 2023, current debt levels and the debt repayment schedule (on the basis that interest payments are made quarterly in January, April, July and October). The calculation of the flows has been made taking into account that the Company currently has interest rate hedges that limit the impact of any rise in the 3-month Euribor above 2.25% and 2.5% on nominal amounts of EUR 150 million each. The contracting of an additional hedge for a nominal amount of EUR 100 million has also been taken into account, which limits in this case, 3-month Euribor rises above 3% and up to a maximum of 5%.

MATURITIES OF DEBT WITH CREDIT INSTITUTIONS	30/06/2023	
	Unaudited (thousands of €)	Floating euro rates
Within 6 months	36,421	3.81%
From 1 to 3 years	148,077	3.42%
From 3 to 5 years ⁽¹⁾	989,429	2.83%
Total	1,173,927	--

(1): Includes payment in kind (PIK) accrued on Junior syndicated debt, i.e. interest that accrues and is capitalised over the life of the loan and is not payable until the maturity of the loan.

The Group's main financial liabilities are the Junior and Senior debt and the Super Senior Debt, which are linked to the Euribor. Therefore, an increase in Euribor would have a direct impact on the interest paid, and the impact would be calculated by multiplying this increase by the nominal amount of the previous loans, except for the nominal amounts subject to the contracted hedges which, as described above, limit the adverse impact of Euribor rises (see risk factor no. 3).

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Guarantees and collateral

At 30 June 2023 and 31 December 2022, the Prisa Group had provided personal guarantees (including counter-guarantees) amounting to EUR 1,780 thousand and EUR 4,875 thousand, respectively.

8.2. Sources and amounts of the issuer's cash flows

Prisa's sources and flows of cash are closely linked to the structure and nature of the revenues and costs that make up its income statement.

- Regarding the origin of funds, the main revenue lines (source) are:
 - *Advertising*: payments from advertising insertions in the Group's various media. The average collection period is around 90 days, except for programmatic advertising which is charged at 30 days.
 - *Books*: collections from institutional sales, schools, bookshops and other direct sales outlets, as well as those derived from education system models. The collection period is variable and is set out in the different sales contracts. In the case of income from the education system models, collection takes place either in full at the beginning of the school year or in instalments over the course of the school year.
 - *Circulation*: collections from sales of newspapers and periodicals and from subscriptions. The collection of sales of newspapers and magazines takes place in the month in which the sales are made and the collection of subscriptions at the time of subscription or according to the duration of the contract.
 - *Other income*: collections related to music sales, event organisation and management, e-commerce sales, audiovisual production and internet services.
 - *Divestment proceeds*: divestments made in non-strategic assets, the proceeds of which were basically used to pay off part of the Group's financial debt.
 - *Flows from financing activities*: from capital increases, issuing bonds, executing warrants or obtaining new liquidity facilities.

- Regarding payments, the main items are:
 - *Payments for the purchase of paper and other raw materials*: paper procurement for the production of the Group's books and newspapers.
 - *Payments to staff*: payment of the remuneration of the Group's staff.
 - *Commercial payments*: payment for services contracted by the Group. The main services include:
 - Advertising and promotion.
 - Independent professional services: partners, auditors, lawyers, consultants, etc.
 - Transport.
 - *Structure payments*: rents, supplies, general services, advertising commissions, royalties, etc.
 - *Financial liabilities*: remuneration related to existing bank loans and other sources of financing, which are settled in accordance with the terms of the contracts entered into.
 - *Investment payments*: operational investments to ensure the correct development of the Group's various activities.

Prisa's consolidated cash flow statements for the 2022, 2021 and 2020 financial years as well as Prisa's consolidated cash flow statements for the first half of the 2023 financial year are included in sections 18.1.1 and 18.2.1 of the Registration Document.

The main changes in the Prisa Group's cash flows during the period covered by the historical financial information (2022, 2021 and 2020), as well as during the first half of the 2023 financial year, are shown below.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

First half of 2023

The net balance of cash flows in the first half of 2023 was negative EUR 46,956 thousand. In the first half of 2023, operating activities generated EUR 17,952 thousand, while investing and financing activities consumed EUR 13,584 thousand and EUR 52,219 thousand, respectively. The exchange rate effect was positive and contributed EUR 895 thousand of cash.

The most significant variations are detailed below:

- The most important movements in cash flows from operating activities correspond to the significant collection of advertising in the last quarter of 2022 at Media and part of the 2022 South Campaigns at Santillana, as well as the collection of advertising in the first months of 2023, which is higher than the payment of taxes (EUR 8,574 thousand), indemnities (EUR 6,724 thousand) and current expenses in the first half of 2023, which has generated a positive cash flow from operating activities of EUR 17,952 thousand.
- The most significant movements in cash flows from investing activities relate mainly to investments made by Santillana in digital developments and learning systems (EUR 3,318 thousand) and prototypes (EUR 10,077 thousand), as well as investments by both Media and Santillana in equipment for information processes (EUR 1,200 thousand) and computer applications (EUR 4,756 thousand), offset by the collection of dividends from Radiópolis amounting to EUR 2,586 thousand, collection of interest associated with short-term deposits made with cash surpluses in the Education business and Prisa amounting to EUR 2,562 thousand.
- The most significant cash flow movements from financing activities relate to: (i) the inflow of funds deriving from the issue of mandatory convertible bonds, net of costs, in the amount of EUR 127,579 thousand; (ii) the payment of part of the purchase of 20% of Prisa Radio from Grupo Godó for EUR 15,000 thousand; (iii) the payment of EUR 37,816 thousand of interest on bank debt; (iv) the payment of EUR 11,922 thousand associated with lease liabilities; (v) the payment of EUR 3,710 thousand for the arrangement of interest rate hedges; and (vi) the net repayment of EUR 107,945 thousand of debt.

2022

The net balance of cash flows in 2022 was positive at EUR 20,824 thousand. In 2022, operating activities generated EUR 107,209 thousand, while investing and financing activities consumed EUR 50,412 thousand and EUR 40,119 thousand, respectively. The exchange rate effect was positive and contributed EUR 4,146 thousand of cash.

The most significant variations are detailed below:

- The most significant movements in cash flows from operating activities corresponded to the collection of advertising sold mainly until the last quarter of 2022 and a significant part of that of the last quarter of 2021 in Media, of Santillana's entire North Campaign and a large part of the South Campaign, which is higher than the payment of current expenses, payment of taxes (EUR 15,494 thousand) and indemnities (EUR 18,283 thousand), which generated a positive cash flow from operating activities of EUR 107,209 thousand.
- The most important movements in cash flows derived from investing activities correspond, fundamentally, to the investments made by Santillana in digital developments and learning systems (EUR 3,556 thousand) and prototypes (EUR 27,184 thousand), as well as the investments of both Media and Santillana in equipment for information processes (EUR 3,643 thousand) and computer applications (EUR 12,742 thousand).
- The most significant cash flow movements from financing activities relate to: (i) the payment of part of the purchase of 20% of Prisa Radio from Grupo Godó of EUR 30,000 thousand; (ii) the payment of EUR 50,714 thousand of interest on bank debt; (iii) the payment of EUR 24,255 thousand associated with lease liabilities; (iv) the payment of EUR 16,075 thousand of costs of the 2022 Refinancing; (v) the payment of EUR 4,813 thousand for the arrangement of an interest rate hedge; (vi) the payment of dividends to Media's minority shareholders in the amount of EUR 5,196 thousand; and (vii) the net drawdown of EUR 92,384 thousand of debt.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

2021

The net balance of cash flows in 2021 was negative EUR 53,207 thousand. In 2021, operating activities generated EUR 78,663 thousand, while investing and financing activities consumed EUR 47,719 thousand and EUR 86,522 thousand, respectively. The exchange rate effect was positive and contributed EUR 2,371 thousand of cash.

The most significant variations are detailed below:

- The most significant movements in cash flows from operating activities corresponded to the collection of advertising sold mainly until the last quarter of 2021 and a significant part of that of the last quarter of 2020, in Media, of the entire Santillana North Campaign and a large part of the South Campaign, as well as the collection of VAT assessments amounting to EUR 8,300 thousand, which is higher than the payment of current costs, termination benefits (EUR 30,348 thousand) and taxes (EUR 13,219 thousand), which generated a cash flow from positive operating activities of EUR 78,663 thousand.
- The most important movements in cash flows derived from investing activities corresponded, fundamentally, to the investments made by Santillana in digital developments and learning systems (EUR 5,908 thousand) and prototypes (EUR 21,856 thousand), as well as the investments of both Media and Santillana in equipment for information processes (EUR 2,414 thousand) and computer applications (EUR 11,667 thousand) amounting to EUR 45,268 thousand. Additionally, in 2021, EUR 9,469 thousand of costs associated with the sale of Santillana España were paid in December 2020 and EUR 5,156 thousand of asset sales and EUR 1,828 thousand of dividends were collected.
- The most significant cash flow movements from financing activities related to: (i) the payment of EUR 36,127 thousand of interest in bank debt; (ii) the payment of EUR 46,926 thousand associated with lease liabilities. This payment includes EUR 20,572 thousand of extraordinary fee for the renegotiation of the rental contracts of the Miguel Yuste (Madrid), Gran Vía (Madrid) and Caspe (Barcelona) offices; (iii) the payment of EUR 4,800 thousand of costs of the 2020 Refinancing; and (iv) the net disposal of EUR 7,716 thousand of debt.

2020

The net balance of cash flows in 2020 was positive at EUR 55,299 thousand. In 2020, operating activities generated EUR 54,158 thousand, investing activities generated EUR 425,859 thousand, while financing activities consumed EUR 437,652 thousand. The exchange rate effect was negative and consumed EUR 12,453 thousand of cash and discontinued operations generated EUR 25,387 thousand.

The most significant variations are detailed below:

- The most significant movements in cash flows from operating activities corresponded to the collection of advertising sold mainly until the last quarter of 2020 in Media and of a significant part of that of the last quarter of 2019, in Media, of the entire Santillana North Campaign and a large part of the 2019 South Campaign, as well as EUR 22 million from the 2019 institutional sale of Brazil, which is higher than the payment of current costs, termination benefits (EUR 8,361 thousand) and taxes (EUR 17,849 thousand), which generated cash flow from positive operating activities of EUR 54,158 thousand.
- The most important movements in cash flows derived from investing activities corresponded, fundamentally, to the investments made by Santillana in digital developments and learning systems (EUR 8,655 thousand) and prototypes (EUR 19,548 thousand), as well as the investments of both Media and Santillana in equipment for information processes (EUR 2,548 thousand) and computer applications (EUR 11,099 thousand) amounting to EUR 45,411 thousand. In addition, in 2020, EUR 411,206 thousand net of costs were collected from the sale of Santillana España and EUR 40,029 thousand net of costs from the sale of 94.69% of Media Capital. In addition, EUR 10,922 thousand of dividends were collected.
- The most significant cash flow movements from financing activities related to: (i) the payment of EUR 61,170 thousand of bank debt; (ii) the payment of EUR 27,133 thousand associated with lease liabilities; (iii) the payment of EUR 9,846 thousand of costs of the 2020 Refinancing; (iv) the repayment of EUR 417,000 thousand of debt with the proceeds from the sale of Media Capital and Santillana España and (v) the disposal of EUR 80,000 thousand of the Super Senior policy.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- The change in cash flows from discontinued operations of EUR 25,387 thousand includes the cash generated by Media Capital and Santillana España up to the time of their sale.

8.3. Information regarding the borrowing requirements and the funding structure of the issuer.

The financing structure of Prisa is described in section 8.1.(B) of the Registration Document.

Financing contracts contain three types of obligations, which are common in this type of contract: (i) financial obligations; (ii) reporting obligations; and (iii) general obligations.

(i) Obligations of a financial nature

The contracts associated with the Junior and Senior syndicated debt and the Super Senior Debt include the obligation to comply with three financial ratios:

- Consolidated Net Financial Debt (including IFRS 16 liabilities) over consolidated EBITDA. The above figures are adjusted for amounts attributable to minority shareholders, and in the case of EBITDA for other adjustments set out in the contracts.
- Maintenance of a minimum level of liquidity in Spanish cash pooling perimeter companies (applied until 30 September 2023).
- Hedging of interest and principal payments on the financial debt associated with the 2022 Refinancing, so that the Group's cash flow is sufficient to meet the payment of these commitments.

The financial ratios required for the coming years under the contracts associated with the Junior and Senior Syndicated Debt and the Super Senior Debt are as follows:

Ratio of consolidated net financial debt/consolidated EBITDA ^(*) shall not exceed ^(*) :	31 December 2023: 7.71 31 March 2024: 7.00 30 June 2024: 7.24 30 September 2024: 6.83 31 December 2024: 6.09 31 March 2025: 5.61 30 June 2025: 6.3 30 September 2025: 5.97 31 December 2025: 5.38
Group cash flow change (excluding the amount in the denominator from this cash flow change) ^(**) / Interest and principal payments on the financial debt associated with the 2022 Refinancing ^(**) shall not be less than ^(*) :	From 31 December 2023: 1.00

^(*): Definitions agreed in the 2022 Refinancing contracts, which differ from the definitions used by the Company in the development of the alternative performance measures included in Appendix I of the Registration Document ("*Glossary of alternative performance measures*").

^(**): Amounts referring to the 12-month period prior to the measurement date of the financial ratio.

Compliance with these ratios is assessed on a quarterly basis (if applicable, according to the schedule foreseen in the respective contracts) by sending a certificate of compliance to the agent entity, in its capacity as agent for the financial debt associated with the 2022 Refinancing, signed by Prisa's CFO. Annually, the certificate incorporates a report prepared by the Company's auditors.

A breach of the above financial ratios would result in the occurrence of an early maturity event of the bank debt included in the framework of the 2022 Refinancing which could result in the financial debt becoming immediately due and payable (see risk factor no. 2 and section 8.1(B) of the Registration Document). As at the date of the Registration Document, Prisa considers that it complies with the above ratios.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

(ii) Reporting obligations

Financing contracts incorporate information obligations that are customary in this type of contract, including the following:

- Consolidated quarterly interim financial information of the Company, certified by Prisa's chief financial officer and accompanied by a statement from the chief executive officer comparing the information for the reporting period against budget and the same period of the previous year.
- Monthly consolidated financial information of the Company in terms of cash flow, net indebtedness, cash flow statement and income statement.
- In the case of annual reporting, the audited financial statements of the Group, as well as a certification by the chief financial officer of each company that such information gives a true and fair view of its financial position and operations as at that date, shall be included.
- Certificates of compliance with financial ratios on a quarterly basis, as described above, including representation that the Company is not in default.
- Annual and monthly budget with forecasts of results and cash flows, working capital, investment in fixed capital, among other aspects for the Prisa Group.
- Presentation to lenders of the results and progress of business 30 days after the Group's annual financial statements are disclosed to the market.
- Annual confirmation that the guarantor subsidiaries account for more than 85% of consolidated EBITDA and net assets (according to the methodology defined in the contracts) and of the material subsidiaries for the purpose of the contracts.
- Sustainability report.

(iii) General obligations

In addition, Prisa and the obligors have assumed a number of obligations (both to do and not to do) that are customary in this type of financing agreement, including the obligation not to create or allow any security interest or charge to be created over its property or assets, except for legal charges or certain permitted guarantees, the obligation not to incur indebtedness or grant loans, credits, personal guarantees or any type of financing in favour of third parties (except as expressly permitted in the contract) or prohibitions on the incorporation and acquisition of companies, shares, businesses or assets and sales of assets, except as permitted.

Likewise, Prisa and the obligors have assumed certain obligations related to the management of the Group, including the obligation to have their consolidated financial statements audited annually by a firm of recognised prestige, not to vary their accounting criteria and practices unless required by applicable regulations, to carry out transactions between Group companies on an arm's length basis, comply with applicable regulations, maintain and retain any relevant licences, permits or authorisations necessary for the conduct of its business, keep its business and assets insured, not agree to a material change in the nature or scope of its business, and not pay dividends, except in the case of permitted distributions, as described in section 18.5 of this Registration Document.

8.4. Information regarding any restrictions on the use of capital resources which, directly or indirectly, have materially affected or may materially affect the issuer's operations.

As described in sections 8.1.(B) of the Registration Document, the financing agreements entered into by Prisa, as is customary in this type of agreement, contain limitations, except in expressly permitted cases, on the Group's capacity for additional indebtedness and on the granting of financing to Group entities outside the scope of the guarantors of the financing agreements, as well as on the capacity to make new acquisitions or divestments. Similarly, the aforementioned contracts provide for the obligation to allocate a relevant variable portion of the net proceeds from permitted asset disposals to debt repayment and to comply with certain financial ratios (see section 8.3 of the Registration Document).

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

8.5. Information concerning the expected sources of the funds necessary to meet the commitments mentioned in section 5.7.2.

In general, Prisa expects to finance current and future investments with the resources it has available at any given time, except for specific resources that may be necessary, where appropriate, in relation to activities outside the ordinary course of the Group's business.

9. REGULATORY FRAMEWORK

9.1. Regulatory framework in which the issuer operates and which may materially affect its business, together with information on any administrative, economic, fiscal, monetary or political actions or factors which, directly or indirectly, have materially affected or may materially affect the issuer's operations.

(i) Introduction

Prisa's businesses, activities and investments in the fields of education, audiovisual, radio and press are subject to various laws, decrees, regulations, rules and procedures in Spain and in the other countries in which Prisa operates. The following is a summary of the substantive laws, decrees, rules, regulations, procedures and authorisations to which Prisa's business, activities and investments are currently subject. These summaries are not intended to be exhaustive and should be read in conjunction with the full texts of the relevant laws, decrees, rules, regulations, procedures and authorisations described therein. In addition, these laws and regulations are subject to change and, in some cases, new interpretations, all of which could substantially alter the following.

(ii) Legal regime for radio services

1. Radio services in Spain:

Radio broadcasting in Spain is mainly carried out by SER and its Spanish subsidiaries and investees, which are subject to the General Audiovisual Communication Law and the various regional decrees that implement it and which are applicable when broadcasting is carried out in their territorial area of coverage.

The General Law on Audiovisual Communication regulates public and private audiovisual communication services, television and radio in Spain, establishing a basic common framework currently applicable to all of them regardless of the form of transmission and the technology used (terrestrial broadcasting, cable, satellite, etc.). The new regulatory framework replaces the existing legislation until 2010 (the "**previous legislation**") on television and radio and content regulations, including, inter alia, Law 10/1988 of 3 May on Private Television, Law 66/1997 of 30 December, Law 7/2009 of 3 July, Law 37/1995 of 12 December, Law 25/1994 of 12 July, Law 21/1997 of 3 July and Law 31/1987 of 18 December.

Under the previous legislation, the provision of broadcasting services by private individuals was considered a "public service" and required an administrative concession to be obtained beforehand. Concessions were awarded by public tender and had a term of 10 years. This period could be extended at the request of the holders, for successive periods of the same duration.

With the General Law on Audiovisual Communication, radio broadcasting services are now considered radio audiovisual communication services and their nature is that of "services of general interest" which are provided in the exercise of editorial responsibility in accordance with the principles of Title I and under the protection of constitutional rights; these services are subject to obtaining a licence, but not to an administrative concession. The concessions of the companies integrated in Prisa Radio were transformed between 2010 and 2012 into licences for the provision of an audiovisual radio communication service. The term of the licences is 15 years from the date of conversion, automatically extendable for successive 15-year periods provided that the conditions laid down in the General Law on Audiovisual Communication are met.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Restrictions on the control of broadcasting licences

As indicated above, it is necessary to have an administrative licence granting the right to broadcast and operate in the radio audiovisual communication market. The VHF FM sound broadcasting frequencies on which administrative broadcasting licences are granted in Spain are basically those listed in *Royal Decree 964/2006, of 1 September, approving the National Technical Plan for VHF FM radio broadcasting* (the “**Technical Plan for FMs 2006**”) and in *Royal Decree 765/1993, of 21 May approving the National Technical Plan for Medium Wave (MF) Sound Broadcasting* (together with the 2006 FM Technical Plan, the “**Technical Plans**”).

The Technical Plans plan the frequency bands in such a way that the signal from all stations are radio-electrically compatible without interference or disturbance between them. With the approval of the 2006 Technical Plan for FMs, it is not possible to speak of spectrum saturation, but rather of spectrum congestion in certain towns or places, a situation that is sometimes aggravated, mainly due to the existence of illegal stations operating without a licence, making it unlikely that the 2006 Technical Plan for FMs will be extended to accommodate more administrative licences to operate in the same service or coverage area.

The only way to expand the radio spectrum would be through its digitisation, and the approval of a technical plan for the integral digitisation of the terrestrial radio broadcasting service, which was foreseen in the previous legislation, and which the current General Law on Audiovisual Communication has not contemplated.

The main consequences of digitisation would be the purging of the spectrum of the presence of illegal broadcasters operating without a licence, and the possibility of expanding the range of audiovisual projects, since the new DAB+ technological standard present in some European countries can triple the broadcasting capacity of each of the multiplex frequency channels.

In accordance with the General Law on Audiovisual Communication, a single natural or legal person may not acquire shareholdings or voice rights that would allow it to directly or indirectly control more than 50% of the administrative licences to provide terrestrial radio broadcasting services that coincide in their area of coverage, with a maximum limit of five licences in the same area of coverage. In a single autonomous community, no natural or legal person may acquire holdings or voice rights that give them direct or indirect control of more than 40% of the existing licences in areas where only one licence is covered.

No natural or legal person may acquire holdings or voting rights that would give them direct or indirect control of more than one third of all administrative licences for the terrestrial radio broadcasting service with total or partial coverage over the whole of Spanish territory. In order to limit the number of licences that can be controlled at the same time, broadcasting stations directly managed by public entities are not counted when counting these limits.

All these limits shall apply separately to digital and analogue broadcasting licences. For the purposes of calculating these limits, the concept of “control” shall have the meaning set out in Article 42 of the Commercial Code.

Restrictions on ownership, transfer of shareholdings and transfer of licences

Under the previous legislation, broadcasting concessions could be obtained either directly by awarding them in competitions held for this purpose or by purchasing them from their holder, subject to administrative authorisation. Any change in the ownership of shares in companies holding radio concessions had to be authorised by the competent authority.

In accordance with the General Law on Audiovisual Communication, broadcasting licences may be transmitted and leased subject to certain conditions laid down in that law and with the prior authorisation of the competent authority, at state or regional level. The conclusion of these legal transactions shall be subject, in all cases, to the payment of a fee to be determined by the Government for State licences, or by the Autonomous Communities in all other cases. Furthermore, there are no restrictions on the transfer of shares or holdings of licensees (except in certain circumstances as explained in the following paragraph).

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Holders of significant shareholdings in an audiovisual media service provider, such as broadcasters, must be registered in the State Register of Audiovisual Media Service Providers.

As far as foreign investments are concerned, according to the General Law on Audiovisual Communication, natural or legal persons who are nationals of countries that are not members of the European Economic Area (the “EEA”) may only acquire equity or voting rights in holders of an audiovisual media service licence, such as broadcasters, in accordance with the principle of reciprocity. Under this principle, a natural or legal person who is a national of a non-EEA country may hold a percentage interest in the share capital of a terrestrial broadcasting service licensee in Spain which is equal to or less than the percentage interest which a Spanish person may hold in the capital of a terrestrial broadcasting service licensee in the non-EEA country concerned.

The General Law on Audiovisual Communication also includes a ceiling on direct or indirect ownership by a natural or legal person who is a national of a non-EEA member state. Individual shareholdings may not exceed, directly or indirectly, 25% of the share capital. In addition, the aggregate of the holdings in the same legal person of several natural or legal persons who are nationals of non-EEA countries must be less than 50% of the share capital.

Penalty regime

The penalty regime applicable to the provision of terrestrial television services is contained in Articles 154 et seq. of the General Law on Audiovisual Communication. Infringements are graded according to their seriousness and the penalties applicable are determined on a case-by-case basis. In particular, penalties for providers of audiovisual radio communication services range from a fine of up to EUR 50,000 for minor infringements, EUR 100,000 for serious infringements and up to EUR 200,000 and revocation of the licence for very serious infringements.

2. Radio Services in Colombia:

The radio activity in Colombia is carried out mainly through the company Caracol Primera Cadena Radial Colombiana, S.A. (Caracol, S.A.) and its Colombian subsidiaries and investees. In 1999, Prisa becomes a minority shareholder in Caracol, S.A. (19%) and in 2003 Prisa acquired controlling interest in Caracol, S.A. (77%) which it currently holds.

Radio broadcasting in Colombia is a public service, under the responsibility and ownership of the State, aimed at satisfying the telecommunications needs of the inhabitants of the national territory and whose broadcasts are intended to be received by the general public. In this respect, the provision of the public radio broadcasting service requires a concession licence (in the case of community and public interest broadcasters) or concession contract (in the case of commercial broadcasters), which include the spectrum use permit, granted by the Ministry of Information and Communication Technologies (the “MINTIC”).

Concessions are granted by the MINTIC by means of a concession contract following an objective selection procedure and subject to the “National Technical Plan” (technology, coverage, power, etc.). The concession is granted for periods of 10 years, which may be extended indefinitely (subject to minimum requirements) for equal periods. There are no automatic or free extensions.

The rights, guarantees and duties provided for in the Political Constitution of the Republic of Colombia (1991); Law 80 of 1993; Law 1098 of 2006; Law 1150 of 2007; Law 1341 of 2009, as amended by Law 1978 of 2019, which defines principles and concepts on the information society and the organisation of Information and Communications Technologies (ICT), creates the National Spectrum Agency and establishes other provisions, are applicable to the sound broadcasting service; Law 1978 of 2019, which modernises the Information and Communications Technologies (ICT) sector, distributes competences, creates a single regulator and establishes other provisions; the Regulations of the Public Service of Sound Broadcasting (MINTIC Resolution 2614 of 2022) and the national technical plans for sound broadcasting that integrate the General Plan for Sound Broadcasting.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Infringements and penalties

The sanctioning regime applicable to the provision of sound broadcasting services is provided for in Articles 63 and following of Law 1341 of 2009. Without prejudice to the criminal or civil liability that the offender may incur, the natural or legal person who incurs in any of the infringements shall be sanctioned, in addition to the order to immediately cease the conduct that is contrary to the provisions set forth in the applicable rules, with: (i) reprimand; (ii) fine of up to the equivalent of 2,000 legal monthly minimum wages for natural persons; (iii) fine of up to the equivalent of 15,000 legal monthly minimum wages for legal persons; (iv) suspension of operation to the public for up to two months; or (v) termination of the contract or cancellation of the licence, authorisation or permit.

3. Radio services in Chile:

Broadcasting activity in Chile is carried out through different commercial companies that are subject to the General Telecommunications Law (the “LGT”), law 18,168 issued on October 2, 1982. This law has a general character for the whole territory of the Republic of Chile and regulates public and private telecommunications services subject to the concession regime of open radio and television frequencies granted by the State, without prejudice that the latter has a special law that regulates it.

According to the LGT, radio stations operate under the regime of concessions granted by the State after a public tender and have a term of 25 years. At the end of their term of validity, concessions enter a public tender process in which the current concession holder has a preferential right to be awarded the concession, which consists in the fact that if the current concession holder obtains a score equal to the rest of the applicants in the tender, the concession or frequency will be awarded directly.

In turn, there is a Broadcasting Regulation contained in Decree 126 issued on 19 February 1998, which regulates in more detail the regime of the radio broadcasting service, whose transmissions are intended for free and direct reception by the general public, with respect to the granting, renewal, commissioning, modification, transfer, provisional authorisation of modification, termination and expiry of concessions.

4. Radio services in Mexico:

Radio activity in Mexico is carried out through Sistema Radiópolis, S.A. de C.V. and its subsidiaries (Radiópolis), and is regulated by the Federal Telecommunications and Broadcasting Law, published in the Official Gazette of the Federation on 14 July 2014 (the “**Federal Telecommunications Law**”).

The Federal Telecommunications Law aims to regulate in Mexico, among others, the use, development and exploitation of the radio spectrum (the space used to provide telecommunications and broadcasting services), public telecommunications networks, the provision of public telecommunications and broadcasting services of general interest, fixed and mobile telephony, restricted and free-to-air television services and content, and the convergence between these. Likewise, the Federal Telecommunications Law provides for the rights of users and audiences, and the process of competition and free concurrence in these sectors so that they contribute to the purposes and exercise of the rights established in the Mexican Constitution.

The Federal Telecommunications Law, among other matters, sets out that broadcasting is a public service of general interest and that at all times the State will maintain control over the radio spectrum, and may allow the use, development and exploitation of the radio spectrum by granting concessions to private parties. There are four types of concessions: (i) commercial use; (ii) public use; (iii) private use; and (iv) social use.

Granting of concessions

The authority in charge of granting these concessions is the Federal Telecommunications Institute (the “IFT”). Concessions are granted to individuals or companies of Mexican nationality, through a public bidding procedure and the payment of a fee set by the Ministry of Finance and Public Credit. The IFT is the competition authority for the broadcasting and telecommunications sectors.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The participation of foreign investment in concession companies is allowed under the terms of the Foreign Investment Law (“LIE”), which provides for a maximum percentage of 49% foreign participation in the broadcasting sector; within this maximum foreign investment, reciprocity in the country where the investor is incorporated will be taken into account. The LIE establishes the possibility of having a neutral investment, defined as an investment that is not computed to determine the percentage of foreign investment in the share capital of Mexican companies.

Radiópolis has 17 concession titles for the use, exploitation and exploitation of radio spectrum frequency bands for commercial use. This type of concession is granted by the IFT for a period of up to 20 years and may be extended for equal periods.

Concessions for commercial use may be assigned to third parties with the prior authorisation of the IFT, provided that a period of 3 years has elapsed since the concession was granted. In addition, authorisation from the IFT is required to lease concessioned frequency bands for commercial use.

State Time

Commercial concessionaires are obliged to make daily free broadcasts in favour of the State on each station for up to 30 continuous or discontinuous minutes, dedicated to educational, cultural and social interest issues. These transmission times are administered by the Ministry of the Interior.

Transfer of shares

In any case of subscription or disposal of shares, representing 10% or more of the amount of the concessionaire’s share capital, authorisation from the IFT is required. IFT’s authorisation is not required in the case of mergers, spin-offs or corporate restructurings, provided that the changes in shareholding are within the same controlling group.

Sanctions regime

Violations of the Federal Telecommunications Law are sanctioned by the IFT with fines ranging from 0.01% to 10% of the concessionaire’s revenues, depending on the infraction committed by the concessionaire. In the event of a repeat offence, the IFT may impose a fine of up to double the above amounts.

(iii) Legal regime for the marketing of advertising in Spain Marketing of advertising

The advertising sales activity of all the media of the various companies of Prisa Group in Spain is carried out mainly (i) through Prisa Media, and (ii) by SER and its Spanish subsidiaries and investees; all of them subject to the *General Advertising Law 34/1988 of November 11* (the “**General Advertising Law**”); *Law 34/2002 on Information Society Services and Electronic Commerce of 11 July* (the “**LSSI**”); and the regulations of the Association for the Self-Regulation of Commercial Communication (“Autocontrol”).

General advertising legislation

The General Law on Advertising imposes a ban on unlawful, subliminal advertising and advertising of certain goods, establishing actions in the event of non-compliance with such activities. Unlawful advertising is understood as advertising that violates the dignity of the person or infringes rights recognised in the Constitution. Advertising aimed at minors that incites them to purchase a good or service, exploiting their inexperience or credulity, or in which they appear to persuade parents or guardians to purchase, subliminal advertising and advertising aimed at the purchase of certain products whose advertising is regulated by particular regulations (e.g. health products, alcoholic beverages, gambling, etc.) is also unlawful. Misleading, unfair and aggressive advertising, which constitute acts of unfair competition in accordance with *Law 3/1991 of 10 January on Unfair Competition* is also considered unlawful.

These rules apply to advertising in traditional media, such as print and radio, as well as to new technologies.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Internet advertising

In addition to the General Advertising Law, Prisa Group companies that market advertising in Spain comply with the provisions set out in the LSSI, following its amendment by Royal Decree-Law 13/2012 of 30 March, which affects the wording of article 22 relating to the revocation of consent to receive commercial communications and installing cookies on users' devices.

In this regard, information society service providers must obtain the user's consent, under the terms and with the guarantees laid down in Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016, General Data Protection, applicable since 25 May 2018, and *Organic Law 3/2018, of 5 December, on the Protection of Personal Data and guarantee of digital rights*, in force since 7 December 2018, and adapt consent panels to the new AEPD Cookie Guide by 11 January 2024.

Self-regulatory codes

Likewise, the companies of the Prisa Group are members of Autocontrol, and therefore the Autocontrol Code of Advertising Conduct, based on the International Code of Advertising Practices of the International Chamber of Commerce, as well as the sectoral codes of conduct published by Autocontrol ([link](#)).

(iv) Legal status of the press in Spain

The main activity of the press business division is the operation of all types of press media through the companies that publish the Group's print and digital media titles; in particular, Ediciones El País, S.L., Diario As, S.L., Diario Cinco Días, S.A.U. and Espacio Digital Editorial, S.L.U., publishers, respectively, of the print and digital editions of El País and As, the print edition of Cinco Días, and the digital edition of the Huffington Post in Spanish.

At present, and within the framework of the fundamental right set out in Article 20 of the Spanish Constitution, regulations originally aimed at the print media coexist with regulations applicable to the digital environment where they actively carry out their activity, as a result of the digital transformation of the sector.

In this regard, we find specific legal regulations such as *Law 14/1966 of 18 March on the Press and Printing Press*, partially in force, which regulates, among other matters, the regime of publishing companies and the civil liability of the media; *Organic Law 2/1984 of 26 March, regulating the right of rectification* that both natural and legal persons have recognised against information disseminated by any means of social communication about facts that allude to them, which they consider inaccurate and the disclosure of which may cause them harm, and *Organic Law 2/1997 of 19 June, regulating the conscience clause of information professionals*, which aims to guarantee independence in the performance of their professional duties. Of lesser regulatory rank, we can also highlight *Decree 744/1967, of 13 April, approving the revised text of the Statute of the Profession of Journalism*.

In the digital sphere, the press media are also subject to the LSSI applicable to the identification and maintenance of electronic information services, cookies and the area of e-commerce, privacy, etc. In short, Spanish and European legislation regulating the digital market is applicable to digital editions, insofar as the publishing companies and sole editorial managers of the media are Spanish companies, based in Spain and carrying out their main activity in this territory; they also have correspondents in various countries around the world in order to report on a range of events occurring in those countries.

Finally, the regulations on the protection of honour, privacy and image are applicable to journalistic activity, which sometimes clash with the information published in the media and, in the same respect, the legislation applicable to minors, Intellectual and Industrial Property and Consumers and Users.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

(v) Santillana's legal regime for publishing content

Santillana's activity is located in Latin America, focused on pre-K-12 and K-12 business, operationally separated between public and private business, which means that the regulatory framework of the activity differs according to its geographical scope (each country) and its material scope of business (private or public). Each of the Santillana companies established in its respective local area is aware of and adapts to the respective national regulations applicable in the different Latin American countries.

Currently, without prejudice to certain local particularities, public business in general is the one that has a more specific regulation, especially as regards the determination of the curriculum that the books, contents or services to be provided must contain, which is what public entities evaluate in order to grant access to the sale of these educational materials or services.

Also relevant are the conditions set out for participation in public tendering processes which, due to their nature, vary according to the objectives set by the governments of the various countries, although they are similar in nature in terms of the requirements demanded in the public procurement framework in which they are found.

The private business falls within the framework of the general regulation of private business activity in each country, with no special features for Santillana's business.

10. TREND INFORMATION

10.1. Recent significant trends in production, sales and inventory, and in costs and selling prices, as well as significant changes in the group's financial performance, from the end of the last financial year to the date of the registration document.

The most significant trends in relation to the activities and the income and expenses of the Prisa Group from 1 January to 30 June 2023 are set out in section 18.2.1 of the Registration Document. In addition, the most significant trends in relation to the activities and the income and expenses of the Prisa Group in the third quarter of 2023 are set out in the report and results presentation of the Prisa Group dated 31 October 2023 corresponding to the third quarter of 2023 (*Prisa results presentation 9M 2023*).

Pursuant to the provisions of Article 19 of Regulation (EU) 2017/1129, the report and presentation of Prisa Group results for the third quarter of 2023 are incorporated by reference in the Registration Document and can be consulted on the CNMV website (www.cnmv.es) and on the Prisa website ([link](#)).

From 30 September 2023 to the date of the Registration Document, there have been no significant changes in the activities and revenues and expenses of the Prisa Group.

10.2. Known trends, uncertainties, demands, commitments or events that could reasonably be expected to have a material effect on the issuer's prospects.

The main factors that could have an impact on Prisa's prospects are those contained in Section I (*risk factors*) of the Registration Document.

11. PROFIT FORECASTS OR ESTIMATES

11.1. Profit forecasts or estimates by the issuer relating to a period not yet completed

In the *Prisa results presentation 9M 2023* and in the January-September 2023 results report, both dated 31 October, which have been incorporated by reference into the Registration Document, as well as in prior period results communications, and in the Capital Markets Day (CMD) presentation which was communicated to the market through the publication on 22 March 2022 of the corresponding "other relevant information" on the CNMV website (www.cnmv.es) with registration number 15106 and on the Company's website (www.prisa.com), the Company has included forecasts (guidance) of certain financial aggregates at the consolidated level for the 2023 and 2025 financial years (unaudited information), which remain current and valid as at the date of the Registration Document, which are currently in force.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

In addition, the Company included guidance for certain financial aggregates at consolidated level for 2022 in the aforementioned Capital Markets Day (CMD) presentation and in the results announcements made by Prisa on 28 February 2022, 26 April 2022, 25 October 2022 and 28 February 2023, which are no longer in force, given that the Company has already presented final results for 2022, which exceeded the 2022 guidance.

The guidance published by the Company in accordance with Regulation (EU) 2017/1129 and the actual result already published are reproduced below.

	2022		2023	2025
	Guidance	Real	Guidance	Guidance
Unaudited (millions of €)				
FUTURE INDICATORS (GUIDANCE) OF THE PRISA GROUP				
Operating income	770-800	850 ⁽¹⁾	>900	950-1,050 ⁽²⁾
Percentage of revenues by geography (Spain/Latam/USA)	--	--	--	37%/59%/4%
Percentage of digital revenues	--	--	--	52%
Operating expenses	--	--	--	<800
Percentage of fixed costs	--	--	--	56%
Adjusted EBITDA (excl. termin. ben.).....	--	--	--	>230
Adjusted EBITDA margin ⁽³⁾	15%-17%	17.3%	17%-18%	22%-25%
Expenditure on termination benefits	--	--	--	<10
EBITDA	--	--	--	>220
Working capital.....	--	--	--	c. 120
Ratio of working capital to operating income.....	--	--	--	10%-12%
CAPEX	--	--	--	c. 60
CAPEX to operating income ratio.....	--	--	--	c. 6%
Percentage of digital CAPEX.....	--	--	--	>33%
Free cash flow ⁽³⁾⁽⁴⁾	--	--	>40	>100
Ratio (conversion) of free cash flow to adjusted EBITDA (excl. termin. ben.).....	--	--	--	c. 50%
Cumulative free cash flow 2022-2025	--	--	--	c. 300
Cash generation (cash flow).....	--	--	--	>50
Ratio (conversion) cash generation (cash flow) to adjusted EBITDA (excl. termin. ben.).....	--	--	--	c. 25%
Cash generation (cash flow) excluding one-offs ⁽⁴⁾	>1.6	3.2	--	--
Ratio Net Debt/Adjusted EBITDA (excl. termin. ben.).....	--	--	--	<3.0x

(1): Audited information.

(2): Although in the quarterly results presentations and reports for the 2022 and 2023 financial years published by the Company, it was stated that the operating income guidance for the 2025 financial year would be around or in excess of EUR 1,000 million (in particular, in the third quarter 2023 results presentation (9M 2023) and in the January-September 2023 results report, both dated October 2023). 1,000 million (in particular, in the presentation of results for the third quarter of 2023 (Prisa results presentation 9M 2023) and in the January-September 2023 results report, both dated 31 October 2023, which have been incorporated by reference to the Registration Document), the approved and current guidance is that the operating income for the financial year 2025 will be between EUR 950 million and EUR 1,050 million.

(3): Free cash flow before debt service (excluding interest payments).

(4): Alternative performance measure. For more information, see Appendix I of the Registration Document ("*Glossary of alternative performance measures*").

As of the date of the Registration Document, Prisa has not published any additional updates to the forecasts (guidance) in force from 2023 and 2025 reproduced in this section. In addition, the Company has chosen not to include new estimates or forecasts of financial aggregates in the Registration Document.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

11.2. Main assumptions on which the issuer has based the profit forecast/estimate

The 2023 forecasts have been prepared by the Company taking into account the Group's 2022 results, the February 2023 macroeconomic forecasts and Prisa's 2023 Budget which was approved by the Company's Board of Directors on 28 February 2023, and were published by the Company for the first time on the same day.

The 2025 forecasts were prepared by the Company taking into account the Group's 2021 results and the 2022-2025 Projections which were approved by the Board of Directors of the Company on 28 February 2022, and were published by the Company for the first time at the Capital Markets Day (CMD) on 22 March 2022. These 2025 forecasts have been revised taking into account the 2022 results, the new macroeconomic forecasts of February 2023 and the current performance of the Group, and have remained in place following this revision.

In particular, the Company has based the following main assumptions for the published guidance for the 2023 and 2025 financial years as set out in section 11.1 of the Registration Document:

INDICATORS	MAIN UNDERLYING ASSUMPTIONS OF THE 2023 AND 2025 GUIDANCE (UPDATED)
Operating income	<p>Revenue growth for 2023 and 2025 has been projected taking into account the actual year-end 2022 and considering a projected growth for the period 2023-2025 of around 4% CAGR 2022-2025 (compound annual growth rate) in the Education and Media businesses, as detailed below:</p> <ul style="list-style-type: none">- Education: progressive recovery of sales to pre-pandemic levels, acceleration in the transformation from the traditional (didactic) model to educational systems (subscription model) and stable development and maintenance of market shares in the public sales market. Consideration of inflation and exchange rates based on February 2023 macroeconomic forecasts.- Media: acceleration in the digital transformation (increase in digital revenues), increase in audiovisual production activity and gradual recovery of the advertising market according to market analysis by independent third parties and gain in advertising share in the media in which the Group operates, supported by the strength of the brands. Consideration of inflation and exchange rates based on February 2023 macroeconomic forecasts.
% Revenues by geography	<p>Estimated revenue growth for USA and Latam based on an increased presence in these markets starting during 2022: greater product/service penetration and consequently greater ability to accumulate and monetise audiences.</p>
% Digital revenues	<p>Projection of digital revenues 2025 considering the growth of Santillana's system revenues (subscription models) and Media's digital revenues (digital advertising and revenues from El País' subscription payment model, mainly).</p> <p>The increase in the weight of digital revenues to 52% is based on the acceleration in the digital transformation strategy of the Education and Media businesses, in line with what is mentioned in the "operating revenues" indicator, as described in section 5.4 of the Registration Document.</p>
Operating expenses	<p>The projected operating expenses for 2023 and 2025 include consumption costs, personnel costs, external services, changes in provisions and losses on disposal of fixed assets. Consideration of inflation and exchange rates based on February 2023 macroeconomic forecasts.</p> <ul style="list-style-type: none">o <i>Cost of materials used</i>: includes paper, printing of books and periodicals, costs of promotions, book purchases, content consumption and cost of promotional books. That is, essentially, the direct cost of sales of Education and the cost of sales of newspaper production in Media.<ul style="list-style-type: none">- Education's cost of sales as a percentage of total operating revenues has been projected at a level similar to that of 2021 for the 2023 and 2025 financial years, assuming that the extraordinary upward trend in 2022 in raw material costs that occurred globally in the markets eases in the coming years.- For the Media business consumption in 2023 and 2025, a decrease in newspaper production has been considered in line with the estimated market decline and taking into account a paper cost in line with third party market forecasts.o <i>Staff costs</i>: Based on the headcount figure and associated personnel expenses at year-end 2022, a stable headcount target until 2025 and the application of the inflation forecast based on macroeconomic forecasts of February 2023 in each of the countries according to independent third parties have been considered. In addition, a shift from traditional profiles to more digital profiles has been considered over the period, with an associated recurring compensation expense that does not imply relevant restructuring after the one completed in 2021-2022.o <i>Provisions</i>: all provisions (bad debts, inventories and returns) have been projected for 2023 and 2025 considering similar levels as in 2021 and 2022 actual values.o <i>Losses on disposal of fixed assets</i>: no losses on disposal of fixed assets have been projected in 2023 or 2025.o <i>Outside services</i>: by exclusion, includes all operating expense items associated with the Education and Media businesses other than consumables, personnel, provisions and fixed asset losses (which have been projected as described above). A distinction has been made between revenue-related external services (variable external service charges) and fixed external service charges.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

INDICATORS	MAIN UNDERLYING ASSUMPTIONS OF THE 2023 AND 2025 GUIDANCE (UPDATED)
	<ul style="list-style-type: none"> - Expenses for variable external services (variable commercial expenses, advertising fees, royalties and intellectual property, expenses associated with events and promotions) have been projected for 2023 and 2025 with growth in line with revenue growth. - Expenses for fixed external services have been kept at similar levels to 2021 only increased by the inflation forecast for 2023 and 2025 based on macroeconomic forecasts of February 2023, with extraordinary increases in 2022 (mainly associated with energy supply costs) being considered to be smoothed out in the coming years.
% Fixed costs	A reduction in the weight of fixed costs as a proportion of total costs is projected for 2025, in line with the stability projected for the large fixed cost items (staff, fixed external service costs), as described above for the “operating costs” indicator.
Adjusted EBITDA (excl. termin. ben.)	Projected adjusted EBITDA (excluding termination benefits) for 2023 and 2025 reflects the result of the difference between operating revenues and operating expenses (excluding termination benefit expenses) projected for these financial years as described above.
Adjusted EBITDA margin	The projected adjusted EBITDA margin for 2023 and 2025 reflects the result of dividing adjusted EBITDA by operating revenues, both projected for those years, as described above.
Expenditure on term. ben.	The projected termination benefits expense for 2023 and 2025 reflects the estimated profit and loss expense for these financial years as a result of the strategy of shifting from traditional to more digital profiles, as described above for the “operating expenses” indicator.
EBITDA	Projected reported EBITDA for 2023 and 2025 reflects the result of including in adjusted EBITDA the projected termination benefit expenses for these financial years as described above.
Working capital	Projected working capital for 2023 and 2025 reflects the result of the difference between projected current assets and projected non-financial current liabilities for these financial years, considering a slight reduction compared to the actual figures for 2021 and 2022, despite strong growth in revenues and margins, based on a number of initiatives aimed at optimisation: exhaustive monitoring of customer receivables; continuous review and optimisation of supplier payment terms; and optimisation of inventories thanks to an increasingly digital business approach (with less physical/traditional component).
Ratio of working capital to operating income	The projected working capital to operating income ratio for 2023 and 2025 reflects the result of dividing working capital by operating income, both projected for both financial years as described above, showing a slight reduction compared to the actual data for 2021 and 2022, despite the projected strong growth in revenues and margins, based on the initiatives described above for the “working capital” indicator.
CAPEX	The projected capital expenditure (CAPEX) for 2023 and 2025 has been estimated in line with the investment made in the last financial year before the COVID-19 pandemic (2019), as a result of two factors: (i) the strong growth projected for the Group’s businesses over the 2023-2025 period; and (ii) the comprehensive investment project control policies through the CAPEX Committee established by the Group.
CAPEX to operating income ratio	The projected CAPEX to operating revenues ratio for 2023 and 2025 reflects the result of dividing capital expenditure (CAPEX) by operating revenues, both projected for those years as described above, showing a slight reduction compared to the actual figures for 2021 and 2022, despite the projected strong growth in revenues, based on the comprehensive project control policies described above for the “CAPEX” indicator.
% CAPEX digital	An increase in the weight of digital capital expenditure (CAPEX) has been projected for 2025, as a consequence of the digital transformation strategy of the Education and Media businesses, in line with the “operating income” indicator, as described in section 5.4 of the Registration Document.
Free cash flow	<p>The projected free cash flow before debt service, i.e. before interest payments, for 2023 and 2025 results mainly from the sum of: (i) adjusted EBITDA (i.e. excluding severance payments); (ii) severance payments; (iii) change in working capital adjusted for provisions; (iv) tax payments; (v) other operating cash flows; (vi) CAPEX; (vii) bonding; and (viii) IFRS 16 lease payments. Each of these concepts is described below:</p> <ul style="list-style-type: none"> - Adjusted EBITDA (excluding termination benefits) projected to 2023 and 2025 as described above for this indicator. - Projected severance payments for 2023 and 2025 associated with P&L severance costs as a result of the strategy to shift from traditional to more digital profiles. - Projected change in working capital (adjusted for provisions) for 2023 and 2025 as described above for the indicators “working capital” and “working capital to operating income ratio”. - Projected (corporate) tax payments for 2023 and 2025 by applying the effective tax rates for 2022 to the projected results for 2025 in each of the countries of operation (as described above for the different indicators), without considering relevant legislative changes. - Other flows from operating activities: mainly associated with the effects on EBITDA that are not cash generative, in each of the projected periods. - Projected CAPEX for 2023 and 2025 as described above for the indicators “CAPEX” and “CAPEX to operating revenues ratio”. - Projected bonds for 2023 and 2025: it has been considered 0 for both periods. - Projected IFRS 16 lease payment for 2023 and 2025 in line with the payment made in the 2022 financial year, applying expected inflation in accordance with the Group’s negotiated contracts for 2023 and 2025, and incorporating an estimated saving of c. EUR 3 million on the basis of the office space cost optimisation savings initiatives implemented by the Group during 2021.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

INDICATORS	MAIN UNDERLYING ASSUMPTIONS OF THE 2023 AND 2025 GUIDANCE (UPDATED)
Ratio (conversion) of free cash flow to adjusted EBITDA (excl. termin. ben.)	The projected 2025 free cash flow to EBITDA (conversion) ratio reflects the result of dividing free cash flow by adjusted EBITDA (excluding termination benefits), both projected to 2025, as described above.
Cumulative free cash flow 2022-2025	The cumulative free cash flow forecast for the period 2022-2025 has been estimated by considering the actual free cash flow figure for 2022 plus the projected figures for the period 2023 and 2025 described above and adding the free cash flow for 2024 (estimated on the basis of the same assumptions as described above for free cash flow 2023 and 2025); thus including in the estimated amount of c. EUR 300 million, the >EUR 100 million of free cash flow estimated for 2025.
Cash generation (cash flow)	The projected cash generation (cash flow) for 2025 results mainly from the difference between the estimated free cash flow for 2025 and the financing cash flow which mainly corresponds to the payment of the financial interest associated with the Group's bank debt according to the terms agreed in the 2022 Refinancing described in section 8.1 of the Registration Document and taking into account the redemption of junior debt of EUR 110 million in February 2023.
Ratio (conversion) cash generation (cash flow) to adjusted EBITDA (excl. termin. ben.)	The ratio (conversion) of cash generation (cash flow) to EBITDA projected to 2025 reflects the result of dividing cash generation (cash flow) by adjusted EBITDA (excluding termination benefits), both projected to 2025, as described above.
Ratio Net Debt/Adjusted EBITDA (excl. termin. ben.)	<p>The Net Debt/EBITDA (excluding termination benefits) ratio projected to 2025 reflects the result of dividing the estimated Net Debt to 2025 by the projected EBITDA 2025 to 2025 as described above for the indicator "Adjusted EBITDA (excluding termination benefits)".</p> <p>The estimated Net Debt for 2025 results mainly from applying the cash flows resulting from the 2023-2025 period to the Net Debt for 2022: Cumulative free cash flow 2023-2025, less financial interest payments associated with the Group's bank debt under the terms agreed in the 2022 Refinancing (described in section 8.1 of the Registration Document), considering the redemption of junior debt amounting to EUR 110 million in February 2023 and assuming no maturities until 2026-2027, as set out in the 2022 Refinancing. In addition, extraordinary cash flows derived from severance payments and the forecast payment of expenses of the 2022 Refinancing are considered. The 2025 net debt forecast does not consider impacts from corporate operations beyond the one already carried out in 2023 (EUR 130 million convertible bond issue and subsequent redemption of junior debt for EUR 110 million).</p>

The following are the hypotheses and assumptions used as the basis for Prisa's consolidated forecasts (guidance) for 2023 and 2025 that are outside the Company's influence of members of the Company's administrative, management or supervisory bodies:

- Advertising market developments according to forecasts and analysis by independent experts.
- Gain in advertising share in the media in which the Group is present.
- Trend of the public sales market in Latin America and maintenance of quotas, by Education, in line with historical data.
- Trend of the digital press advertising market in Latin America.
- Trend of market for subscription models in Latin America.
- Level of agreements with third parties for digital operations.
- Change in exchange rates.
- Change in interest rates.
- Change in the cost of raw materials and supplies.
- Change in macroeconomic variables such as inflation.
- Legislative changes that may affect taxes and duties.
- Regulatory changes that may impact Media and Education businesses.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The hypotheses and assumptions used as the basis for Prisa's consolidated forecasts (guidance) for 2023 and 2025, which may be influenced by members of the Company's administrative, management or supervisory bodies, are set out below:

- Price level considered for Education sales (subscription and book sales models), advertising sales and for the El País subscription payment model.
- Level of fixed external services expenditure.
- Staffing level.
- Volume (excluding unit prices) of production costs to meet the demand for Education and Media.
- Level of investments to be incurred for business development.

In this regard, changes in the assumptions and assumptions underlying Prisa's consolidated forecasts (guidance) for 2023 and 2025 could significantly affect the outlook contained in the 2023 and 2025 forecasts. In particular, these forecasts contain certain estimates, projections and forecasts which are, by their nature, uncertain and may or may not be realised in the future. Although the Company believes that the expectations reflected in the forecasts made are reasonable, such forecasts are based on future or uncertain events, the fulfilment of which is impossible to determine at the time of approval or revision. Forecasts may be affected by the occurrence of various factors, some of which are beyond the Group's control. The specific risks currently identified by the Company in accordance with applicable regulations that could materially affect the achievement of the Company's consolidated forecasts (guidance) for the 2023 and 2025 financial years as detailed in item 11.1 of the Registration Document are included in Section I (risk factors) of the Registration Document.

Accordingly, these forecasts should not be taken as a basis for investment or as a guarantee of future results, and the Company accepts no responsibility for any deviations that may occur in the various factors influencing the Group's future performance. Any material and significant deviation of reality from these assumptions could cause results and trends to diverge materially from expectations.

11.3. Comparability of profit forecasts or profit estimates with historical financial information and consistency with the issuer's accounting policies.

Prisa's consolidated forecasts (guidance) for the 2023 and 2025 financial years have been prepared on a basis comparable with the Company's consolidated annual financial statements and consistent with its accounting policies.

12. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES, AND SENIOR MANAGEMENT

12.1. Name, business address and functions in the issuer, as well as additional information, of the members of the administrative, management or supervisory bodies and senior management.

(A) Administrative, management and supervisory bodies

(A.1) Board of Directors

The Board of Directors is regulated in articles 15 to 23 of the Company's Articles of Association as well as in the Board of Directors' Regulations. The Board of Directors is entrusted with the management, administration and representation of the Company.

The Board of Directors shall consist of no fewer than 5 and no more than 15 members, who shall be appointed by the General Meeting of Shareholders, which shall determine the exact number of directors upon proposal of the Board of Directors. The Ordinary General Meeting of Shareholders of the Company held on 27 June 2023 resolved to set the total number of members of the Board of Directors at 15.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The following table shows the composition of the Board of Directors of the Company as at the date of the Registration Document:

<u>Name</u>	<u>Position</u>	<u>Nature</u>	<u>Date of first appointment</u>	<u>Date of last appointment</u>	<u>Shareholder proposing his/her appointment</u>
Mr Joseph Oughourlian	Chairman	Proprietary Independent	18/12/2015	27/06/2023	Amber Capital UK LLP
Mr Fernando Carrillo Flórez ..	Deputy Chairperson	(Coordinating Director ⁽¹⁾)	27/06/2023	27/06/2023	--
Ms Pilar Gil Miguel.....	Vice-President	Executive	28/02/2023	27/06/2023	--
Ms Béatrice de Clermont-Tonnerre.....	Board member	Independent	03/06/2019	27/06/2023	--
Mr Andrés Varela Entrecanales.....	Board member	Proprietary	07/09/2022	07/09/2022	Global Alconaba, S.L. Amber Capital UK LLP
Mr Miguel Barroso Ayats.....	Board member	Proprietary	27/06/2023	27/06/2023	--
Mr Francisco Cuadrado Pérez Ms Carmen Fernández de Alarcón Roca	Board member	Executive	27/07/2021	28/06/2022	--
Ms María José Marín Rey-Stolle.....	Board member	Proprietary	29/06/2021	29/06/2021	Vivendi, S.E.
Mr Carlos Núñez Murias	Board member	Independent	23/02/2021	29/06/2021	--
Mr Carlos Núñez Murias	Board member	Executive	29/06/2021	29/06/2021	--
Mr Manuel Polanco Moreno ...	Board member	Proprietary	19/04/2001	27/06/2023	Timón, S.A.
Ms Teresa Quirós Álvarez	Board member	Independent	30/11/2021	28/06/2022	--
Mr Javier Santiso Guimaras ...	Board member	Independent	22/12/2020	29/06/2021	--
Ms Isabel Sánchez García	Board member	Independent	27/06/2023	27/06/2023	--
Ms Margarita Garijo-Bettencourt.....	Board member	Independent	27/06/2023	27/06/2023	--

(1): Pursuant to Article 14 of the Board of Directors' Regulations, in the event that the Chairman is not considered an independent director, the Board must appoint a Coordinating Director from among the independent directors, who shall have all the functions provided for by law, as well as those set forth in Recommendation 34 of the Code of Good Governance.

Mr Pablo Jiménez de Parga is Secretary non-director of the Board of Directors of Prisa, and Ms Mónica Varela Miura, Deputy Secretary, non-Board member.

The business address of all members of the Board of Directors is the registered office of Prisa (calle Gran Vía, 32, 28013, Madrid). A brief description of the professional and biographical profile of the members of the Board of Directors of Prisa is included in section (A.6) below.

During the 2022 financial year, the Prisa Board of Directors met a total of eight times. In addition, the Board of Directors has met ten times so far in 2023.

The Board of Directors also has a Delegated Commission, an Audit, Risks and Compliance Commission, an Nominations, Compensation and Corporate Governance Commission and a Sustainability Commission. For further information on these commissions, see sections (A.2), (A.3), (A.4) and (A.5) below, respectively.

(A.2) Delegated Commission

The Delegated Commission is regulated in article 26 of the Regulations of the Board of Directors. The Delegated Commission is a delegated body of the Board of Directors. The permanent delegation by the Board of Directors to the Delegated Commission shall include all or part of the powers of the Board, as provided for in Article 22 of the Articles of Association, except those that cannot be delegated by law or those that cannot be delegated by virtue of the provisions of the Articles of Association or the Regulations of the Board of Directors.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The Delegated Commission shall consist of at least one third of the members of the Board of Directors and shall be composed of at least two non-Executive Directors, at least one of whom shall be independent. The appointment of the members of the Delegated Commission shall be made by the Board of Directors, at the proposal of the Nominations, Compensation and Corporate Governance Commission, with the favourable vote of two-thirds of the directors. The Chair of the Board and the Executive Directors shall be members of the Delegated Commission, as well as, if any, the Coordinating Director. The Delegated Commission shall be chaired by the Chair of the Board of Directors, unless the Board resolves that it shall be chaired by an Executive Director. In the event of the temporary absence or temporary incapacity of the person acting as Chair, he/she shall be replaced by the Chair of the Board, in his/her absence, by the first or only Vice-Chair of the Board and, in the absence of these, by the Coordinating Director or, in his/her absence, by another external director to be determined by the Commission itself. The members of the Delegated Commission shall resign when they cease to be directors and when so resolved by the Board of Directors.

The composition of the Delegated Commission as at the date of the Registration Document is as follows:

<u>Name</u>	<u>Position</u>	<u>Nature</u>
Mr Joseph Oughourlian	Chairman	Proprietary
Mr Fernando Carrillo Flórez	Board member	Independent
Mr Francisco Cuadrado Pérez	Board member	Executive
Ms Pilar Gil Miguel	Board member	Executive
Mr Carlos Núñez Murias	Board member	Executive

The Delegated Commission shall meet whenever the interests of the Company so require in the opinion of its Chair, who is responsible for convening it sufficiently in advance, as well as when requested by two or more members of the Delegated Commission or an Executive Director. The Delegated Commission shall report to the first plenary session of the Board following its meetings on its activities and shall be accountable for the work carried out. The Board shall always be informed of the matters dealt with and the decisions taken by the Delegated Commission. When convened by the Chair of the Commission, other directors who are not members of the Commission, as well as those directors whose reports are necessary or advisable to exercise the Commission's functions, may also attend the meetings of the Commission, with the right to speak but not to vote.

During the 2022 financial year, the Delegated Commission met a total of 3 times. In addition, in the 2023 financial year, the Delegated Commission has met on 2 occasions to date.

(A.3) Audit, Risks and Compliance Commission

The Audit, Risks and Compliance Commission is regulated in article 27 of the Regulations of the Board of Directors.

The Audit, Risks and Compliance Commission shall be composed of the number of directors determined by the Board of Directors from time to time, with a minimum of 3 and a maximum of 5. The members of the Audit, Risks and Compliance Commission shall all be non-Executive Directors and the majority of them must be independent directors.

The members of the Audit, Risks and Compliance Commission as a whole, and in particular its Chair, shall be appointed on the basis of their knowledge and experience in accounting, auditing and risk management, both financial and non-financial. The appointment and removal of the members of the Commission shall be made by the Board of Directors upon proposal of the Nominations, Compensation and Corporate Governance Commission. The members of the Commission shall resign when they cease to be directors or when so resolved by the Board of Directors. The Chair of the Commission shall be elected by the Board of Directors, at the proposal of the Nominations, Compensation and Corporate Governance Commission, from among those members of the Commission who are independent directors. The Chair of the Commission shall be replaced every four years, and may be re-elected after one year has elapsed since he/she ceased to hold office. In the absence of the Chair, the meeting shall be chaired by the independent director appointed for this purpose by the Commission.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The composition of the Audit, Risks and Compliance Commission as at the date of the Registration Document is as follows:

Name	Position	Nature
Ms Teresa Quirós Álvarez	Chairman	Independent
Ms Isabel Sánchez García	Board member	Independent
Ms María José Marín Rey-Stolle.....	Board member	Independent
Ms Carmen Fernández de Alarcón Roca.....	Board member	Proprietary

The Audit, Risks and Compliance Commission shall meet periodically as required and at least four times a year. During the 2022 financial year, the Audit, Risks and Compliance Commission met a total of eight times. In addition, in the 2023 financial year, the Audit, Risk and Compliance Commission has met on six occasions to date.

In addition to the functions assigned to it by law, the Audit, Risks and Compliance Commission shall have the following powers:

- (i) Ensuring that the financial statements that the Board of Directors submits to the General Meeting of Shareholders are drawn up in accordance with accounting regulations. In cases where the auditor has included a qualification in its audit report, the Chair of the Audit, Risks and Compliance Commission shall clearly explain at the general meeting the opinion of the Audit, Risks and Compliance Commission on its content and scope, and a summary of such opinion shall be made available to the shareholders at the time of publication of the notice of call to the meeting, together with the rest of the proposals and reports of the Board, together with the rest of the proposals and reports of the Board.
- (ii) Supervising the Internal Audit unit to ensure the proper functioning of the internal control and information systems. The Internal Audit unit will report functionally to the Audit, Risks and Compliance Commission. The Commission shall evaluate the Internal Audit unit and its management, annually approve the functions, action plans and resources of said unit and propose, where appropriate, the selection, appointment and removal of its head, as well as its remuneration conditions and contractual relationship with the Company, which shall require a favourable report from the Nominations, Compensation and Corporate Governance Commission. The head of the Internal Audit unit shall submit its annual work plan to the Audit, Risks and Compliance Commission for approval, and shall report on its execution, including any possible incidents and limitations to the scope that may arise in its development, the results and the follow-up of its recommendations. It shall also inform the Commission of any incidents arising during the performance of the internal audit function and shall submit an activity report to the Commission at the end of each financial year.
- (iii) In relation to information and internal control systems and the units responsible for them: (i) supervising and assessing the preparation process and the integrity of financial and non-financial information (in coordination with the Sustainability Commission, as regards the matters within its competence), as well as the control and management systems for financial and non-financial risks relating to the Company and the Group, including operational, technological, legal, social, environmental, political, reputational and corruption-related risks, reviewing compliance with regulatory requirements, the appropriate delimitation of the scope of consolidation and the correct application of accounting criteria; (ii) ensuring the independence of the unit that assumes the Internal Audit function; (iii) approving the orientation and annual work plan of internal audit, ensuring that its activity is mainly focused on the Company's relevant risks (including reputational risks); (iv) receiving regular information on its activities; and (v) verifying that senior management takes into account the conclusions and recommendations of its reports.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- (iv) In relation to the external auditor channel the relationship with the external auditor and in particular:
 - (i) in the event of resignation of the external auditor, examining the circumstances giving rise to it; (ii) ensuring that the external auditor's remuneration does not compromise its quality or independence; (iii) overseeing that the Company notifies the CNMV of the change of auditor and accompanies it with a statement on the possible existence of disagreements with the outgoing auditor and, if any, its content; (iv) maintaining fluid communication with the external auditor and ensuring that the latter holds an annual meeting with the full Board of Directors to report to it on the work performed and on the development of the Company's accounting, equity, financial and risk situation; and (v) ensuring that the Company and the external auditor comply with current regulations on the provision of non-audit services, the limits on the concentration of the auditor's business and, in general, other regulations on auditor independence.

The Audit, Risks and Compliance Commission shall be responsible for the process of proposing the auditor, in which it shall take into account, inter alia, and without prejudice to the provisions of the regulations applicable from time to time, factors such as the scope of the work to be performed, the qualifications, experience and resources of the audit team and of the audit firm itself, the fees, as well as its independence and the effectiveness and quality of the services to be rendered.

- (v) In relation to related-party transactions: (i) informing the General Meeting and the Board of Directors, in advance, of the related-party transactions that they must approve and ensuring that information on such transactions is communicated to the market in the terms required by law and the Board of Directors' Regulations; and (ii) overseeing the internal procedure established by the Company for those related-party transactions whose approval has been delegated in accordance with the law.
- (vi) Overseeing compliance with the Company's environmental, social and corporate governance policies and rules, as well as with the Company's internal codes of conduct, ensuring that the corporate culture is aligned with its purpose and values, in coordination with the Sustainability Commission as regards matters within its competence.
- (vii) Overseeing cyber security management.
- (viii) Assessing the Group's non-financial risks, including, among others, operational, technological, legal, social, environmental, political and reputational risks, including those related to corruption, in coordination with the Sustainability Commission as regards the matters within its competence.

The Audit, Risks and Compliance Commission shall establish and oversee a mechanism to enable employees and other persons related to the Company, such as directors, shareholders, suppliers, contractors or subcontractors, to report potentially significant irregularities, including financial, accounting or any other irregularities related to the Company that they become aware of within the Company or its group. This mechanism must guarantee confidentiality and, in any case, provide for cases in which communications can be made anonymously, respecting the rights of the complainant and the reported.

The Audit, Risks and Compliance Commission shall periodically assess that the risk control and management function is exercised with due independence, verifying that the appropriate processes are in place so that management, the Commission itself and the Board can know whether the risk control and management system has functioned in accordance with the policies and criteria approved by the Board. The units responsible for this function or, failing that, the Commission, shall be attributed the following functions: a) ensure the proper functioning of the risk control and management systems and, in particular, that all significant risks affecting the Company are identified, managed and adequately quantified; b) participate actively in the development of the risk strategy and in major risk management decisions; and c) ensure that the risk control and management systems adequately mitigate risks within the framework of the policy defined by the Board of Directors. The Audit, Risks and Compliance Commission shall generally ensure that the established internal control policies and systems are effectively implemented in practice.

The Audit, Risks and Compliance Commission shall have the power to request and obtain advice, legal opinions or expert reports when it deems appropriate. It shall be obliged to attend the Commission's meetings and to cooperate with it and provide it with access to the information available to any member of the management team or staff of the Company who is required to do so. The Commission may also require the auditors of accounts to attend its meetings.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The Audit, Risks and Compliance Commission shall prepare an annual report on its functioning, highlighting the main incidents arising, if any, in relation to its functions, and shall propose to the Board that it be published sufficiently in advance of the ordinary General Shareholders' Meeting.

In addition, the Commission may evaluate its own performance in a targeted manner in order to strengthen its functioning and improve planning for the next financial year. For this purpose, it may seek the opinion of the other directors and, if it considers it appropriate, be assisted by an external consultant. Irrespective of the procedure chosen, the Board should be informed of the aspects analysed and the outcome of the analysis, to be taken into account in the Board's annual evaluation. The annual report on the functioning of the Commission shall include the extent to which the analysis has led to significant changes in its internal organisation and procedures.

(A.4) Nominations, Compensation and Corporate Governance Commission

The Nominations, Compensation and Corporate Governance Commission is regulated in article 28 of the Regulations of the Board of Directors.

The Nominations, Compensation and Corporate Governance Commission shall be composed of a minimum of three and a maximum of five non-Executive Directors, the majority of whom must be independent directors. The members of this Commission shall be appointed with the knowledge, skills and experience appropriate to the functions they are called upon to perform and, in particular, in matters of corporate governance, analysis and strategic evaluation of human resources, selection of directors and executives, performance of senior management functions and design of remuneration policies and plans for directors and executives.

The appointment and removal of the members of the Nominations, Compensation and Corporate Governance Commission shall be made by the Board of Directors at the proposal of the Nominations, Compensation and Corporate Governance Commission itself. The members of the Nominations, Compensation and Corporate Governance Commission shall resign when they cease to be directors or when so resolved by the Board of Directors. The Chair of the Commission shall be elected by the Board of Directors, at the proposal of the Nominations, Compensation and Corporate Governance Commission itself, from among the members of the Commission who are independent directors. In the absence of the Chair, the meeting shall be chaired by the independent director appointed for this purpose by the Commission.

The composition of the Company's Nominations, Compensation and Corporate Governance Commission as at the date of the Registration Document is as follows:

Name	Position	Nature
Mr Fernando Carrillo Flórez	Chairman	Independent
Ms Béatrice de Clermont-Tonnerre	Board member	Independent
Mr Javier Santiso Guimaras	Board member	Independent
Ms Isabel Sánchez García	Board member	Independent
Ms Carmen Fernández de Alarcón Roca	Board member	Proprietary

The Commission shall meet periodically as required and at least three times a year. In any case, the Commission shall meet whenever the Board of Directors of the Company or the Delegated Commission requests the issuance of a report or the approval of proposals within the scope of its powers and whenever, in the opinion of the Chair of the Commission, it is appropriate for the proper performance of its duties. During 2022, the Company's Nominations and Compensation Commission met a total of ten times. In the addition, in 2023, the Nominations and Compensation Commission has met on eight occasions to date.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

In addition to the functions assigned to it by law, the Nominations, Compensation and Corporate Governance Commission shall have the following powers:

- (i) Concerning the composition of the Board of Directors and the Commissions of the Board of Directors of the Company and of the administrative bodies of other Group companies:
 - a. Annually verify compliance with the Policy on diversity in the composition of the Board of Directors and the selection of directors approved by the Board of Directors.
 - b. Assess the skills, knowledge and experience required on the Board of Directors. To this end, it shall draw up a matrix of the Board's competencies, define the functions and skills required of the candidates to fill each vacancy, and assess the time and dedication necessary for them to perform their duties effectively.
 - c. Make proposals, in the case of independent directors, and report on proposals submitted to the Board, in the case of other directors, for the appointment of directors for appointment by co-option or for submission to the decision of the General Shareholders' Meeting, taking into consideration the criteria referred to in article 20.4 of the Regulations of the Board of Directors, as well as to carry out the equivalent actions in relation to their re-election or removal by the General Meeting of Shareholders or when there is just cause for the director to have breached the duties inherent to his office and disciplinary proceedings are instituted that may lead to the director's removal.
 - d. Propose the classification of directors in the categories of executive, proprietary, independent or other external director, when the appointment of directors is to be made or ratified by the Board itself or by the General Meeting.
 - e. Verify on an annual basis that each director maintains the status with which he/she was appointed, which shall be reported in the Annual Corporate Governance Report.
 - f. Propose and report, jointly with the Chair of the Board, except as specifically referred to him, on the appointments of the Chair, the Deputy Chairs, the Coordinating Director, the Managing Directors, if any, the members of the Delegated Commission and the other Commissions of the Board of Directors, as well as their respective Chairmen.
 - g. To report on proposals for the appointment of the Secretary and Deputy Secretary.
 - h. Propose and report, jointly with the Chair of the Board, except as specifically referred to him, on proposals for the removal, dismissal or replacement of any position on the Board and its Commissions, other than that of Secretary and Vice-Secretary.
 - i. To report on proposals for the appointment of the Company's representatives on the governing bodies of the Group's companies.
 - j. Drawing up the succession plan for the Chair of the Board, for the Executive Directors who are also chief executives in one or several business units of the Group, with the involvement of the Coordinating Director, if any, and of the Chair of the Board and the aforementioned Executive Directors in relation to the succession plan of the latter.
 - k. Make the appropriate proposals for the Board to carry out adequate planning for the renewal and orderly succession of its members, in particular independent directors, taking into account their length of service and the profiles that the Board as a whole should have at any given time.
- (ii) In relation to the Group's senior management:
 - a. To report on proposals for the appointment and removal of senior officers, their remuneration and the contractual conditions of their relationship with the Company, as well as to receive information and, if appropriate, issue, prior to their application, reports on disciplinary measures relating to the Company's senior officers.
 - b. Supervise the succession plan for senior management, which the Company must keep updated under the responsibility of the Executive Directors.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- (iii) In relation to the remuneration policy for directors and senior management:
- a. Propose to the Board of Directors the remuneration policy for directors and senior executives, as well as the individual remuneration and other contractual conditions of Executive Directors.
 - b. Ensure compliance with and periodically review the remuneration policy applied to directors and senior officers, including share-based remuneration systems and their application, and ensure that their individual remuneration is commensurate with their responsibility and dedication and that of the other directors and senior officers of the Company.
 - c. Report to the Board on proposals regarding the terms of the variable remuneration of Executive Directors and senior officers of the Company, as well as other incentive plans for them and, if appropriate, verify the degree of compliance with the objectives to which they are subject.
 - d. Verify the information on directors' and senior management remuneration contained in the various corporate documents and, in particular, prepare the Annual Report on Directors' Remuneration for approval by the Board.
- (iv) In relation to the corporate governance system:
- a. Promote the Company's corporate governance policies.
 - b. Propose to the Board of Directors the approval of the Annual Corporate Governance Report.
 - c. Prepare a preliminary report on which the Board will base its annual evaluation of its functioning in accordance with the terms set out in article 8 of the Regulations of the Board of Directors.
 - d. Ensure that any external advice the Committee and the Board may receive in this area is provided with due independence.
 - e. Evaluate and periodically review the corporate governance system so that it fulfils its mission of promoting the corporate interest and takes into account the legitimate interests of its stakeholders, and propose to the Board such modifications to the Company's policies, rules, practices and procedures as it deems appropriate, stating the reasons for the same. In particular, report on proposals to amend the Articles of Association, the Regulations of the Board, the Regulations of the General Meeting, the Rules of Operation of the Electronic Shareholders' Forum, the Internal Code of Conduct, the Code of Ethics and any other rules of governance of the Company. These functions shall be carried out in coordination with the Sustainability Commission with regard to matters within its competence.
 - f. Oversee the implementation of the general policy regarding the communication of economic-financial, non-financial and corporate information as well as communication with shareholders and investors, proxy advisors and other stakeholders. Likewise, the way in which the Company communicates and relates to small and medium-sized shareholders shall be monitored, in coordination with the Sustainability Commission as regards the matters within its competence.
 - g. Oversee and evaluate the processes of relations with the various stakeholders, in coordination with the Sustainability Commission as regards the matters within its competence.
 - h. Review the compliance policy and propose all necessary measures to strengthen it.

In order to perform its duties, the Nominations, Compensation and Corporate Governance Commission shall have the power to request and obtain advice, legal opinions or reports from experts, when it deems appropriate. In order to perform its duties, the Commission may request the attendance at its meetings of any member of the management team or staff of the Company and any collaborator of the Company or of any of the Group companies, and shall have access to all the information it deems necessary. The presence of other directors, executive or non-executive, managers or any third party at Commission meetings should only take place at the invitation of the Chair of the Commission and should be strictly limited to those items on the agenda to which they are invited.

The Nominations, Compensation and Corporate Governance Commission shall annually approve a report on its functioning and propose to the Board of Directors its publication, sufficiently in advance of the ordinary General Shareholders' Meeting.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

(A.5) Sustainability Commission

The Sustainability Commission is regulated in article 29 of the Regulations of the Board of Directors.

The Sustainability Commission shall be composed of a minimum of three and a maximum of five non-Executive Directors, the majority of whom shall be independent directors. The members of this Commission shall be appointed with a view to ensuring that they have the knowledge, skills and experience appropriate to the functions they are called upon to perform. The appointment and removal of the members of the Commission shall be made by the Board of Directors upon proposal of the Nominations, Compensation and Corporate Governance Commission. The members of the Sustainability Commission shall resign when they cease to be directors or when so resolved by the Board of Directors. The Chair of the Commission shall be elected by the Board of Directors, at the proposal of the Nominations, Compensation and Corporate Governance Commission, from among the members of the Commission who are independent directors. In the absence of the Chair, the meeting shall be chaired by the independent director appointed for this purpose by the Commission.

The composition of the Sustainability Commission as at the date of the Registration Document is as follows:

Name	Position	Nature
Ms Margarita Garijo-Bettencourt.....	Chairman	Independent
Ms Teresa Quirós Álvarez	Board member	Independent
Mr Fernando Carrillo Flórez	Board member	Independent
Ms Carmen Fernández de Alarcón Roca.....	Board member	Proprietary

The Commission shall meet periodically as required and at least four times a year. In any case, the Commission shall meet whenever the Board of Directors of the Company or any of the commissions requests the issuance of a report or the approval of proposals within the scope of its powers and whenever, in the opinion of the Chair of the Commission, it is appropriate for the proper performance of its duties. During the 2022 financial year, the Company's Sustainability Commission met a total of seven times. In the addition, in 2023, the Appointments and Remuneration Commission has met on six occasions to date.

The functions assigned to the Sustainability Commission include, among others, the following:

- (i) Promoting and guiding the Company's strategy, policy and internal regulations in relation to sustainability in environmental and social matters, as well as its adaptation to national and international standards, recommendations and best practices in these areas.
- (ii) Evaluating and periodically reviewing the Company's internal regulations on sustainability and, in particular, the sustainability policy, in order to ensure that they fulfil their mission of promoting the corporate interest and taking into account, as appropriate, the legitimate interests of the Company's other stakeholders; and proposing to the Board such updates and amendments as it deems appropriate, in coordination with the Nominations, Compensation and Corporate Governance Commission.
- (iii) Overseeing compliance with the Company's internal regulations on sustainability and, in particular, the sustainability policy, in coordination with the Audit, Risks and Compliance Commission.
- (iv) Promoting, in coordination with the Nominations, Compensation and Corporate Governance Commission, a proactive strategy of relations with the Company's stakeholders (customers, investors, suppliers, employees and society in general) in relation to matters within the Commission's remit, with the aim of defining material issues for the Company from the perspectives of risk and opportunity.
- (v) Overseeing that the Company's environmental and social practices are in line with its strategy and policies.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- (vi) To be informed of: i) the different public and private initiatives implemented by the Company in the countries in which it is present in the field of social and environmental sustainability and ii) the inclusion and valuation of the Company in international sustainability indices.
- (vii) Promoting the Company's compliance with the Sustainable Development Goals approved by the United Nations.
- (viii) Overseeing the management of the Company's intangible assets such as reputation, brand image, intellectual capital and transparency, and proposing measures for improvement.
- (ix) Overseeing, within the scope of its competencies, the preparation process and the integrity of regulated and non-regulated non-financial information, in coordination with the Audit, Risks and Compliance Commission. In particular, it shall report to the Board of Directors, together with the Audit, Risks and Compliance Commission, on the statement of non-financial information, prior to its formulation.
- (x) Assessing the Group's non-financial risks in the areas of sustainability and social reputation, in coordination with the Audit, Risks and Compliance Commission.
- (xi) Proposing to the Nominations, Compensation and Corporate Governance Commission the terms of the variable remuneration of the Company's Executive Directors and senior officers that are linked to sustainability objectives.
- (xii) Proposing to the Board of Directors the approval of the annual sustainability report.

The Commission shall have the power to request and obtain advice, legal opinions or expert reports when it deems appropriate. In order to perform its duties, the Commission may request the attendance at its meetings of any member of the management team or staff of the Company and any collaborator of the Company or of any of the Group companies, and shall have access to all the information it deems necessary. The presence of other directors, executive or non-executive, managers or any third party at Commission meetings should only take place at the invitation of the Chair of the Commission and should be strictly limited to those items on the agenda to which they are invited.

The Sustainability Commission shall annually approve a report on its functioning and propose to the Board of Directors its publication, sufficiently in advance of the ordinary General Shareholders' Meeting.

(A.5) Brief description and professional profile of the members of the administrative, management or supervisory bodies.

Below is a brief CV of each of the members of the Company's Board of Directors.

Mr Joseph Oughourlian

Joseph Oughourlian is Chair of the Board of Directors and Chair of the Delegated Commission.

Joseph Oughourlian is the founder of Amber Capital. He founded Amber Capital in New York in November 2005 and began his career at *Société Générale* in Paris in 1994 and moved to New York in 1996. In 1997, he ventured into proprietary trading at *Société Générale*, which led to the first Amber Fund being established in October 2001 with seed capital from the Bank.

Mr Oughourlian graduated from the HEC Business School and from IEP (Sciences Po.), both in Paris, and earned his MSc in Economics from the Sorbonne in Paris. Oughourlian currently sits on the boards of a range of companies.

He was appointed director of Prisa in December 2015 and has been Deputy Chair of the Board of Directors since April 2019. In February 2021 he was appointed Chair.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Mr Fernando Carrillo Flórez

Fernando Carrillo Flórez is First Deputy Chairman of the Board of Directors, Coordinating Director, Member of the Executive Committee, Chairman of the Nomination, Remuneration and Corporate Governance Commission and Member of the Sustainability Commission.

Fernando Carrillo Flórez is a lawyer and economist from the Pontificia Universidad Javeriana in Bogotá, Master in Law and Public Finance from Harvard University and Master in Administration and Public Policy from the John F Kennedy School of Government at the same university.

He has served as Colombia's Ambassador to Spain, Minister of Justice and Minister of the Interior of Colombia in various legislatures, as well as Director of the National Agency for the Legal Defence of the State and representative of the IDB in Paris and Brazil, among others. He was Colombia's Attorney General from 2017 to 2021.

Fernando Carrillo has also taught at the Universidad Pontificia Javeriana, the Centro de Estudios Políticos y Constitucionales, the Universidad Carlos III de Madrid and the Institut d'Etudes Politiques de Paris, among others. He is the author of more than 14 books and 80 articles on democracy, governance and justice reform.

Ms Pilar Gil Miguel

Pilar Gil Miguel is Chief Financial Officer of Prisa, Second Vice-Chairman of the Board of Directors and Member of the Delegated Commission.

Pilar Gil has a degree in Economics from ICADE (E-2) and has completed the executive education programme (PDD) at IESE. She began her career at Chase Manhattan Bank, specialising in tracking international markets, before moving to Arthur Andersen, where for three years she audited a range of companies.

Pilar Gil, who originally joined PRISA to oversee its IPO in 2000, has been a key participant in all the company's key events since then, both with regard to refinancing operations and capital increases as well as PRISA's ambitious plans as the group has continued to evolve in a highly competitive technological environment. In addition, she has been instrumental in the development of the Group's current Strategic Plan and oversaw the company's first Capital Markets Day.

In May 2021, she was named Chief Cabinet of PRISA's President and responsible for dealings with shareholders and investors. Pilar Gil has been Chief Financial Officer of PRISA since July 2022. She joined the Board of Directors as an executive director in February 2023 and was appointed Second Vice-Chairman of the Board in June 2023.

Ms Béatrice de Clermont-Tonnerre

Béatrice de Clermont-Tonnerre is a member of the Board of Directors and a member of the Nominations, Compensation and Corporate Governance Commission.

Béatrice de Clermont-Tonnerre is the General Manager of the Public Sector at Microsoft France. Previously, from 2019 to 2022, she was a member of the Delegated Commission and Chief Revenue Officer at the artificial intelligence company Kayrros, which focuses on energy markets. She served as Director of AI Partnerships at Google until September 2019. She is based at the AI Research Centre in Paris she oversaw and engages with large clients on Machine Learning solutions. From 2013 to 2018 she was Southern Europe Director for monetisation at GOOGLE, covering France, Spain and Italy. She was previously Senior VP Business Development at LAGARDERE leading mergers and acquisitions in pay TV, book and magazine publishing, sports rights and digital media; after working for the CANAL PLUS Group from 2001 to 2005 as Head of Interactive Television and Co-Head of Programming.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Béatrice de Clermont Tonnerre started her career as a radio journalist for two years and she entered the business world as a strategy analyst at MATRA working on the space industry and defence electronics. She participated, in 1995-1999 as a junior member of the team to the build-up that led to the creation of EADS Group (now AIRBUS Group).

Béatrice de Clermont Tonnerre graduated from IEP Paris (BA in Political Sciences and Economy) and obtained her MBA degree from ESSEC (École Supérieure des Sciences Economiques et Commerciales).

Béatrice de Clermont Tonnerre also served on the Board of Société Européenne de Satellites (Luxembourg) and as deputy chairperson of the Board of Hürriyet, the leading newspaper in Turkey to be publicly listed.

She currently serves as deputy chairperson of the Board at Klépierre, a European specialist in Shopping Centres, listed on the Paris Stock Exchange, and sits on the Board of MyMoneyBank. She is also a Board Observer of KAYRROS (a pioneering technology company in the quantification of climate change). Béatrice de Clermont Tonnerre has been bestowed with the distinction of *Chevalier dans l'Ordre National du Mérite* (National Order of Merit) in France.

Mr Andrés Varela Entrecanales

Andrés Varela Entrecanales is a member of the Board of Directors.

After studying at the Colegio Estudio and at the Faculty of Veterinary Medicine, in 1985 Varela Entrecanales began his career as a journalist and presenter for musical programmes on Radio El País. In 1986 he moved to London where he worked for BBC Radio, Warner Music and Canal 10 for its launch in Spain.

In 1990, he returned to Spain and joined Canal Plus from the start of its broadcasts and worked in the channel's self-promotion department. As a founding partner of GECA, he chaired the television consultancy from 1993 to 1997, specialising in the analysis of audiences and programming trends.

In 1995 GECA merged with Globomedia, and he combined his duties at GECA with the post of head of Entertainment Programmes at Globomedia, where he produced more than 20 entertainment programmes in Spain and Latin America through the company Promofilm. With the subsequent merger of Globomedia and Mediapro, he joined the boards of Grupo Imagina and La Sexta, after it was launched in 2006.

In 2015, he left Grupo Imagina to found and chair The Pool TM, an audiovisual production company. His family group has been part of PRISA since its foundation and he has sat on the Board of SER for two years.

Mr Miguel Barroso Ayats

Miguel Barroso Ayats is a member of the Board of Directors.

Miguel Barroso Ayats graduated in Law and also in Philosophy and Letters (specialising in Modern and Contemporary History) at the University of Barcelona.

While practicing journalism in various media, including El País, his professional activity has always remained focused on Communication. He offered media consulting services in several Latin American countries commissioned by Hispasat. Part of his responsibilities in FNAC Group included leading the launch of its brand in Spain; served as CEO in Spain and later, International Vice President for Marketing and Communication at the Group's international headquarters in Paris.

Later, he was Secretary of State for Communication during the first two years of Rodríguez Zapatero's presidency (2004/2005). During this period, private channel ownership was expanded and, the law enshrining the independence of RTVE was approved, allowing public news channels to achieve high levels of prestige and independence. Also, during that period, EFE agency developed a fully autonomous project. Later, he was General Director of the Casa de America, after being consensually nominated by the three administrations that make up the Board of the Institution: Government, Community of Madrid and City Council.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

For the last decade he has been linked to WPP, the world's leading communication and marketing group. First as CEO of the advertising agency, Young & Rubicam in Spain, later as Development Director of WPP for Central America and the Caribbean based in Havana; finally, as Director of WPP Spain.

He is co-author of a book of journalistic chronicles, "Crónicas Caribes" (Editorial El País/Aguilar) and has also published two novels: "Amanecer con Hormigas en la Boca" and "Un Asunto Sensible" both published by Random House; and the first, translated into eight languages and made into a movie by his brother Mariano Barroso. He has translated several volumes on Geography, Sociology and Philosophy into Spanish from Italian and French.

Mr Francisco Cuadrado Pérez

Francisco Cuadrado Pérez is Executive Chairman of Santillana, Member of the Board of Directors and Member of the Executive Committee of Prisa since July 2021.

Francisco Cuadrado Pérez holds a degree in Economics from the Complutense University of Madrid and an MBA from IPADE/IESE in Mexico City.

He has more than 30 years' experience in the education sector, particularly in project management in Latin America. He has spent much of his career at PRISA Group, where he has held a range of positions of responsibility. Since 2010 he has headed Global Education, where he has been instrumental in promoting the group's commitment to digital business, which is now Santillana's chief revenue source. Previously, he was Global Director of the Trade Division, Managing Director in Colombia and Deputy Managing Director of Santillana in Mexico. He has held the position of Executive Chair of Santillana and that of Executive Director of PRISA since 27 July 2021.

Ms Carmen Fernández de Alarcón Roca

Carmen Fernández de Alarcón Roca is a member of the Board of Directors, a member of the Nominations, Compensation and Corporate Governance Commission, a member of the Audit, Risks and Compliance Commission and a member of the Sustainability Commission.

Carmen Fernández de Alarcón Roca holds a degree in Economics and Business Administration (Icade E-2) from the Universidad Pontificia de Comillas.

She has more than 25 years of professional experience, at both national and international level, in the design, development and management of sales, marketing and communication strategies in key sectors such as retail, entertainment, telecommunications, tourism, CSR, energy, media, finance, automotive, luxury and e-commerce. She has wide expertise in the transformation and digitisation of businesses and brands. She began her career at Procter & Gamble, where she spent seven years, and later held posts at JWT Total Communications (WPP Group), DEC Madrid (BBDO Group) and EHSBRANN (Media Planning Group), where she was Managing Director and member of the Delegated Commission at each. At Havas Media Group (formerly Media Planning Group) she held a range of positions, including Chief Commercial Officer and CEO of Havas Sport & Entertainment. She combined the latter position with that of Head of Global Business Transformation. She is currently the CEO of Havas Spain, one of the world's largest advertising-content and media groups with a presence in more than 100 countries.

She was one of the 40 female business leaders selected to participate in the second edition of the initiative "Women to Watch" 2018 organised by PWC (a programme which seeks to help women managers become directors). She is currently a member of the Alumni Board of said programme. In addition, she has made the list of the 100 Women Leaders in Spain in the Senior Management category (2019) and was named one of the 100 Most Influential Women 2022 by Forbes. She serves on the Board at Agile Content and is a member of the Delegated Commission of ACT (Transformative Creativity Association).

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Ms María José Marín Rey-Stolle

María José Marín Rey-Stolle is a member of the Board of Directors and a member of the Audit, Risks and Compliance Commission.

María José Marín Rey-Stolle graduated in E4 in a double Spanish-French international business degree from ICADE and Reims Management School. After working as a consultant at Oliver Wyman and as an auditor at PwC, she founded and is now CEO of We Are Knitters, the world's leading digital brand in the hobby and crafts sector. Ten years after its foundation, the company has a turnover of EUR 20 million selling knitting kits and balls online, 95% outside Spain. Since 2021, the Funem Studio brand, a digital brand of loom-making kits based in Belgium, has also been part of the group following a 100% acquisition.

María José Marín was honoured in 2020 with the Princess of Girona Business Award for “knowing how to unite tradition and modernity, turning the age-old tradition of knitting into a modern hobby”.

Since 2019, María José has been an Endeavor Spain Entrepreneur along with other prominent entrepreneurs such as Juan de Antonio from Cabify, Verónica Pascual from Asti and Óscar Pierre from Glovo. In addition, María José was a finalist as Protagonist of the Year in ModaEs, along with Pablo Isla, and We Are Knitters has won the SME of the Year Award in Emprendedores, the Aster Award from ESIC, the DHL Award for Internationalisation and the Award for Internationalisation of the Spanish Association of Young Entrepreneurs, CEAJE.

At business and social forums, she is an active champion in the fight against the digital divide, as well as socio-economic and gender gaps in entrepreneurship, and she has spoken at events such as DEMO 2020 and South Summit, among others. She teaches at IE University, ISDI, ICADE and IESE.

Since May 2021 she has been the First Secretary of the Ateneo de Madrid, one of the most important cultural institutions in Spain, as founder of the “Grupo 1820” with more than 300 members for the revitalisation and regeneration of the Madrid Institution dedicated to the dissemination of arts, sciences and letters with more than 200 years of history.

Mr Carlos Núñez Murias

Carlos Núñez Murias has been the Executive Chairman of PRISA Media since May 2021. He is also a member of the Board of Directors and a member of the PRISA Delegated Commission.

Carlos Núñez is a Telecommunications Engineer with a degree from the Polytechnic University of Valencia, an Executive MBA from IESE, PA in Corporate Finance from IE and PADDB + from The Valley Digital Business School.

He began his professional career at Andersen Consulting (now Accenture). In 2000, together with other partners, he launched the Internet startup Verticalia, the first vertical industry portal for Spain and Latin America. In 2001, he joined Unión Fenosa in the area of investment analysis, and then became part of the Corporate Strategy and Development team until 2005, when he joined the international strategic consulting firm Oliver Wyman where he was appointed partner in 2012. During his tenure there, PRISA Media's new Executive Chairperson built up extensive experience in strategy and finance projects in the media, energy and telecommunications sectors, both nationally and internationally.

In 2014 he joined Spanish communication group Henneo, where a year later he was appointed general manager. He was also appointed as member of the Boards of Directors of Factoría Plural, Radio Zaragoza, Publicaciones y Ediciones del Alto Aragón, Diximedia and the IT company Hiberus. He is also an independent director of Catenon, a company listed on the MAB.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Mr Manuel Polanco Moreno

Manuel Polanco Moreno is a member of the Board of Directors.

Manuel Polanco holds a degree in Economics and Business Studies from the Autonomous University of Madrid. He has a thorough understanding of PRISA, where he has spent his entire career. He began his career in Latin America, a region which has long proved crucial for the development of the Group.

From 1991 to 1993 he headed Santillana in Chile and Peru. He was subsequently appointed editor-in-chief of the Mexican newspaper La Prensa and he was instrumental in the launch of the American edition of El País in Mexico City, the first Spanish newspaper to be published simultaneously in both countries. It quickly became the newspaper of record and set the standard for international reporting in Latin America. In 1996 he became director of Santillana in Latin America and the United States, based in Miami, a period which saw the creation of the last Santillanas in the region. He also improved coordination between offices in different countries.

Back in Spain in 1999, he became president of the media sales arm of the entire Group through GDM (Gerencia de Medios) and a year later he was named president of GMI (Gestión de Medios Impresos) which brought together the newspapers Cinco Dias and AS, magazines and new investments in regional press. In 2005, after the acquisition of Media Capital by PRISA, he was made CEO of the Portugal's leading television and audiovisual production company. Here he oversaw a period of international expansion into other Portuguese-speaking markets and he consolidated the Portuguese company's lead in television, with TVI, as well as in audiovisual production for television through the company Plural.

In 2009, he returned to Spain as a Managing Director at PRISA, and he subsequently oversaw the Group's television interests, including Canal + until its sale to Telefonica in 2015. He led the launch of PRISA's production and video division while Deputy Chair of the Group. Polanco has been a director of PRISA since 2001 and a member of its Delegated Commission from 2008 to 2023. On 1 January 2018, he took over as Chairman of the Board of Directors of PRISA, a post he held until December of that year.

Ms Teresa Quirós Álvarez

Teresa Quirós Álvarez is a member of the Board of Directors, Chair of the Audit, Risks and Compliance Commission and member of the Sustainability Commission.

Teresa Quirós holds a degree in Economics and Business Administration from the Faculty of Economics at the University of Malaga. She has completed postgraduate studies in a range of programs including PADBB+ of The Valley, the IESE Directors Program, the Executive Program for Women in Senior Management at ESADE, the Executive Program at Harvard and the Real Colegio Complutense.

Quirós has wide and varied experience in the financial sector, where she has led projects at both national and international level. She has also overseen multiple projects in matters of risk control, regulatory compliance and sustainability, and has developed and implemented innovative strategies in the areas of ESG and corporate governance.

Quirós has spent much of her professional career at Red Eléctrica Corporación, a company she joined in 1986 and where she has held numerous different posts. In 1999 she was instrumental in launching the company's IPO, in 2002, she was named Finance Director, and in 2015 she was appointed Chief Financial Officer of the Group. She has been a member of the Delegated Commission, the Innovation Steering Team, the Corporate Social Responsibility Committee, the Procurement Committee and the International Affairs Committee. She has also served as Chairperson of REE FINANCE BV, the group's financial subsidiary.

She is currently a director and member of the Audit Committees of Acciona Energía, Singular, Tubos Reunidos having previously held the same post at Hispasat and Greenergy.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Mr Javier Santiso Guimaras

Javier Santiso Guimaras is a member of the Board of Directors and a member of the Nominations, Compensation and Corporate Governance Commission.

Javier Santiso is CEO and General Partner of Mundi Ventures, a venture capital fund (EUR 500M). He is an investor in tech unicorns such as Farfetch and Skyscanner in the UK, Auto1 and Wefox in Berlin, Bolttech in Singapore, Betterfly in Miami, Klarna in Stockholm and Shift Technology in Paris. He is on the boards of a range of startups, such as Clarity (New York), Twinco (Rotterdam) and Convelio (Paris).

Javier is also a member of the board of directors of FNAC Darty in Paris, where he serves on its appointments and remuneration committee. Previously, he was chief economist at Indosuez (Paris) and BBVA (Madrid), heading emerging markets. He served as director of the OECD, the youngest in the entire history of the organisation, and as chief economist of the OECD Development Centre. He oversaw corporate transformation at the Amerigo venture capital fund, which he founded, at Telefónica.

He has also served as CEO in Europe of Khazanah, Malaysia's sovereign wealth fund (USD 50 billion) and as its global head of technology investments. Khazanah has invested in a dozen unicorns, including Alibaba in China, Palantir in the United States and Farfetch in Europe. He was instrumental in the development of its international office and in setting up its headquarters in London. At that time he was also on the board of directors of Axiata Digital, where he had oversight of the investment committee.

Javier is an avid art collector and a patron of culture. He is on the International Board of Trustees of the Prado Museum and the Teatro Real; he is also a member of the Board of Trustees of the San Fernando Royal Academy of Arts. He is the founder of the art and poetry publishing house La Cama Sol. and collaborates with various artists including Lita Cabellut, Etel Adnan, Soledad Sevilla, Anselm Kiefer, Jaume Plensa, Miquel Barceló, Rafael Canogar, Juan Uslé, and authors such as Joan Margarit, Pere Gimferrer, Christian Bobin, Tahar Ben Jelloun and Pascal Quignard, and has translated some of their works into Spanish.

He has published a dozen books, including *Un sol de pulpa oscura* (A sun of dark pulp) (Madrid, Franz Ediciones, 2020) with the Iranian artist Shirin Salehi, the novel *Vivir con el corazón* (Living with the heart) (Madrid, La Huerta Grande, 2021) about the life of Van Gogh, *El sabor a sangre no se me quita de la voz* (La Huerta Grande, 2022), about the life of Camarón de la Isla; and *El cuento de las risas perdidas* (The tale of lost laughter) (La Huerta Grande, 2023).

In 2023, he published his first novel in French with the Gallimard publishing house, under the prestigious NRF "Blanche" imprint: "Un pas de deux", about the - novelised - life of Jo and Edward Hopper. He has a number of upcoming novels, including *Outrenoirs*, a nod to the painter Pierre Soulages.

Ms Isabel Sánchez García

Isabel Sánchez García is a member of the Board of Directors, a member of the Audit, Risk and Compliance Commission and a member of the Nominations, Compensation and Corporate Governance Commission.

Isabel Sánchez García is an economist with a degree in Economics and Business Administration from the Universidad Autónoma de Madrid in 1979, and a PhD in Economics from the University of California, San Diego.

She has extensive academic experience in higher education: In Spain, she has been a full professor at the Complutense University and the Carlos III University of Madrid, and in the USA, at the University of California at San Diego and the University of Rochester, New York. She is currently a member of the IE University faculty, where she has been very active since its inception, first as Director of the Bachelor of Business Administration programme and now as Vice Chancellor in charge of the Associate and Visiting Professors of all IE University Masters and Bachelor programmes, and Director of IEU Labs.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Isabel Sánchez's experience is not limited to academia. She has worked in the areas of energy market regulation and competition policy in different public institutions. Among other positions, she has been Deputy Director General of Studies and Deputy Director General of Concentrations at the Competition Court, Deputy Director of Regulated Prices at the National Electricity System Commission; Deputy Director of Regulated Systems at the National Energy Commission; and Director of Competition Promotion at the National Competition Commission. She has also been an independent director of ENAGAS, SA.

She has been actively involved in developing science, technology and innovation policies, having held the post of Director of the Cabinet of the Secretary of State for Science and Technology Policy in the first Ministry of Science and Technology in Spain. She has been an advisor to the Centre for the Development of Industrial Technology (CDTI) and worked for three years at the World Bank in the Private Sector Development and Energy Department for Latin America and the Caribbean, based in Washington DC.

Ms Margarita Garijo Gómez (a.k.a. Margarita Garijo-Bettencourt)

Margarita Garijo-Bettencourt is a member of the Board of Directors and Chairwoman of the Sustainability Commission.

Garijo-Bettencourt is a consulting and communication professional who has had a long career first in Spain and then in France and the United States. With a degree in Molecular Biology from the Complutense University of Madrid and General Management from INSEAD in Paris, she has developed her career in both business and communication. She began her career in 1987 at L'Oréal Spain. In the same company she was marketing director until 1992 when she was appointed general manager of Garnier for Spain. In 1996 she joined the Executive Committee of the Luxury Division of the L'Oreal Group and was appointed Managing Director of Helena Rubinstein, Giorgio Armani, Ralph Lauren, Paloma Picasso and Lanvin. That same year she joined the Global Brand Strategy Council and in 2000 she was appointed General Manager of Business Development for the company's Luxury Division. In 2001, she took on the responsibilities of Communications and External Relations for the L'Oreal Group in Spain.

Garijo-Bettencourt joined the Boston Consulting Group in Paris in 2005 as Director of Communications and Marketing. In 2009 she moved to New York and joined BCG's Global Marketing Committee. Since her appointment and until 2022, she has held a number of senior management positions within the company, including global head of brand identity. Her functions covered external and internal communication, brand management and branding, talent acquisition and visual identity.

She is a trustee of the Margarita Salas Foundation.

(B) Senior management

As at the date of the Registration Document, the following persons are considered to be members of senior management:

Name	Position
Mr Carlos Núñez Murias	Executive Chairman of Prisa Media
Mr Francisco Cuadrado Pérez	Executive Chairman of Santillana
Mr Pablo Jiménez de Parga Maseda	Secretary of the Board of Directors
Ms Pilar Gil Miguel	Chief Financial Officer (CFO)
Mr Jorge Rivera García	Corporate and Institutional Relations Director
Ms Rosa Junquera Santiago	Sustainability Director
Ms Marta Bretos Serrano	Director of People and Talent
Ms Ana Ortas Pau	Communication Director
Ms Virginia Fernández Iribarnegaray	Director of Internal Audit

The Internal Audit Director is included in this senior management group for the sole purpose of the Company's legally mandated reporting obligations.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The business address of all members of the senior management of the Prisa Group is the registered office of Prisa (calle Gran Vía, 32, 28013, Madrid).

The following is a brief description of the professional and biographical profile of the members of the senior management of the Prisa Group, except for those who are also members of the Company's Board of Directors.

Mr Pablo Jiménez de Parga Maseda

Pablo Jiménez de Parga is Secretary of the Board of Directors of Prisa.

Pablo Jiménez de Parga holds a degree in Law, with the Extraordinary Degree Award, from the Complutense University of Madrid, where he also completed his Doctorate in Commercial Law. He subsequently taught as Associate Lecturer of Commercial Law at the Complutense University and at the Rey Juan Carlos University of Madrid.

Jiménez de Parga has been a practicing lawyer since 1989 and was a member of the Governing Board of the Madrid Bar Association.

He was Managing Partner of the Jiménez de Parga Law Firm for more than 20 years, until its merger in 2019 with ECIJA, a firm of which he is currently Executive Vice President. The firm has offices in Spain, Portugal and 15 Latin American countries, and boasts a multidisciplinary team of more than 1,000 professionals.

Pablo Jiménez de Parga has extensive experience in advising clients on business and company law, and he has an outstanding reputation for his defence of cases before the Courts of Justice.

In the commercial field, Pablo specializes in advising companies, both Spanish and international, on commercial contracts and corporate law, with particular attention to corporate governance issues. He acts as Secretary of the Board of Directors of numerous companies.

In the procedural field, Pablo has been professionally involved in many of the most notable judicial cases of recent years in the business and company sector, including cases held before the Supreme Court, the National Court and other Courts of Justice.

Pablo also has extensive experience in commercial and sports arbitration. He has been President of the Court of Arbitration of the Madrid Bar Association and, currently, he is an arbitrator of the Madrid Court of Arbitration, of the Arbitration Court of the Madrid Bar Association and of the Spanish Court of Arbitration for Sport.

He has been the Secretary of the Board Directors at PRISA since July 2021.

Mr Jorge Rivera García

Jorge Rivera is the Corporate and Institutional Relations Director of Prisa.

Jorge Rivera holds a degree in Information Sciences from the Complutense University of Madrid. He began his professional career at Cinco Días. He was also part of the founding teams of both La Gaceta de los Negocios and El Sol. In 1991 he joined EL PAÍS, where he served as deputy editor of the Economy section. In 2000 he returned to Cinco Días, as head of the Business pages. He was then deputy editor of the newspaper before being appointed editor-in-chief in 2005. In March 2016 he joined EL PAÍS as deputy editor and, In January 2018, he was appointed Director of Communications and Institutional Relations at Prisa. In June 2022, he became Corporate and Institutional Relations Director, heading the President's Office.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Ms Rosa Junquera Santiago

Rosa Junquera is the Director of Sustainability at Prisa.

Rosa Junquera holds a degree in Political Science, a Master's in Journalism (UAM-El País) and a Master's in Sustainability (Competitive Social Transformation, UCM). She began her professional career in the area of Marketing and Audiences at RTVE before joining the Marketing department of El País. As a journalist, she has worked in the news services and programs of Cadena SER.

She has spent much of her professional career at Prisa Group. For 15 years she was head of press for the publishing houses Alfaguara and Taurus and, later, director of the Oficina del Autor. From 2010 to 2022 she was the Global Head of Communications and Marketing at Santillana, and a member of the company's Management Committee. Here, she oversaw the launch of international education projects and the positioning of subscription models in the market. She also led the company's sustainability strategy.

From 2011 to 2021 she was a member of the Madrid Publishers Association and she has lectured on the Master's Degree in Publishing at the UCM.

She has been the Director of Sustainability at Prisa since May 2022.

Ms Marta Bretos Serrano

Marta Bretos is the Director of People and Talent at Prisa.

Marta Bretos holds a degree in Political Science from the Complutense University of Madrid and is a Labour and Social Security Inspector on leave of absence. In 2011, she joined Prisa as Director of Human Resources for the Radio division and in 2021 she took over this position for the entire media group. Prior to joining Prisa, she was HR Director at Corporación Radiotelevisión Española.

She began her career in 1992 as a Labour and Social Security Inspector, first in Álava and then in Albacete. In 1994, she joined the Ministry of Public Works as Head of the Labour Relations Service; in 1996, she was appointed Head of the Economic Area of the Ministry of Public Works and a year later, Head of the Labour Personnel Area of the same Ministry. In 2001, she joined the Correos Group as Corporate HR Director until 2007, when she was appointed HR Director of RTVE.

Ms Ana Ortas Pau

Ana Ortas Pau is the Communications Director of Prisa.

Ana Ortas Pau is a journalist, expert in Media and Corporate Communication. A graduate in Information Sciences, she began her career at Radio Nacional and the EFE news agency. In 1990, she was part of the founding team of Canal+. For 16 years she held positions of responsibility in PRISA Group channels: Canal+, CNN+ and Cuatro, where she was presenter and editor, section head and editor-in-chief.

In 2006, she took over as Deputy Director of News at Telecinco in the Mediaset Group. At Cuatro she was executive producer of the debate programme Las Mañanas de Cuatro. In 2015 she became Global Head of Communications, Media Relations and Sponsorships at BBVA Group. Since 2022 he has been Senior Advisor to several companies and foundations. She has been Director of Communications at PRISA since April 2023.

Ms Virginia Fernández Iribarnegaray

Virginia Fernández is Prisa's Director of Internal Audit.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Fernández Iribarnegaray has a degree in Economics and Business Administration. She began her professional career at Arthur Andersen (now Deloitte) in 1995 in the Audit and Business Consulting division. In 2000, she was appointed Manager of the Transportation, Products, Distribution and Services Sector, becoming Senior Manager of the same in 2006. During that period, in addition to conducting financial audits, she also led consulting and business advisory projects, including company valuations, definition of strategic plans and process design.

Since May 2007, she has directed and managed PRISA's Internal Audit Department at a national and international level, reporting to the Prisa Audit Committee. She has led a wide range of projects including the definition and implementation of the internal control system in the Group's financial sphere (SOX and SCIIF) and the criminal compliance model. Until 2021 she was part of the corporate compliance unit and since September 2021 she has been a member of the executive sustainability committee.

(C) Additional information

According to the information provided to the Company by the members of the Board of Directors and by the members of the senior management of the Prisa Group, there is no family relationship whatsoever between the persons mentioned in section 12.1.

The following is a list of the persons mentioned in section 12.1 who, to the best of the Company's knowledge, are or have been, during the last five years, members of the administrative, management or supervisory bodies, or partners in other companies or associations, excluding: (i) companies of a purely proprietary or family nature, except for those that are particularly relevant to the Company due to their link to the Group or their percentage of ownership in the share capital; (ii) shareholdings in listed companies that do not have the status of significant shareholdings; and (iii) companies and entities that are or have been Group companies. Subsidiaries of an issuer of which the person is also a member of the administrative, management or supervisory body are not listed.

<u>NAME</u>	<u>COMPANY</u>	<u>POSITION</u>	<u>VALIDITY</u>
Mr Joseph Oughourlian ⁽¹⁾	Amber Capital Italia SGR S.p.A.	Chairperson of the Board of Directors	In force
	Racing Club de Lens	Chairman	In force
	Amber Capital UK, LLP	Managing Partner	In force
Mr Manuel Polanco Moreno	Rucandio, S.A.	Chief Executive Officer and holder of 25% of the share capital	In force
	Timón, S.A.	Deputy Chairperson	In force
	Rucandio Inversiones ICAV	Director and holder, directly and indirectly, of 10.28% of the share capital	In force
	Qualitas Venture Capital, S.A., S.C.R.	Director	In force
	Tropical Hoteles, S.A.	Director	In force
	Canal Club de Distribución de Ocio y Cultura, S.A.	Joint administrator	Not in force
Ms Béatrice de Clermont-Tonnerre	SES	Director	force
	Klepierre	Vice-President	In force
	Microsoft	General Manager of Public Sector (France)	In force
	MyMoneyBank	Director	In force
	Kayrros	Board Observer	In force
	Grupo Le Monde	Director representing Prisa Group	In force
	Google	Director AI Partnerships EMEA and Southern Europe	Not in force
	Lagardere	Monetisation Director	Not in force
	Hurriyet	Vice President for Development	Not in force

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

NAME	COMPANY	POSITION	VALIDITY
Mr Javier Santiso Guimaras	FNAC Darty	Director	In force
	Mr Jeff	Director	In force
	Clarity.ai	Director	In force
	Twinco	Director	In force
	La Cama Sol	CEO	In force
	Arros	Director	In force
	Le Monde	Director	In force
Ms Teresa Quirós Álvarez	Corporación Acciona Energías Renovables, S.A.	Director	In force
	SNGULAR	Director	In force
	Tubos Reunidos	Director	In force
	Greenergy Renovables, S.A.	Director	Not in force
	Hispasat	Director	Not in force
Mr Andrés Varela Entrecanales	The Pool Anvar Holding, S.L.	Chairperson	In force
	MGVH 2000, S.L.	Joint administrator	In force
Mr Carlos Núñez Murias	Catenon	Director	In force
	Factoría Plural	Director	Not in force
	Radio Zaragoza	Director	Not in force
	Publicaciones y Ediciones del Alto Aragón	Director	Not in force
	Diximedia	Director	Not in force
IT Iberius	Director	Not in force	
Ms Carmen Fernández de Alarcón Roca.....	Havas España	CEO	In force
	Agile Content	Director	In force
Ms María José Marín Rey-Stolle.....	We are Knitters, S.L.	Director	In force
Mr Miguel Barroso Ayats.....	DGP, S.A.	Director	In force
	Desarrollo de Inversiones Plaza San Miguel, S.L.	Sole Administrator	In force
Ms Margarita Garijo-Bettencourt.....	Boston Consulting Group	Global Director Branding & Communities and Brand & Design Global Director	Not in force

(1): Mr Joseph Oughourlian is a senior partner of Amber Capital Management LP, which owns Amber Capital UK Holdings Limited, which in turn owns Amber Capital UK LLP.

According to the information provided by the members of the Board of Directors of the Company, as well as by the members of the senior management of the Prisa Group, it is hereby stated that, in the five years prior to the date of the Registration Document, none of the aforementioned persons: (i) has been convicted of fraud offences; (ii) has been a member of the board of directors or senior management of entities in bankruptcy or receivership proceedings; or (iii) has been publicly and officially incriminated, sanctioned by statutory or regulated authorities or disqualified by any court for acting as a member of the administrative, management or supervisory bodies of an issuer or for acting in the management of an issuer.

12.2. Conflicts of interest of administrative, management and supervisory bodies, and senior management.

(a) *Possible conflicts of interest between the duties of the persons mentioned in section 12.1 to the issuer and their private interests and/or other duties.*

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

In the case of the Company's directors, article 37 of the Board of Directors' Regulations establishes that directors must adopt the necessary measures to avoid incurring in situations in which their interests, whether their own or those of others, may conflict with the corporate interest and with their duties to the Company. Exceptions are those cases in which the Company has given its consent in the terms indicated below.

A conflict of interest shall be deemed to exist in those situations in which the interests of the Company or of the companies forming part of its Group and the personal interests of the director directly or indirectly collide. A director has a personal interest when the matter concerns him or a person related to him.

For the purposes of the Regulations of the Board of Directors, the persons related to the director shall be considered to be those persons established at any given time by the legislation in force.

In particular, in situations of conflict of interest, the director shall refrain from:

- (i) to carry out transactions with the Company, except in the case of ordinary transactions, made on standard terms and conditions for customers or suppliers and of little relevance, under the terms provided for by law;
- (ii) use the name of the Company or invoke his or her status as a director to improperly influence the conduct of private transactions;
- (iii) make use of corporate assets, including confidential information of the Company, for private purposes, as provided for in Article 38 of the Board of Directors' Regulations;
- (iv) take advantage of the Company's business opportunities, as provided for in Article 40 of the Board of Directors' Regulations; and
- (v) obtain benefits or remuneration from third parties other than the Company and the Group in connection with the performance of their duties, except in the case of mere courtesies.

The above provisions shall also apply if the beneficiary of the prohibited acts or activities is a person related to the director.

In those cases in which the situation of conflict of interest is, or may reasonably be expected to be, of such a nature as to constitute a structural and permanent conflict of interest between the director (or a person related him/her or, in the case of a proprietary director, the shareholder or shareholders who proposed or made the director's appointment or persons directly or indirectly related to him/her) and the Company or the companies forming part of its Group, it shall be deemed that the director lacks, or no longer possesses, the qualifications required to hold office.

Directors must notify the Board of Directors of any situation of direct or indirect conflict that they or any person related to them may have with the interests of the Company. In particular, they must report any situations that may imply the existence of conflicts of interest, as established in the *Internal Code of Conduct on Matters Relating to the Securities Markets of Promotora de Informaciones, S.A. and its Group of Companies* (the "**Internal Code of Conduct**").

They must also communicate: (i) the positions they hold on other boards of directors to which they belong, whether or not they are listed companies, as well as any other remunerated activities of any kind; and (ii) the shares in the Company, and options thereon, held directly or indirectly.

Notwithstanding the foregoing, the Company may waive the prohibitions contained in that section in individual cases by authorising: (i) the execution by a director or a related person of a specific transaction with the Company (in accordance with the Board of Directors' Regulations); (ii) the use of certain corporate assets; (iii) the taking of a specific business opportunity; (iv) the obtaining of an advantage; or (v) remuneration of a third party.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The authorisation must be approved by the general meeting if it is intended to waive the prohibition on obtaining an advantage or remuneration from third parties, or if it concerns a transaction whose value exceeds 10% of the company's assets. In other cases, the authorisation may also be granted by the Board of Directors, provided that the independence of the members granting the authorisation with respect to the director dispensed is guaranteed, also ensuring the harmlessness of the authorised transaction for the company's assets or, as the case may be, its execution under market conditions and the transparency of the process.

In the cases envisaged above, the Board, following a report from the Nominations, Compensation and Corporate Governance Commission, shall require the adoption of such measures as, in its opinion, are necessary to preserve the corporate interest.

The Company shall make public the situations of conflict of interest in which the directors find themselves under the terms provided at all times in the applicable regulations.

In the case of members of senior management, the mechanisms for detecting conflicts are based primarily on the obligation for persons subject to the Internal Code of Conduct to declare a conflict of interest. The Internal Rules of Conduct set out the guidelines to be followed in the event of conflicts of interest, which also apply to the members of the Board of Directors. Likewise, Prisa's Code of Ethics, also applicable to directors and executives, stresses the duty to avoid situations that could give rise to a conflict between private interests and those of the company and also obliges them to communicate such situations to the Company.

Except as set out below and according to the information provided to the Company, none of the persons referred to in 12.1 above have any conflict of interest between their duties to the Company and their private interests, nor do they engage in any activities for their own account or for the account of others that involve effective competition, whether actual or potential, with the Company or otherwise place them in a continuing conflict with the interests of the Company.

The Board of Directors has been informed by the directors of the following activities carried out by them or by certain persons related to them, in companies with the same, similar or complementary type of activity to that which constitutes the corporate purpose of the Company or of the companies of the Group:

Director	Activity⁽¹⁾	Person related to the Director	Activity
Mr Joseph Oughourlian	He controls Amber Capital, its associates and subsidiaries, who act as investment managers, partners, managers and directors of funds, accounts and other investment vehicles, which invest in listed and unlisted companies in Europe, North America and Latin America, including trading activities of entities with activities that are the same, similar or complementary to those of Prisa's corporate purpose. Mr Oughourlian also serves as Managing Partner of Amber Capital and as portfolio manager of various funds.	--	--
Mr Javier Santiso Guimaras	CEO and General Partner of Mundi Ventures, a venture capital firm focused on technology companies.	--	--

(1): This list does not include Prisa Group companies.

(b) Any agreement or understanding with major shareholders, customers, suppliers or others, whereby any person referred to in section 12.1 has been appointed to the administrative, management or supervisory bodies or to senior management.

Apart from the Proprietary Directors mentioned in section 12.1 (A) above, none of the members of the Board of Directors of the Company or of the senior management of the Prisa Group has been appointed to their position by virtue of any type of agreement or understanding with major shareholders, customers, suppliers or any other person.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- (c) *Any restriction agreed by the persons referred to in 12.1 on the disposal for a certain period of time of their shareholding.*

Without prejudice to the obligations of non-alienation during a specific period of time of the shares delivered to the beneficiaries of the share delivery plans implemented by the Company (see section 13.1 of the Registration Document), it is hereby stated that, according to the information provided to the Company, none of the persons mentioned in 12.1 above, who are holders of Prisa shares or securities, have assumed any temporary restriction on their free disposal.

13. REMUNERATION AND BENEFITS

13.1. Remuneration paid and benefits in kind granted to the persons referred to in 12.1 by the issuer and its subsidiaries for services of all kinds rendered by any such persons to the issuer and its subsidiaries.

(A) Preliminary considerations

In accordance with the provisions of article 18 of Prisa's Articles of Association, the position of director is remunerated. Both the aforementioned article of the Articles of Association and Chapter IX of the Board of Directors' Regulations contain the rules applicable to directors' remuneration.

Directors shall be entitled to receive the remuneration set by the Board of Directors in accordance with the provisions of the Articles of Association and the directors' remuneration policy approved by the General Meeting.

The remuneration of non-executive directors shall include, with the amounts determined by the Board of Directors at the proposal of the Nomination, Remuneration and Corporate Governance Commission, the following items of remuneration: (i) a fixed annual allowance, or (ii) per diems for attendance by directors at meetings of the Board and, where appropriate, of the Committees to which they belong; or (iii) a combination of the above two elements of remuneration (i.e. a fixed monthly allowance and, in addition, per diems for attendance at meetings).

The fixed annual allowance may consist, in whole or in part, of shares or be linked to their performance. The maximum amount of the annual remuneration of all the directors in their capacity as such must be approved by the General Meeting, and shall remain in force until such time as its modification is approved. Within the aforementioned maximum amount, the Board of Directors shall be responsible for determining the remuneration corresponding to each director in his or her capacity as such, taking into consideration the duties and responsibilities attributed to each one, the membership and positions attributed on Board Committees and any other objective circumstances it deems relevant. The remuneration of external directors shall reflect the level of dedication required and, in the case of independent directors, shall be determined in such a way as to provide incentives for their dedication but not constitute an obstacle to their independence. Directors entrusted with executive duties shall be entitled to receive remuneration for performing such duties, which shall be determined by the Board of Directors in accordance with the directors' remuneration policy approved by the General Meeting and which shall be included in a contract to be entered into between the director and the Company, and which must contain all the items for which remuneration may be obtained for performing executive duties, as well as the terms of cessation and termination thereof. It is also incumbent upon the board, following a report from the Nominations, Compensation and Corporate Governance Commission, to determine individually the remuneration of each director for the performance of the executive duties attributed to him/her, within the framework of the foregoing. The contract must first be approved by the Board of Directors with the favourable vote of two thirds of its members, and shall be annexed to the minutes of the meeting. The director concerned shall abstain from attending the deliberations and from voting. The contract must contain all information required by law and be in accordance with the Company's remuneration policy.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

By way of example and without limitation, the remuneration of Executive Directors may consist of: (i) fixed remuneration; (ii) variable remuneration, whether short, medium or long term, based on meeting business, economic, financial, strategic or personal performance targets, or on the performance of the share price or other share price-related indicators; (iii) pension systems and deferred remuneration concepts; (iv) insurance; (v) savings plans; (vi) termination benefits; (vii) extraordinary incentives based on the execution of the business plan, delivery of Company shares, share options or other remuneration instruments indexed to the share value (subject to prior agreement to that effect by the General Shareholders' Meeting); and (viii) exclusivity, post-contractual non-competition or permanence covenants.

The Board shall endeavour to ensure that the director's remuneration is reasonably proportionate to the Company's relevance, its economic and financial situation at any given time and the market standards of comparable companies.

Likewise, in relation to Executive Directors, (i) the remuneration system established should be geared towards promoting the long-term profitability and sustainability of the Company and incorporate the necessary safeguards to avoid excessive risk-taking and the rewarding of unfavourable results; and (ii) remuneration linked to the Company's results should take into account any qualifications in the audit report that reduce such results.

Without prejudice to the above-mentioned remuneration, directors' remuneration may consist of the delivery of shares, share options or remuneration linked to the value of the shares. The application of this type of remuneration shall require a resolution of the General Meeting stating, where appropriate, the maximum number of shares that may be assigned in each financial year to this remuneration system, the exercise price or the system for calculating the exercise price of the share options, the value of the shares that, where appropriate, is taken as a reference, the term of this remuneration system and such other conditions as it may deem appropriate. If the remuneration of non-Executive Directors provides for the delivery of shares, this should be conditional on them holding such shares until they cease to be directors. The foregoing shall not apply to shares which the director needs to dispose of, if any, in order to meet the costs related to their acquisition.

The Company shall take out civil liability insurance for its directors.

Directors may hold any other office or position in the Company, or in any other company belonging to its Group, whether remunerated or free of charge, except in the case of legal or discretionary incompatibility on the part of the Board.

(B) Remuneration for 2022

The financial statements for 2022, which include the Annual Corporate Governance Report as well as the Annual Report on Directors' Remuneration for 2022, contain the legally required information as well as additional information that the Company has deemed appropriate to provide sufficient information on the remuneration of the members of the Board of Directors and senior management of Prisa.

Pursuant to Article 19 of Regulation (EU) 2017/1129, the Annual Corporate Governance Report 2022 [link](#) and the Annual Report on Remuneration of Prisa's Directors [link](#) for the 2022 financial year are incorporated by reference into the Registration Document and are available on the website of the CNMV (www.cnmv.es) and on the Company's website (www.prisa.com). The Ordinary General Shareholders' Meeting of the Company held on 27 June 2023 approved, on a consultative basis under item 7.3 of the agenda, the Annual Report on Remuneration of Prisa's Directors for 2022.

The remuneration policy for Prisa's directors that has been applicable in 2022 was the "Remuneration policy for directors of Promotora de Informaciones, S.A. for 2022, 2023 and 2024" approved by the Ordinary General Shareholders' Meeting of the Company held on 28 June 2022, under item 6.3 of the agenda. This policy is available on the Company's website [link](#). This policy replaced the "Remuneration policy for directors of Promotora de Informaciones, S.A. for the 2021, 2022 and 2023 financial years" [link](#) which was approved by the Ordinary General Meeting of Shareholders of the Company held on 29 June 2021.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Section B of the Annual Report on Remuneration of Prisa Directors for 2022 summarises how the “Remuneration policy for directors of Promotora de Informaciones, S.A. for 2022, 2023 and 2024” was applied, which includes the fixed and variable components of the remuneration of Prisa Directors in 2022, as well as the agreed compensation systems, among others. In addition, see sections (D) and (E) below (“Remunerations of the members of the Board of Directors of Prisa during 2022” and “Remunerations of the members of the senior management of the Company during 2022”, respectively).

It is hereby stated for the record that the “Remuneration policy for directors of Promotora de Informaciones, S.A. for the 2022, 2023 and 2024 financial years” has been replaced by the “Remuneration policy for directors of Promotora de Informaciones, S.A. for the 2023, 2024 and 2025 financial years” (the “**New Remuneration Policy**”) approved by the Ordinary General Shareholders’ Meeting of the Company held on 27 June 2023 under item 7.2 of the agenda, which is available on the Prisa website ([link](#)), with the main objective of adapting the current remuneration policy to the current governance structure of the Company and also to make other adjustments that allow the remuneration system for directors to be adapted to possible reorganisations within the Board. Notwithstanding the foregoing, all remuneration paid to directors or former directors under the “Remuneration policy for directors of Promotora de Informaciones, S.A. for the 2022, 2023 and 2024 financial years” shall be valid, without the approval of the New Remuneration Policy entailing a modification of the amounts already accrued under the previous policy.

(C) Directors’ remuneration policy applicable for 2023, 2024 and 2025

Below is a summary of the New Remuneration Policy that will be applicable for 2023, 2024 and 2025:

(i) Maximum amount of directors’ remuneration

The maximum amount of remuneration that may be paid annually by the Company to all its directors, unless the General Meeting of Shareholders decides to modify it in the future, shall be the aggregate amount: (i) the maximum annual amount of EUR 2,000,000 that may be paid to directors in their capacity as such (for the items set out in sections (ii)(a), (b), (c) and (d) below) and (ii) the amounts for the items set out in section (iii) below, corresponding to the remuneration for the executive duties performed by Executive Directors (including the amount to which they would be entitled in the event of termination of the Executive Directors’ duties, as provided in the terms of their contract). The amounts indicated in respect of remuneration are gross and each director shall bear the corresponding applicable taxes, which shall be borne by such director.

(ii) Fixed remuneration of directors in their capacity as such

(a) **Fixed annual remuneration of the Chairperson of the Board of Directors:** as long as the Chairperson is non-executive, the amount of his annual fixed remuneration shall be a fixed amount for all items in the range of between EUR 200,000 and EUR 300,000 per annum. The specific fixed amount corresponding at any given time to the non-executive Chairperson of the Company shall be established by the Board of Directors, at the proposal of the Nominations, Compensation and Corporate Governance Commission, within that range, taking into account the levels of responsibility and dedication required as Chairperson of the Board of Directors and of the Delegated Commission and the specific circumstances of the activities to be carried out by the non-executive Chairperson, also taking into consideration the specific characteristics of the person occupying the post from time to time, such as his professional background and experience, his abilities and aptitudes for the performance of the post. This remuneration shall be paid in full in cash and pro rata on a monthly basis, and shall be incompatible with the receipt of the remuneration established in the following sections (b), (c) and (e) (specifically, with the remuneration for participation in the Board of Directors, in the Board Committees and in the Boards of Directors of other companies of the Group). In the event that the Board of Directors decides that the Chairperson shall assume executive duties, his/her remuneration system shall be set by the Board of Directors, at the proposal of the Nominations, Compensation and Corporate Governance Commission, taking into account the provisions of section (iv)(g) below in relation to the incorporation of new Executive Directors.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- (b) Remuneration for membership of the Board of Directors: the maximum amount that a director may receive in fixed annual remuneration and/or per diems for participation in Board meetings is EUR 70,000 per director per year. The fixed annual remuneration that non-Executive Directors receive for being members of the Board of Directors shall be paid to each of the non-Executive Directors in full in cash and pro rata on a monthly basis. Attendance allowances for Board meetings shall be paid within the month in which the meeting for which attendance is remunerated takes place. The Board of Directors, at the proposal of the Nominations, Compensation and Corporate Governance Commission, shall determine the amount corresponding to each director based on different objective circumstances and, consequently, it may not be the same amount for all directors. Likewise, the amount of the allowances for attendance at meetings may be different depending on whether the meetings are attended in person or by electronic means and, furthermore, the amount of the allowances may be different for the members, and the Board of Directors may also set a maximum limit on the number of meetings for which attendance allowances may be paid.
- (c) Remuneration for participation on Board Committees: In addition to the remuneration for participation in the Board of Directors, non-Executive Directors may receive an additional fixed annual remuneration for being members of the Board Committees and/or allowances for attendance at committee meetings. This fixed remuneration shall be paid in cash, pro rata on a monthly basis. The allowances for attendance at committee meetings shall be paid within the month in which the meeting attended by the director took place.

The amount of the allowances for attendance at meetings approved by the Board of Directors may be different depending on whether the meetings are attended in person or by electronic means and, in addition, the amount of the allowances may be different for its Chairmen and for its members, and the Board of Directors may also set a maximum limit on the number of meetings for which attendance allowances may be paid.

The maximum amounts that a director may receive as fixed annual remuneration and/or allowances for participation in the Commissions shall be as follows:

- Remuneration for participation in the Delegated Commission: EUR 30,000 per year per director.
 - Remuneration for participation in the Audit, Risks and Compliance Commission, the Nominations, Compensation and Corporate Governance Commission and the Sustainability Commission: EUR 20,000 per year per director, and twice this amount for their respective Chairs (i.e. EUR 40,000).
- (d) Remuneration for other positions on the Board of Directors: the Board of Directors, upon proposal of the Nomination, Remuneration and Corporate Governance Commission, may determine one or more specific remuneration for any other position on the Board of Directors, such as, for example, the Vice-Chairman and the Lead Director. These remunerations (which may be cumulative) shall be determined taking into account the levels of responsibility and dedication required in the exercise of the office and the specific circumstances that may arise, also taking into consideration the specific characteristics of the person holding the office at any given time, such as his or her professional background and experience, abilities and aptitudes for the performance of the office. This remuneration, taken individually, may not exceed that envisaged for the non-executive Chairman of the Board of Directors and shall be paid in full in cash and pro rata on a monthly basis, and may or may not be compatible with the receipt of remuneration for membership of the Board of Directors, the Board Committees and the Boards of Directors of other Group companies, as decided by the Board of Directors.
- (e) Membership of the Boards of Directors of other Group companies: Prisa's directors may earn other fees for their participation on the Boards of Directors of other Group companies, in accordance with their respective Articles of Association, which will be reported on an annual basis in the Annual Report on Remuneration of the Company's Directors.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- (f) Other elements of remuneration: the remuneration of directors in their capacity as such does not provide for the granting of loans, advances or guarantees. Nor does it contemplate the participation of non-Executive Directors in social welfare systems or the right to any compensation in the event of termination of their duties as directors, or the granting of any other remuneration in addition to that described in the New Remuneration Policy.

(iii) Other projections:

- (a) Expenditure associated with Board and Committee meetings: expenses associated with travel and accommodation for attendance at meetings of the Board of Directors and Committees shall be reimbursed by the Company to the directors, provided that they have been previously notified to and accepted by the Company, and are duly justified.
- (b) Civil liability insurance: the Company has taken out civil liability insurance for all its directors on usual market conditions and proportionate to the circumstances of the Company itself.

(iv) Remuneration of directors for the performance of executive duties

Currently, the Board of Directors of Prisa has three Executive Directors: an executive director who is the Chief Financial Officer (CFO) of Prisa (the “**Prisa Executive Director**”), an executive director who is the chief executive officer and Executive Chairman of Santillana (the “**Santillana Executive Director**”) and an executive director who is the chief executive officer and Executive Chairman of Prisa Media (the “**Prisa Media Executive Director**”, together with the Prisa Executive Director and the Santillana Executive Director, the “**Executive Directors**”). The contracts of the current Prisa Executive Directors, Santillana Executive Director and the Prisa Media Executive Director, whose conditions are those set out in the New Remuneration Policy, have been entered into with the companies Prisa, Santillana and Prisa Media, respectively.

Executive Directors shall not receive any amount for the items set out in sections (ii) and (iii) above (without prejudice to the remuneration they are entitled to receive for their executive duties). However, the Executive Directors are beneficiaries of the civil liability insurance that the Company has taken out for its Directors.

(a) Fixed remuneration:

Executive Directors shall receive the following fixed cash remuneration for their executive and senior management duties:

- Prisa Executive Director: EUR 350,000 per annum from the date of her appointment as director (28 February 2023). The remuneration from 1 January to 28 February 2023 is as stipulated in her previous contract, as CFO of the Company and not as executive director.
- Santillana Executive Director: EUR 475,000.
- Executive Director Prisa Media: EUR 400,000.

These amounts shall remain fixed as long as the Board of Directors does not resolve to update them, in accordance with the provisions of section (c) below.

(b) Variable remuneration:

The variable remuneration system for Executive Directors currently includes a short-term annual variable amount and a medium-term multi-year variable incentive. Executive Directors may also be beneficiaries of an extraordinary incentive linked to the success of key strategic operations in the interests of the Group, when so decided by the Board of Directors.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The variable remuneration targets for Executive Directors are approved by the Board of Directors, at the proposal of the Nominations, Compensation and Corporate Governance Commission on the basis of the metrics previously set out in the New Remuneration Policy. In turn, the Sustainability Commission shall propose to the Nominations, Compensation and Corporate Governance Commission the terms of variable remuneration that are linked to sustainability objectives. The Board of Directors, at the proposal of the Nominations, Compensation and Corporate Governance Commission, is responsible for assessing the degree of achievement of the objectives previously set. Pursuant to the provisions of section 6 of article 529r of the Capital Companies Act, the Board of Directors, subject to a favourable report from the Nominations, Compensation and Corporate Governance Commission, may apply temporary exceptions to the variable components of Executive Directors' remuneration when this is necessary to serve the long-term interests and sustainability of the Company as a whole or to ensure its viability.

- **Annual variable remuneration:** the annual variable remuneration of the Executive Directors is that regulated in their respective contracts. In accordance with such contracts, the Executive Directors shall receive a non-consolidable variable remuneration, in cash, in accordance with the degree of fulfilment of the objectives assigned to them for each of the annual periods included in the term of their contract and which shall be established annually by the Board of Directors at the proposal of the Nominations, Compensation and Corporate Governance Commission. In turn, the Sustainability Commission shall propose to the Nomination, Remuneration and Corporate Governance Commission the terms of the variable remuneration of the Company's executive directors and senior management, which are linked to sustainability objectives.

The annual variable remuneration of the Executive Directors, which will be determined according to a performance scale, will be mainly linked to the achievement of specific and quantifiable objectives set by the Board of Directors. The determination of the annual variable remuneration of Executive Directors mainly takes into account quantitative business objectives, including the Group's operational and financial objectives and sustainability objectives, and may also establish qualitative objectives related to the skills and behaviour required of executives of their characteristics. In particular, in order to determine the short-term variable remuneration of the Executive Directors for 2023, 100% of the objectives will be quantitative (there will be no qualitative objectives) based on the 2023 budget of Prisa Group, Santillana and Prisa Media, respectively, in accordance with the following detail:

Executive Director	Metrics
Santillana Executive Director	EBIT Santillana Cash Flow Santillana ESG objectives Individual objective 1: Cash flow distributed to the Group's Cash Pooling. Individual Objective 2: EBITDA Santillana Brazil Private + Santillana Mexico Private + Santillana Colombia Private.
Executive Director Prisa Media	EBITDA Prisa Media Cash Flow Prisa Media ESG objectives Individual objective 1: EBITDA/Revenue Prisa Media Individual objective 2: Market share subscribers El País
Prisa Executive Director	EBITDA Prisa Group Cash Flow Prisa Group ESG objectives Individual objective 1: leverage ratio net debt/EBITDA Individual objective 2: liquidity position

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

These objectives aim to improve financial and operating results, giving special importance to EBIT/EBITDA (depending on whether Santillana (EBIT) or Prisa Media/Prisa (EBITDA)) and Cash Flow, to which a relative weight of 37.5% each is associated with respect to the total variable remuneration. In addition, 5% of compensation will be linked to the fulfilment of ESG objectives and 20% will be associated with individual quantitative objectives linked to specific business or Prisa Group needs.

These metrics will be based on the budget for the year and a weighting and compliance scale has been established for each of them.

The ESG targets for the annual variable remuneration (5%) have been set taking into account three of the pillars of the Company's Sustainability Master Plan 2022-2025: (i) contribution to the fight against climate change; (ii) impact on audiences, schools and stakeholders through ESG content and events; and (iii) commitment to equality.

One of the ESG objectives is common to all three Executive Directors: the implementation of the Environmental Management Plan. The other ESG objectives are specific to each of the Executive Directors, depending on the businesses for which they are responsible.

The scale of achievement for the Ebit/Ebitda, Cash Flow and individual targets in 2023 will be as follows:

Degree of compliance	Payment ratio
< 90%.....	0%
90%	50%
100%.....	100%
> 120%.....	135%
≥ 135%.....	150%

Payout ratio points between the minimum 90% and 100% compliance are calculated by linear interpolation; payout ratio points for compliance between 100% and 120% are calculated linearly; above 120%, 135% is rewarded and compliance equal to or above 135% is rewarded at 150% as shown in the table above.

For ESG targets, a binary compliance grade (compliance or non-compliance) will be applied with no escalation of reward.

In addition, a "key target" is set for 2023 for all Executive Directors, the achievement of which allows or disallows the accrual of short-term variable remuneration. This objective is to meet the guidance given to the market for 2023 regarding Free Cash Flow (i.e. the Group's Free Cash Flow 2023 should exceed EUR 40 million).

The target short-term variable remuneration of the Executive Directors for a level of 100% achievement of the objectives set for 2023 amounts to EUR 250,000, with the possibility of increasing this amount up to a maximum of 150%, in the event that the degree of achievement of the objectives set is higher than 135%, so that the maximum amount that each Executive Director may receive for this remuneration item is EUR 375,000 gross.

However, in the case of the Prisa Executive Director and for the 2023 financial year, the short-term annual variable remuneration is, on a pro-rata basis, EUR 250,000 from the date of her appointment as director (28 February 2023), since the remuneration applicable from 1 January to 28 February 2023 is that contemplated in her previous contract as Chief Financial Officer of Prisa and not as Executive Director.

For the following financial years (2024 and 2025), the Board of Directors will have discretion to set the variable remuneration system for Executive Directors within the framework of the metrics set out above (i.e. it will determine the weighting for each of them, the performance scales and whether or not there is a "key target").

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Annual variable remuneration is accrued on an annual basis and the degree of meeting objectives will be measured at the end of each financial year. The Nominations, Compensation and Corporate Governance Commission will verify the degree of compliance with the objectives to which the short-term variable remuneration is subject, and will submit it for final approval by the Board of Directors of Prisa. Payment is made in arrears in the first half of the calendar year following the year of generation.

The contracts of Executive Directors may include a reduction clause (“*malus*”) based on the deferral for a sufficient period of time of the payment of a portion of the variable components, implying their total or partial forfeiture in the event of an event occurring prior to the time of payment that makes it advisable to do so.

The Nominations, Compensation and Corporate Governance Commission and the Board of Directors, in the event of exceptional and supervening circumstances occurring during the financial year, and in order to ensure that the variable remuneration is effectively related to the professional performance of the Executive Directors, may modify the objectives and/or evaluation criteria previously established, informing the Board of Directors of the same in the Annual Directors’ Remuneration Report, to be voted at the Annual General Meeting of Shareholders on a consultative basis.

In the Annual Report on Directors’ Remuneration, the Company shall report, in addition to the details of the implementation of the New Remuneration Policy, the specific objectives set for each financial year and their level of compliance.

- Variable remuneration in the medium to long term:
 - ***Medium-term incentive plan 2020-2025 linked to Santillana’s value creation from the execution of a corporate and cash-settled transaction.***

The Prisa Executive Director and the Santillana Executive Director are beneficiaries of a medium-term incentive plan linked to the value creation of Santillana in the period from 1 September 2020 to 31 December 2025. The plan was approved by the Board of Directors on 26 January 2021 and has been amended on 24 May 2022, in order to specify the assumptions in which Santillana may be deemed to have been revalued and to extend its duration until 2025 (initially it was until 2023). The plan is foreseen in the New Remuneration Policy.

This plan was granted to the Prisa Executive Director in consideration of her position as CFO and she remains a beneficiary of the plan after her appointment as Executive Director of the Company on 28 February 2023.

This plan aims to link a portion of the remuneration of certain key executives of Prisa and Santillana (including the Prisa Executive Director and Santillana Executive Director) to the interests of Prisa’s shareholders in a multi-year framework and to generate long-term shareholder value. Following on from this, the plan aims to: (i) incentivise participants to maximise the value creation of the education business (Santillana) for shareholders over a period of approximately three years; (ii) reward the extraordinary effort required to achieve the value creation targets set; and (iii) recognise the value contribution of participants to Prisa and Santillana.

The incentive plan will allow beneficiaries to participate in the value creation of Santillana during the reporting period provided that a minimum target revaluation of Santillana (EUR 1.4 billion) is exceeded and all other conditions set out in a plan regulation approved by Prisa’s Board of Directors are met. Such a revaluation shall be deemed to have taken place in the event that any of the corporate transactions provided for in the plan’s regulations (sale or flotation of Santillana) is carried out and the price or value set for Santillana in the transaction is higher than the minimum revaluation target of EUR 1,400 million.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The beneficiaries will be entitled to receive, in cash, a percentage of the value creation of Santillana understood as the positive difference between the valuation of Santillana (enterprise value) on the date on which the specific corporate transaction is carried out and on the initial date (i.e. 1 September 2020), taking into account the amount of dividends distributed, as well as other capital flows. The enterprise value of Santillana on the Completion Date will be the price or value set for Santillana in the particular corporate transaction entered into. For its part, the enterprise value of Santillana at the initial date was set at EUR 1.25 billion.

The percentage of the value creation to which, if any, the beneficiaries are entitled will depend, in turn, on the level of revaluation of Santillana according to a predetermined scale which, in the case of the Santillana Executive Director, may be up to a maximum of 1.65% of such value creation and in the case of the Prisa Executive Director, may be up to a maximum of 0.99% of such value creation.

Although the duration of the plan extends until 31 December 2025, the plan will be settled early on the date on which the specific corporate transaction foreseen in the plan is actually executed.

In order to receive the corresponding incentive, the Santillana Executive Director and the Prisa Executive Director must maintain their contractual relationship with the Group until the date of payment of the incentive, except in certain cases of termination of the relationship, duly set out in the plan's regulations.

The incentive plan includes the corresponding *malus* and *clawback* clauses, customary in incentive plans of a similar nature, which will be applicable for a period of two years from the date of payment of the incentive. In the case of the Santillana Executive Director, the term of application of the aforementioned clauses is three years.

Finally, in the event of significant internal or external changes that do not entail a change of control (e.g. Group scope, macroeconomic environment or regulation), which would make it necessary to review the previously established objectives, the Board of Directors may modify the terms of the Santillana Incentive Plan and its objectives, which would be duly disclosed in the corresponding Annual Report on Directors' Remuneration.

- ***Medium-term 2022-2025 incentive plan linked to Prisa Media's value creation and payable in shares.***

The Executive Director of Prisa Media is the beneficiary of a medium-term incentive plan linked to the achievement of certain quantitative financial targets set out in Prisa Media's budget (linked to EBITDA, *cash flow* and digital revenues) in 2022, 2023, 2024 and 2025, and which is payable in shares.

The plan was approved by the Board of Directors at its meeting held on 21 December 2021 and subsequently amended by the Board (to extend it to 2025, in line with the Company's Strategic Plan, and to modify the frequency of settlement) on 26 April and 24 May 2022. The plan was also approved at the Company's Annual General Meeting of Shareholders held on 28 June 2022.

The Prisa Media Executive Director has been assigned a number of theoretical shares equivalent to EUR 500,000 gross for each year of the duration of the plan, which will serve as a reference to determine the final number of shares to be delivered (specifically, he has been assigned 923,494 theoretical shares for each year of the duration of the plan, making a total of 3,693,976 theoretical shares). The calculations have been made considering the average stock market value of the Prisa share during the last quarter of 2021. In addition, the incentive may be increased depending on how Prisa's share price increases.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Compliance with the objectives for each financial year shall be verified at the end of the relevant financial year, after the annual accounts for that year have been drawn up. The resulting incentive for each financial year shall be paid in three thirds over the following three financial years on a date to be determined by the Board of Directors within 60 calendar days after the accounts for the immediately preceding financial year have been drawn up.

This plan aims to link a portion of the remuneration of the Prisa Media Executive Director to the interests of Prisa's shareholders in a multi-year framework and to generate long-term shareholder value.

The incentive plan will allow its beneficiary to participate in the value creation of Prisa Media during the reference period provided that minimum targets are exceeded and the other conditions established in the plan's regulations approved by Prisa's Board of Directors are met.

In order to accrue the incentive, the Prisa Media Executive Director must maintain his/her contractual relationship with Prisa Media throughout the term of the Plan and until the date of delivery of the shares. The departure of the Executive Director (either of his own free will or by decision of the Company) would not, in principle, give rise to a right to his liquidation, unless the Board of Directors, at the proposal of the Nominations, Compensation and Corporate Governance Commission as the case may be, adopts a different criterion.

The incentive plan includes the corresponding *malus* and *clawback* clauses, customary in incentive plans of a similar nature. The *clawback* clause shall apply for one year following the date of delivery of the shares.

- *Medium-term 2022-2025 incentive plan linked to Santillana's value creation and payable in shares.*

In addition to the 2020-2025 medium-term incentive plan linked to Santillana's value creation through the execution of a corporate transaction, the Executive Director Santillana is the beneficiary of a medium-term incentive plan linked to meeting certain quantitative financial targets set out in Santillana's budget (linked to EBIT and *cash flow*) in 2022, 2023, 2024 and 2025, and which is payable in shares.

The plan was approved by the Board of Directors at its meeting held on 24 May 2022 and by the Ordinary General Meeting of Shareholders held on 28 June 2022. This plan is also provided for in the New Remuneration Policy.

The Santillana Executive Director has been assigned a number of theoretical shares equivalent to EUR 500,000 gross for each year of the duration of the plan, which will serve as a reference to determine the final number of shares to be delivered (specifically, he has been assigned 923,494 theoretical shares for each year of the duration of the plan, making a total of 3,693,976 theoretical shares). The calculations have been made considering the average stock market value of the Prisa share during the last quarter of 2021. In addition, the incentive may be increased depending on how Prisa's share price increases.

Compliance with the objectives for each financial year shall be verified at the end of the relevant financial year, after the annual accounts for that year have been drawn up. The resulting incentive for each financial year shall be paid in three thirds over the following three financial years on a date to be determined by the Board of Directors within 60 calendar days after the accounts for the immediately preceding financial year have been drawn up.

This plan aims to link a portion of the remuneration of the Santillana Executive Director to the interests of Prisa's shareholders in a multi-year framework and to generate long-term shareholder value.

The incentive plan will allow its beneficiary to participate in the value creation of Santillana during the reference period provided that minimum targets are exceeded and the other conditions established in the incentive plan's regulations approved by Prisa's Board of Directors are met.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

In order to accrue the incentive, the Santillana Executive Director must maintain his/her contractual relationship with Santillana throughout the term of the Plan and until the date of delivery of the shares. The departure of the Executive Director (either of his own free will or by decision of the Company) would not, in principle, give rise to a right to his liquidation, unless the Board of Directors, at the proposal of the Nominations, Compensation and Corporate Governance Commission as the case may be, adopts a different criterion. By way of exception to the foregoing, the Executive Director Santillana will maintain his right to receive the previously accrued incentive, which will be paid on the respective delivery date, in certain cases of termination of his relationship with the Group, as provided for in a plan regulation.

The incentive plan includes the corresponding *malus* and *clawback* clauses, customary in incentive plans of a similar nature. The *clawback* clause shall apply for one year following the date of delivery of the shares.

- **Prisa Executive Director's 2022-2025 medium-term incentive plan, payable in shares.**

In addition to the 2020-2025 medium-term incentive plan linked to the creation of value for Santillana through the execution of a corporate transaction, the Executive Director Santillana is the beneficiary of a medium-term incentive plan linked to the achievement of certain quantitative financial targets included in Santillana's budget (linked to EBIT and *Cash Flow*) in the 2022, 2023, 2024 and 2025 financial years, which is payable in shares.

This plan was approved by the Board of Directors of Prisa on 26 July 2022 and by the Ordinary General Shareholders' Meeting of the Company held on 27 June 2023. Notwithstanding the fact that it was granted to the Executive Director Prisa in view of her position as CFO, this Director continues to be a beneficiary thereof following her appointment as executive director of the Company on 28 February 2023.

The Prisa +Executive Director has been allocated a notional number of shares equivalent to EUR 300,000 gross for each year of the duration of the plan (specifically, she has been allocated 554,097 notional shares for each year of the duration of the plan, for a total of 2,216,388 notional shares). The calculations have been made considering the average stock market value of the share during the last quarter of 2021. In addition, the incentive may be increased depending on how Prisa's share price increases.

Compliance with the objectives for each financial year shall be verified at the end of the relevant financial year, after the annual accounts for that year have been drawn up. The resulting incentive for each financial year shall be paid in three thirds over the following three financial years on a date to be determined by the Board of Directors within 60 calendar days after the accounts for the immediately preceding financial year have been drawn up.

This plan aims to link a portion of the remuneration of the Prisa Executive Director to the interests of Prisa's shareholders in a multi-year framework and to generate long-term shareholder value.

The incentive plan will allow its beneficiary to participate in the value creation of Prisa during the reference period provided that minimum targets are exceeded and the other conditions established in the plan's regulations approved by Prisa's Board of Directors are met.

In order to accrue the incentive, the Prisa Executive Director must maintain her contractual relationship with Prisa Group throughout the term of the plan and until the date of delivery of the shares. The departure of the Executive Director (either of his own free will or by decision of the Company) would not, in principle, give rise to a right to his liquidation, unless the Board of Directors, at the proposal of the Nominations, Compensation and Corporate Governance Commission as the case may be, adopts a different criterion.

The incentive plan includes the corresponding *malus* and *clawback* clauses, customary in incentive plans of a similar nature. The *clawback* clause shall apply for one year following the date of delivery of the shares

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- Extraordinary incentives linked to the success of key strategic operations in the interests of the Prisa Group.

In accordance with the New Remuneration Policy, in 2023, 2024 and 2025, the Executive Directors will be entitled to receive a non-consolidable variable remuneration, in cash, when the Board of Directors, following a favourable report from the Nominations, Compensation and Corporate Governance Commission, considers it in the best interest of the Company to incentivise and reward their performance in the configuration, preparation, negotiation and execution of corporate transactions relevant to the future of the Group. The three Executive Directors, two or only one of them, as decided by the Board of Directors of Prisa, may be beneficiaries of such extraordinary incentives.

In any event, the extraordinary incentives granted will include clauses *clawback*, which will entitle Prisa to demand the return of all or part of the extraordinary incentive paid in certain cases.

In addition, Executive Directors must maintain an uninterrupted relationship with Prisa Group until the date of payment of the corresponding incentive, except in the event of certain circumstances such as death, permanent disability or the termination of the employment or commercial relationship in certain cases.

In the event of a takeover or change of control in Prisa, among other foreseen events, the Board of Directors, at the proposal of the Nominations, Compensation and Corporate Governance Commission, may agree to the early liquidation of the plan. In such cases, the performance component of the incentive may be deemed to have been met for accrual purposes.

The objectives to be met by the beneficiaries of these plans may be complemented with any other parameters that the Board of Directors may agree, at the proposal of the Nominations, Compensation and Corporate Governance Commission.

(c) Review of executive directors' remuneration:

In accordance with article 217.4 of the Capital Companies Act, which stipulates that directors' remuneration must in any case be in reasonable proportion to the importance of the Company, its economic situation at any given time and the market standards of comparable companies, directors' remuneration shall be reviewed or updated periodically. The possible variations in the fixed annual remuneration and in the *target* variable remuneration of the executive directors, during the period to which this New Remuneration Policy refers, shall be determined by the Board of Directors, at the proposal of the Nominations, Compensation and Corporate Governance Commission, based on information regarding the evolution of the Spanish salary market, the growth forecast for each year, and the corresponding market studies and analyses, among other aspects. Such variations and the underlying reasons for these revisions shall be explained, if applicable, in the corresponding Annual Directors' Remuneration Report.

(d) Compensation in the event of termination of duties as an Executive Director:

The right to receive compensation in certain cases of early termination of executive duties is included in the contracts of the Executive Directors, which they have entered into with Prisa (in the case of the Prisa Executive Director), Santillana (in the case of the Santillana Executive Director) and Prisa Media (in the case of the Prisa Media Executive Director).

In the event that the contracts of the Executive Directors are terminated: (i) at the request of the Executive Director in the event of serious and culpable breach by the Company of the obligations established in the contract; (ii) at the will of the Executive Director in the event of a change of control (as defined in the contracts); (iii) at the sole will of the company with which the contract has been entered into; (iv) as a consequence of the termination or non-renewal of the position of director of Prisa Media, Santillana or Prisa, depending on which Executive Director is concerned; or (v) in the event of total or partial revocation of the powers delegated in favour of the Executive Director or of the powers granted in his favour by the Company (in the case of the Santillana Executive Director and the Prisa Media Executive Director), the Executive Directors shall be entitled to receive the following indemnities:

- i. The Prisa Media Executive Director would receive a gross termination benefit equivalent to eighteen months of his fixed remuneration and his annual variable remuneration in cash.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

ii. The Santillana Executive Director would receive:

- A total termination benefit of EUR 1,643,020 gross. In determining this figure, the following has been taken into account:
 - the amounts of termination benefits for unfair dismissal that would have corresponded to the Santillana Executive Director for the termination of the ordinary and senior management employment relationships that the Santillana Executive Director has maintained with the various entities of the Prisa Group from 18 October 1989 until the entry into force of the current contract; and
 - a *gross up* to mitigate the loss for the Santillana Executive Director of not being able to benefit from the maximum exemption provided for in Article 7.e) of the Personal Income Tax Law for termination benefits for dismissal or termination of employment.
- A gross supplementary compensation equivalent to the amount established at that time as the maximum amount of the Social Security contributory unemployment benefit, for the maximum period established for this benefit. In any event, if The Santillana Executive Director is paid unemployment benefits from the corresponding public body, he shall be obliged to repay to the Company the amount received as such supplementary compensation up to the amount of the benefit obtained, and must make the repayment within a maximum period of one month from the date on which the unemployment benefit was recognised. However, this gross additional compensation shall not be paid in the event of termination of the contract as a result of a change of control.

iii. The Prisa Executive Director would receive:

- A total termination benefit of EUR 942,272 gross. In determining this figure, the following has been taken into account:
 - the amount of the compensation for unfair dismissal that would have been payable to the Prisa Executive Director for the termination of her ordinary employment relationship with Prisa from 13 March 2000 until the entry into force of the current contract; and
 - a *gross up* to mitigate the loss for the Prisa Executive Director of not being able to benefit from the maximum exemption provided for in Article 7.e) of the Personal Income Tax Law for termination benefits for dismissal or termination of employment.
- A gross supplementary compensation equivalent to the amount established at that time as the maximum amount of the Social Security contributory unemployment benefit, for the maximum period established for this benefit. In any event, if the Prisa Executive Director is paid unemployment benefits from the corresponding public body, she shall be obliged to repay to the Company the amount received as such supplementary compensation up to the amount of the benefit obtained, and must make the repayment within a maximum period of one month from the date on which the unemployment benefit was recognised. However, this gross additional compensation shall not be paid in the event of termination of the contract as a result of a change of control.

Likewise, in the above cases, Executive Directors shall be entitled to receive, as part of their termination benefit, the proportional part of the annual variable remuneration of reference, corresponding to the time worked during the year in which the termination occurs. The Executive Directors shall not be entitled to receive the annual variable remuneration corresponding to the financial year in which the contract is terminated, in the event that such termination is due to the will of the Executive Directors, by decision of the Company based on non-compliance by the Executive Directors, except in those cases in which the termination due to the will of the Executive Directors occurs within the last two months of the financial year, in which case they shall be entitled to receive the proportional part of the annual variable remuneration (corresponding to the time worked during the year in which the termination occurs) to which they would have been entitled, if any, provided that the annual targets set are proportionally met. The annual variable remuneration shall be paid in the first half of the calendar year following the year of generation.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

In either case, the corresponding amounts will not be paid until the Company has been able to verify that the Executive Directors have complied with the criteria or conditions established for their receipt. The essential terms and conditions of the contracts of the Executive Directors are described in section 14.2 of the Registration Document.

(e) Other remuneration in kind:

- **Life and accident insurance:** Prisa has taken out a policy with an insurance company that covers the contingencies of death from any cause, total disability and total permanent disability with a capital sum equivalent to two and a half years of the beneficiary's fixed remuneration (fixed salary received in the previous year), an extra capital sum in the event of accidental death or total disability due to an accident and an extra capital sum in the event of death or permanent disability due to a traffic accident. On the Board of Directors of the Company, only the Executive Directors are beneficiaries of this policy. The main death risk has an age limit of 75 years old and the supplementary risks with extra capital have an age limit of 65 years old. In accordance with the terms of the policy, the sum insured for Executive Directors is 2.5 annuities of the fixed remuneration associated with their respective positions in the immediately preceding year. The premiums of this policy are reviewed annually depending on the claims ratio of the Group's group policies and also vary according to the age of the insured party. To this end, in the first quarter of each year, the bonuses attributable to Executive Directors are reviewed.
- **Private health insurance:** The Prisa Group's policy for all its executives includes private health insurance, in the form of reimbursement of expenses. Within the Board of Directors of the Company, only the Executive Directors and their families benefit from this insurance, respecting the age limits set out in the corresponding policy.

Private health insurance premiums are reviewed annually based on the claims ratio of the Group's policies and the change in the Consumer Price Index (CPI) for health care, as proposed by the insurance broker. To this end, in the last quarter of the year, the premium for the following year is set.

(f) Other benefits:

Executive Directors shall also be entitled to the use of a chauffeur-driven vehicle, in accordance with the terms of the Prisa Group's vehicle fleet policy.

(g) Incorporation of new Executive Directors:

Applying the principles of the New Remuneration Policy, in cases of incorporation of new executive directors (including the change of status to executive of a director who was already a member of the Board of Directors of Prisa) during the term of the aforementioned New Remuneration Policy, their remuneration will be determined by the level of responsibility assigned and by their professional career, ensuring the maintenance of internal equity and external competitiveness and establishing remuneration in line with best market practices.

In this regard, in view of the corporate interest in ensuring the viability and continuity of corporate management, the Board of Directors, at the proposal of the Nominations, Compensation and Corporate Governance Commission, may apply temporary exceptions to the New Remuneration Policy, it being understood that these exceptions shall apply until the holding of the first General Meeting at which the remuneration policy must be adapted as necessary.

In this respect, the Nominations, Compensation and Corporate Governance Commission and the Board of Directors shall determine the elements and amounts of the remuneration system applicable to the new Executive Director, taking into account, in particular, the level of remuneration they had before assuming such executive duties, market conditions and comparable positions, their level of experience and qualifications, and the duties attributed and responsibilities assumed, which shall be duly reflected in the corresponding contract to be signed between the Company and the new Executive Director.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

New Executive Directors shall be entitled to receive termination benefits in the event of termination of their executive relationship with the Company, provided that such termination is not the result of a breach attributable to them or due solely to their own will, for a gross amount equivalent to 18 months of their fixed remuneration and their annual variable remuneration in cash.

However, the Board of Directors, at the proposal of the Nominations, Compensation and Corporate Governance Commission, may authorise the payment of some extraordinary remuneration or incentive to attract talent and compensate new Executive Directors for variable remuneration or contractual rights lost upon leaving their previous position, to the extent necessary to ensure the recruitment of suitable candidates, taking into account the corporate interest.

The appointment of new Executive Directors and their specific remuneration during the first year as Executive Director will be disclosed in the annual Directors' Remuneration Report. In addition, at the next General Meeting to be held, the amendment or a new directors' remuneration policy will also be submitted for approval, which will specify the remuneration of the new Executive Directors on an individual basis.

(v) Other remuneration of Directors for services rendered other than those inherent to their office

The Company may remunerate certain directors for the provision of other services, at the proposal of the Nominations, Compensation and Corporate Governance Commission and by resolution of the Board of Directors. This remuneration shall be compatible with any of the remuneration received by the director under the provisions of section (ii) above, and may not, in the case of independent directors, reach an amount whose significance may compromise the exercise of their position with due independence.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

(D) Remuneration of the members of the Board of Directors of Prisa during 2022

The individualised detail of the remuneration accrued by each of the directors of Prisa during 2022, broken down by remuneration item, is shown below:

NAME	Accrual period	2022										
		Remuneration accrued in the Company ⁽¹⁾					Remuneration accrued in Group companies ⁽¹⁾					
		Total cash remuneration	Gross profit from consolidated shares or financial instruments	Remuneration by savings schemes	Remuneration for other items	Total Company	Total cash remuneration	Gross profit from consolidated shares or financial instruments	Remuneration by savings schemes	Remuneration for other items	Total Group companies	Total Company + Group companies
(thousand €)												
Mr Joseph Oughourlian	01/01 to 31/12	200	0	0	0	200	0	0	0	0	0	200
Mr Rosauro Varo Rodríguez.....	01/01 to 31/12	96	0	0	0	96	0	0	0	0	0	96
Ms Béatrice De Clermont Tonnerre.....	01/01 to 31/12	128	0	0	0	128	0	0	0	0	0	128
Mr Roberto Alcántara Rojas ⁽²⁾	01/01 to 28/06	22	0	0	0	22	0	0	0	0	0	22
Amber Capital UK LLP	01/01 to 31/12	56	0	0	0	56	0	0	0	0	0	56
Ms María Teresa Ballester Fornés	01/01 to 31/12	92	0	0	0	92	0	0	0	0	0	92
Mr Francisco Cuadrado Pérez.....	01/01 to 31/12	0	0	0	0	0	748	0	0	0	748 ⁽³⁾	748
Ms Carmen Fernández de Alarcón.....	01/01 to 31/12	82	0	0	0	82	0	0	0	0	0	82
Ms María José Marin Rey-Stolle.....	01/01 to 31/12	96	0	0	0	96	0	0	0	0	0	96
Mr Carlos Nuñez Murias	01/01 to 31/12	0	0	0	0	0	602	0	0	0	602 ⁽⁴⁾	602
Mr Manuel Polanco Moreno.....	01/01 to 31/12	69	0	0	0	69	0	0	0	0	0	69
Ms Teresa Quirós Álvarez.....	01/01 to 31/12	104	0	0	0	104	0	0	0	0	0	104
Shk. Dr. Khalid Bin Thani Abdullah Al Thani	01/01 to 31/12	45	0	0	0	45	0	0	0	0	0	45

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

2022

NAME	Accrual period	Remuneration accrued in the Company ⁽¹⁾					Remuneration accrued in Group companies ⁽¹⁾					Total Company + Group companies
		Total cash remuneration	Gross profit from consolidated shares or financial instruments	Remuneration by savings schemes	Remuneration for other items	Total Company	Total cash remuneration	Gross profit from consolidated shares or financial instruments	Remuneration by savings schemes	Remuneration for other items	Total Group companies	
(thousand €)												
Mr Javier Santiso Guimaras .	01/01 to 31/12	96	0	0	0	96	0	0	0	0	0	96
Mr Andrés Varela Entrecanales.....	07/09 to 31/12	14	0	0	0	14	0	0	0	0	0	14

(1): The amount of the total remuneration of the directors shown in the table above (EUR 2,450 thousand) is the amount accrued in 2022 financial year following the criteria set out in CNMV Circular 3/2021 of 28 September, which establishes, inter alia, the model for the annual report on remuneration of directors of listed companies, and differs by EUR 50 thousand from the total amount of directors' remuneration disclosed in the notes to the consolidated financial statements and the half-yearly financial information for financial year 2022 (EUR 2,400 thousand), which corresponds to the accounting records.

(2): Mr Roberto Alcántara Rojas ceased to be a director of the Company on 28 June 2022.

(3): Includes life, accident and medical insurance in the amount of EUR 7 thousand.

(4): Includes life, accident and medical insurance in the amount of EUR 5 thousand.

The following is an individualised breakdown of the cash remuneration received by each of the Prisa Directors during the 2022 financial year:

2022

NAME	Accrual period	Remuneration accrued in the Company									Total Company
		Fixed remuneration	Subsistence allowance	Remuneration for membership of Board Committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Termination benefit	Other items		
(thousand €)											
Mr Joseph Oughourlian	01/01 to 31/12	200	0	0	0	0	0	0	0	0	200
Mr Rosauro Varo Rodríguez.....	01/01 to 31/12	56	0	40	0	0	0	0	0	0	96
Ms Béatrice De Clermont-Tonnerre	01/01 to 31/12	56	0	72	0	0	0	0	0	0	128
Mr Roberto Alcántara Rojas	01/01 to 28/06	22	0	0	0	0	0	0	0	0	22
Amber Capital UK LLP	01/01 to 31/12	45	0	11	0	0	0	0	0	0	56
Ms María Teresa Ballester Fornés.....	01/01 to 31/12	56	0	36	0	0	0	0	0	0	92
Mr Francisco Cuadrado Pérez.....	01/01 to 31/12	0	0	0	0	0	0	0	0	0	0
Ms Carmen Fernández de Alarcón	01/01 to 31/12	45	0	37	0	0	0	0	0	0	82
Ms María José Marin Rey-Stolle	01/01 to 31/12	56	0	40	0	0	0	0	0	0	96
Mr Carlos Nuñez Murias	01/01 to 31/12	0	0	0	0	0	0	0	0	0	0
Mr Manuel Polanco Moreno	01/01 to 31/12	45	0	24	0	0	0	0	0	0	69

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

2022

		Remuneration accrued in the Company								
NAME	Accrual period	Fixed remuneration	Subsistence allowance	Remuneration for membership of Board Committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Termination benefit	Other items	Total Company
		(thousand €)								
Ms Teresa Quirós Álvarez.....	01/01 to 31/12	56	0	48	0	0	0	0	0	104
Shk. Dr. Khalid Bin Thani Abdullah Al Thani	01/01 to 31/12	45	0	0	0	0	0	0	0	45
Mr Javier Santiso Guimaras	01/01 to 31/12	56	0	40	0	0	0	0	0	96
Mr Andrés Varela Entrecanales	07/09 to 31/12	14	0	0	0	0	0	0	0	14

2022

		Remuneration accrued in Group companies								
NAME	Accrual period	Fixed remuneration	Subsistence allowance	Remuneration for membership of Board Committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Termination benefit	Other items	Total Group companies
		(thousand €)								
Mr Francisco Cuadrado Pérez.....	01/01 to 31/12	0	0	0	475	266	0	0	7	748
Mr Carlos Núñez Murias	01/01 to 31/12	0	0	0	400	197	0	0	5	602

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

(E) Remuneration of the members of the Company's senior management during 2022

As of the date of the Registration Document, Prisa's senior management (excluding Prisa's executive directors) is composed of the Secretary of the Board of Directors Pablo Jiménez de Parga, the Corporate and Institutional Relations Director, Jorge Rivera, the Communications Director, Ana Ortas (since she took up this position in April 2023), the Sustainability Director, Rosa Junquera, the Director of People and Talent Marta Bretos and, also, Prisa's Director of Internal Audit, Virginia Fernández. The Internal Audit Director is included in this senior management group for the sole purpose of the Company's legally mandated *reporting* obligations. For more information on the current members of senior management, see section 12.1(B) of the Registration Document.

However, the composition of the senior management team in 2022 (whose remuneration is reported below) was different. As at 31 December 2022, these were the following Directors: the Secretary of the Board of Directors, Pablo Jiménez de Parga, the Chief Financial Officer, Pilar Gil (since she took up this position in July 2022), the Corporate and Institutional Relations Director, Jorge Rivera, the previous Communications Director, Cristina Zoilo (since she took up this position in July 2022), the Sustainability Director, Rosa Junquera (since she took up this position in March 2022), the Director of People and Talent Marta Bretos (since she joined the senior management team in March 2022), and, in addition, PRISA's Director of Internal Audit, Virginia Fernández.

During 2022, members of the Company's senior management who were not Executive Directors of Prisa earned monetary remuneration amounting to EUR 1,818 thousand. This amount includes the remuneration of the former Chief Financial Officer, David Mesonero, until his resignation effective 30 June 2022.

This total remuneration is the amount accrued in 2022 in accordance with the criteria set out in CNMV Circular 3/2021 of 28 September and differs from the total amount of remuneration disclosed in the notes to the consolidated annual accounts and in the half-yearly financial information for 2022 (EUR 1,740 thousand), which corresponds to the accounting records.

In addition to the above information on the remuneration of the members of the Company's senior management during 2022, the following is stated in relation to the medium-term incentive plans that have been in force during the 2022 and/or 2023 financial years:

- **"2018-2020 Medium Term Incentive Plan"**: this plan was settled in 2022 through the delivery of the corresponding shares to the beneficiaries of the plan, including some of the senior management.
- **"2022-2025 incentives plan of the former CFO of Prisa, Mr David Mesonero"**: the former CFO of Prisa, David Mesonero (who resigned from his position effective 30 June 2022), was the beneficiary of a medium-term incentive plan linked to the achievement of the Prisa Group's adjusted *cash flow* target, payable in shares. Mr Mesonero was allocated a theoretical number of shares equivalent to EUR 300 thousand gross for each year of the duration of the plan, which would serve as a reference to determine the final number of shares to be delivered. The calculations were made considering the average stock market value of the Prisa share during the last quarter of 2021. The incentive could also be increased depending on how Prisa's share price increases. The plan also foresaw an increase in the event that refinancing would take place, as foreseen in the plan. This refinancing was executed in April 2022 and Mr Mesonero has received the resulting settlement of this part of the plan, in shares. Following the termination of Mr Mesonero's employment relationship with the Company, this incentive was extinguished and without effect (without prejudice to the shares already received by Mr Mesonero in compliance with the refinancing part of the plan).
- **"2022-2025 incentive plan of the Prisa CFO, Pilar Gil"**: as already indicated in section (C) above, Prisa CFO, Pilar Gil, is the beneficiary of a medium-term incentive plan linked to the achievement of the Prisa Group's adjusted *cash flow* target in 2022, 2023, 2024 and 2025.
- **"Management Team 2022-2025 Incentive Plan (Prisa Media, Santillana and Prisa Corporate)"**: the Board of Directors of Prisa, at its meeting held on 26 April 2022, approved a medium-term incentive plan, of which a group of executives of Prisa Media, Santillana and Prisa Corporativo are beneficiaries. Specifically, only one member of the senior management team is a beneficiary of this plan.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The plan, payable in shares, is linked to meeting the following quantitative financial targets in 2022, 2023, 2024 and 2025: (i) in the case of Prisa Media, the targets are linked to EBITDA, *cash flow* and digital revenues in its budget; (ii) in the case of Santillana, they are linked to EBIT and *cash flow* in its budget; and (iii) in the case of Prisa Corporativo, they are linked to the adjusted *cash flow* of the Prisa Group. Each of the aforementioned groups of executives of Prisa Media and Santillana has been assigned a number of theoretical shares equivalent to a total of EUR 700,000 gross for each year of the duration of the plan, and the group of beneficiaries of Prisa Corporativo has been assigned a number of theoretical shares equivalent to a maximum of EUR 125,000 gross for each year of the duration of the plan, which will serve as a reference to determine the final number of shares to be delivered. The calculations have been made considering the average stock market value of the Prisa share during the last quarter of 2021. In addition, the incentive may be increased depending on how Prisa's share price increases.

Compliance with the objectives for each financial year shall be verified at the end of the relevant financial year, after the annual accounts for that year have been drawn up. The resulting incentive for each financial year shall be paid in three thirds over the following three financial years on a date to be determined by the Board of Directors within 60 calendar days after the accounts for the immediately preceding financial year have been drawn up.

13.2. Total amounts provided or accrued by the issuer or its subsidiaries for pension, retirement or similar benefits.

There are none.

14. MANAGEMENT PRACTICES

14.1. Date of expiry of the current term of office of the members of the administrative, management or supervisory bodies of the issuer and the period during which they have held such office.

Pursuant to article 17 of Prisa's current Articles of Association, the members of the Board of Directors shall hold office for a term of three years and may be re-elected one or more times for terms of equal duration. The date of the first and last appointment of the Directors is set out in section 12.1 of the Registration Document.

The appointment of Prisa directors shall expire when, once the term has expired, the next General Shareholders' Meeting has been held or the legal term for the holding of the General Shareholders' Meeting to resolve on the approval of the accounts of the previous year has elapsed.

14.2. Information on contracts of members of the administrative, management or supervisory bodies with the issuer or any of its subsidiaries providing for benefits upon termination of their functions.

The Annual General Meeting of Shareholders of the Company held on 27 June 2023 approved, under agenda item 7.2, the Company's Remuneration Policy for 2023, 2024 and 2025 (see section 13.1 of the Registration Document) which provides for the main terms and conditions of the contracts of the Executive Directors.

As of the date of the Registration Document, the Board of Directors of Prisa has three Executive Directors: (i) an executive director who is the chief executive officer and executive chairman of Santillana, Francisco Cuadrado Pérez; (ii) an executive director who is the chief executive officer and executive chairman of Prisa Media, Carlos Núñez Murias; and (iii) an executive director who is the Chief Financial Officer (CFO) of Prisa, Pilar Gil Miguel.

The contract of Carlos Núñez Murias, Executive Chairman of Prisa Media, is with Prisa Media itself. The contract of Francisco Cuadrado Pérez, Executive Chairman of Santillana, is with Santillana. The contract of Pilar Gil Miguel, Prisa Executive Director, with Prisa.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

For the purposes of article 249 of the LSC, the three contracts were approved by the Board of Directors of Prisa (at the proposal of the Nominations, Compensation and Corporate Governance Commission) insofar as these contracts regulate the executive functions of Carlos Núñez Murias, Francisco Cuadrado Pérez and Pilar Gil Miguel.

For the purposes of this point, the companies Prisa Media, Santillana and Prisa shall be considered (depending on which Executive Director is concerned) as the Company.

The contracts regulating the performance of directors' duties and responsibilities include clauses in line with standard market practice in this area, with the aim of attracting and retaining outstanding professionals and safeguarding the Company's legitimate interests.

The essential terms and conditions of the Executive Directors' contracts are set out below:

- (i) **Duration:** indefinitely, without prejudice to the fact that the contracts are linked to the term of their respective positions as Executive Chairman of Santillana, Executive Chairman of Prisa Media and Prisa Executive Director.
- (ii) **Exclusivity and non-competition agreements:** Exclusively for the Company and the Prisa Group, the Executive Directors may not provide services or carry out professional activities, under any contractual relationship, to other persons or entities, unless authorised by the Company. It also includes a specific prohibition of non-competition.
- (iii) **Notice period:** in the event of termination of the contract by decision of the Executive Directors, they must give the Company at least three months' notice of termination. In the event of total or partial non-compliance with the notice period, the Executive Director shall be obliged to pay the fixed remuneration in cash corresponding to the non-complied notice period.

In the event of termination of the contract at the request of the Executive Directors in the event of a change of control (as defined in their contracts as "change of control"), they must notify the Company of their decision within two months of the change of control and one month's notice must be given. In case of breach of the notice obligation, Executive Directors shall indemnify the Company with an amount equivalent to the fixed remuneration applicable at the time of termination of the contract corresponding to the breached notice period.

The Company shall give at least three months' notice in the event of corporate withdrawal. In the event of total or partial non-compliance with the notice period, the Company shall be obliged to pay the fixed remuneration in cash corresponding to the non-complied notice period.

- (iv) **Termination benefits:** see details in section 13 of the Registration Document.
- (v) **Post-contractual non-competition:** the contracts of the Executive Directors include a post-contractual non-competition clause by virtue of which the Executive Director undertakes (i) to refrain from engaging in activities concurrently with those of the Company with which they have entered into the contract, either on their own account or on behalf of a third party, in the manner and to the extent specified in their contracts, and (ii) not to employ any person who at the date of termination of the contract is employed by the Company with which they have entered into the contract or any other company of its group, and not to contribute to the departure of any employee of such group. This non-competition agreement shall last for 12 months after the termination of the contract for any reason. Executive Directors would receive, as financial consideration for these obligations, a compensation equivalent to six monthly payments of the fixed remuneration in force at the time of termination of the contract. In the event of breach of the aforementioned post-contractual non-competition agreement, the Executive Directors shall be obliged to repay the amount of compensation received for such concept and an indemnity equal to 6 monthly payments of the fixed remuneration in force at the time of termination of the contract.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- (vi) **Clawback clause:** in general terms, the contracts of Executive Directors include a clawback clause that allows the Company to claim reimbursement of the variable components of the remuneration in the event that in the year following their payment any event or circumstance occurs that has the effect of significantly altering or modifying the accounts, results, economic or other data on which the granting of the variable remuneration in question was based, other than those deriving from legislative or jurisprudential changes, such that the aforementioned data do not faithfully reflect the situation of the Company or the Group as a result of which there is a well-founded review of compliance with the objectives established for the accrual of the variable remuneration in question, regardless of whether or not the Executive Director was responsible for this.

14.3. Information on the audit committee and the remuneration committee of the issuer

Information on the Company's Audit, Risks and Compliance Commission, including its composition and functioning, is set out in section (A.3) of section 12.1 of the Registration Document. Likewise, the information relating to the Company's Nominations, Compensation and Corporate Governance Commission is set out in section (A.4) of section 12.1 of the Registration Document.

14.4. Statement as to whether the issuer complies with the corporate governance regime(s) applicable to the issuer.

Prisa complies with current Spanish corporate governance regulations. The Company reports annually in the Annual Corporate Governance Report, among other matters, on the degree of compliance with the recommendations of the Good Governance Code for Listed Companies, approved by the CNMV. The information relating to this point is included in section G "Degree of compliance with the Corporate Governance recommendations" of the Company's Annual Corporate Governance Report for 2022, which has been filed with the CNMV.

Recommendations on corporate governance

As at 31 December 2022, of the total of 64 recommendations of the Corporate Governance Code for listed companies, the Company fully complied with 56, partially complied with 3 and 5 were not applicable.

In particular, the Company partially complied, on the one hand, with recommendation 15 concerning that proprietary and independent directors should constitute a broad majority of the board of directors and that the number of executive directors should be the minimum necessary, taking into account the complexity of the corporate group and the percentage shareholding of executive directors in the company's capital; and that the number of female directors should account for at least 40% of the members of the board of directors by the end of 2022 and thereafter, and not be less than 30% before that date.

With regard to recommendation 15, it was stated in the Company's Annual Corporate Governance Report for the 2022 financial year that *"The number of directors (14) and the presence of women on the Board (five female directors representing 35.7% of the total number of Board members) has remained stable in the 2022 financial year and has not changed with respect to the end of the 2021 financial year. However, it should be noted that on 28 February 2023 the Board of Directors of PRISA co-opted Pilar Gil Miguel as a director, with the status of executive, so that since that date the Board has been made up of six women, representing 42.86% of the total number of Board members. For the reasons already explained in sections C.1.5, C.1.6 and C.1.7 of this Annual Corporate Governance Report, the Company has not been able to meet the objective that by the end of the 2022 financial year, the number of female directors should represent 40% of the total number of members of the Board of Directors. As explained above, the opportunity to bring more women onto the Board has not been provided during the 2022 financial year. This progress is not easy to achieve in the short term, as it depends on multiple factors that are not always under the control of the Board of Directors. Men must be replaced by women on the Board in an orderly, gradual manner, at the moment when a renewal of the Board is applicable. However, although the above-mentioned objective was not achieved, the weight of women in the composition of the different board committees was very significant: 100% in the Audit, Risk and Compliance Commission; 80% in the Sustainability Commission; 50% in the CNRGC and 25% in the Delegated Commission (which, since the appointment of Ms Gil as director and her incorporation to the Delegated Commission in February 2023, has increased to 33.33%). In addition, all the committees (except the Delegated Commission, which, by mandate of the Regulations of the Board of Directors, must be chaired by the Chair of the Board) are chaired by women, and the functions of coordinating director are also assumed by a woman"*.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

In addition, the Company partially complied, firstly, with recommendation 36 regarding that the full board of directors of the company should evaluate once a year and adopt, if necessary, an action plan to correct the deficiencies detected with respect to (a) the quality and efficiency of the functioning of the board of directors; (b) the functioning and composition of its committees; (c) the diversity in the composition and competencies of the board of directors; (d) the performance of the chairman of the board of directors and the chief executive of the company; (e) the performance and contribution of each director, paying special attention to the heads of the various board committees.

With regard to this recommendation 36, it was stated in the Company's Annual Corporate Governance Report for the 2022 financial year that *"The Rules of Procedure of the Board of Directors regulate the procedure for the annual evaluation of the Board. However, the individual performance and contribution of each director during the 2022 financial year has not been evaluated (although the Chairmen of the Board of Directors and of the Board committees, the two executive directors and the coordinating director have been evaluated individually and in the exercise of their specific responsibilities)."*

Furthermore, the Company partially complied with recommendation 64 regarding that payments for termination or extinction of the contract should not exceed an amount equivalent to 2 years of the total annual remuneration and that they should not be paid until the company has been able to verify that the director has complied with the criteria or conditions set out for receiving it.

With regard to this recommendation 64, it was stated in the Company's Annual Corporate Governance Report for the 2022 financial year that *"The contract between the Company and one of the current executive directors, Francisco Cuadrado (Executive Chairman of Santillana), which establishes that, in the event of termination of his contract due to: (i) the Director's will as a consequence of a change of control of the Company (as defined in the contract) or (ii) unilateral withdrawal by simple will of the Company or breach by the Company, the Executive Director shall be entitled to receive compensation for post-contractual non-competition, equivalent to 6 monthly payments of the last gross salary, of a fixed nature and, in addition, a total indemnity of EUR 1,643,020 gross. In order to determine this figure, the following has been taken into account: (a) the amounts of compensation for unfair dismissal that would have corresponded to Mr Cuadrado for the termination of the ordinary and senior management employment relationships that Mr Cuadrado had with the various entities of the Prisa Group from 18 October 1989 until the entry into force of the current contract (in July 2021) and (b) a gross up to mitigate the loss that will be entailed for Mr Cuadrado by being unable to benefit from the maximum exemption provided for in article 7.e) of the Personal Income Tax Law for termination benefits for dismissal or termination of employees. In addition, the termination of Mr Cuadrado's employment relationship will entitle him to receive a gross supplementary compensation equivalent to the amount established at that time as the Social Security contributory unemployment benefit, taking as a reference the maximum contribution base and also the maximum period for which such benefit would be granted. By virtue of the above, if the commercial contract governing Mr Cuadrado's executive functions were to be terminated, the quantitative limits for compensation provided for in this recommendation would be exceeded"*.

Finally, the following recommendations were not applicable to the Company in 2022: (i) Recommendation 2 concerning the business relationships that a listed company maintains with the company that controls it; (ii) Recommendation 10 concerning the information and action to be taken by the board of directors when a shareholder entitled to do so exercises its right, prior to the general meeting of shareholders, to add to the agenda or submit new proposals to the general meeting of shareholders; (iii) Recommendation 11 on the general policy on attendance fees at the general meeting of shareholders; (iv) Recommendation 19 on the appointment of proprietary directors at the request of shareholders whose shareholding is less than 3% of the share capital; and (v) Recommendation 48 on a large cap company having a separate nominations committee and compensation committee.

Internal Control over Financial Reporting System (ICFR)

The Group's Internal Control over Financial Reporting System (the "ICFR") is based on the recommendations guide on this matter issued by the CNMV in June 2010. In this regard, the Group's ICFR was initially developed based on the COSO 1992 methodological framework, and adapted in 2014 to the new COSO 2013 framework. The Annual Corporate Governance Report for 2022, which is incorporated by reference to the Registration Document, includes a general description of the main elements that make up the Prisa Group's ICFR.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

14.5. Possible significant effects on corporate governance, including future changes in the composition of the board of directors and committees.

As of the date of the Registration Document, neither the General Shareholders' Meeting nor the Board of Directors of Prisa have agreed any changes relating to the Board of Directors or its Committees that may have a significant impact on the corporate governance of Prisa.

15. EMPLOYEES

15.1. Number of employees and information

As at 31 October 2023, the number of employees of the Prisa Group was 7,159.

The following table includes a breakdown by professional category of the average number of employees of Prisa Group companies during the first half of 2023 and during 2022, 2021 and 2020.

<u>AVERAGE NUMBER OF PRISA GROUP EMPLOYEES BY PROFESSIONAL CATEGORY</u>	<u>First half of</u>			
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Senior management ⁽¹⁾	6	6	4	11
Other employees of the Company ⁽²⁾	35	38	58	68
Other employees of the Group	7,145	6,952	6,748	6,998
Prisa Group Total	7,186	6,996	6,810	7,077
Total Prisa	40	43	62	73

(1): Includes persons classified as members of the Group's senior management as referred to in the Annual Corporate Governance Report, excluding Executive Directors.

(2): Prisa employee data does not include members of senior management.

The data on the average headcount of Prisa Group companies by operating segment for the first half of 2023 and for 2022, 2021 and 2020 were as follows:

<u>AVERAGE NUMBER OF PRISA GROUP EMPLOYEES BY OPERATING SEGMENT</u>	<u>First half of</u>			
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Media.....	3,697	3,513	3,459	3,475
Education.....	3,449	3,440	3,290	3,515
Other.....	40	43	62	87
Total.....	7,186	6,996	6,810	7,077

In the first half of 2023 and the 2022 financial year, an average of 6,659 and 6,558 people, respectively, were on permanent contracts, representing 93% in the first half of 2023 and 94% in the 2022 financial year of the total Prisa Group workforce in those periods.

Data on the average workforce by geographical origin are included below:

<u>AVERAGE NUMBER OF PRISA GROUP EMPLOYEES BY GEOGRAPHICAL ORIGIN</u>	<u>First half of</u>			
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Spain.....	2,599	2,413	2,422	2,337
International	4,587	4,583	4,388	4,740
Total.....	7,186	6,996	6,810	7,077

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

15.2. Participating interests and stock options

According to the information in the possession of the Company, as at the date of the Registration Document, the interests of the members of the Board of Directors in the share capital are as follows:

Name	No. of voting rights		Percentage share of total voting rights	Shareholder proposing his/her appointment	
	Direct	Indirect			
Mr Joseph Oughourlian	0	299,235,348 ⁽¹⁾	29.68%	Amber	Capital
Mr Fernando Carrillo Flórez	0	0	0%	UK LLP	--
Ms Pilar Gil Miguel	144,370	0	0.01%	--	--
Ms Béatrice de Clermont-Tonnerre	0	0	0%	--	--
Mr Andrés Varela Entrecanales	95,769	0	0.01%	Global Alconaba, S.L.	Amber Capital
Mr Miguel Barroso Ayats	0	850,624	0.08%	UK LLP	--
Mr Francisco Cuadrado Pérez	316,922	0	0.03%	--	--
Ms Carmen Fernández de Alarcón Roca	0	0	0%	Vivendi, S.E.	--
Ms María José Marín Rey-Stolle	0	0	0%	--	--
Mr Carlos Núñez Murias	63,132	0	0.01%	--	--
Mr Manuel Polanco Moreno	63,187	150,246	0.02%	Timón, S.A. ⁽²⁾	--
Ms Teresa Quirós Álvarez	0	0	0%	--	--
Mr Javier Santiso Guimaras	0	0	0%	--	--
Ms Isabel Sánchez García	0	0	0%	--	--
Ms Margarita Garijo-Bettencourt	0	0	0%	--	--
Total	683,380	300,236,218	29.85%		

(1): Through Oviedo Holdings, S.A.R.L. (24.78%) and Amber Capital Investment Management ICAV – Amber Global Opportunities Fund (4.89%). Joseph Oughourlian controls Amber Capital UK LLP, which acts as the investment manager of Oviedo Holdings, S.A.R.L. and Amber Capital Investment Management ICAV - Amber Global Opportunities Fund.

(2): Company controlled by Rucandio, S.A. As stated in Prisa's Annual Corporate Governance Report for 2022: (i) Rucandio, S.A. indirectly controls 100% of the share capital of Aherlow Inversiones, S.L. (shareholder of Prisa) through Timón, S.A., and (ii) Rucandio, S.A. indirectly controls 100% of the share capital of Promotora de Publicaciones, S.L. (Prisa shareholder) through Timón, S.A. According to Rucandio's notification to the CNMV dated 30 January 2018 and by virtue of an internal reorganisation, the Prisa shares then held directly by Timón, S.A. were transferred on 26 January 2018 to Aherlow Inversiones, S.L.

As of the date of the Registration Document, to the knowledge of the Company, the number of Prisa shares held by members of the senior management of the Prisa Group who are not members of the Board of Directors amounts to 56,374 shares. Furthermore, no member of the Board of Directors of the Company or any member of the senior management of the Prisa Group holds stock options.

However, the Executive Directors Mr Francisco Cuadrado, Mr Carlos Núñez and Pilar Gil, and another member of the senior management team, are beneficiaries of the Medium-Term Incentive Plans, payable in shares, referred to in section 13 of the Registration Document. Under these plans, they have been assigned a theoretical number of shares for each year of the plan's duration, which will serve as a reference to determine the final number of shares to be delivered (assuming that the objectives to which their respective plans are linked are met).

15.3. Description of any employee shareholding arrangements in the issuer's capital

Except for the share delivery plans described in section 13.1 of the Registration Document, and as indicated in section 15.2, there are currently no employee share ownership arrangements in the capital of Prisa.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

16. MAIN SHAREHOLDERS

16.1. Name of any person outside the administrative, management or supervisory bodies who, directly or indirectly, has a reportable interest in the issuer's capital or voting rights, under the issuer's national law.

The following table sets out the significant shareholders of Prisa as at the date of the Registration Document:

<u>SIGNIFICANT SHAREHOLDERS</u>	<u>No. of direct voting rights</u>	<u>No. of indirect voting rights</u>	<u>Percentage of total share capital</u>
Mr Joseph Oughourlian	0	299,235,348 ⁽¹⁾	29.68%
Vivendi, S.E.....	118,913,336	0	11.79%
Rucandio, S.A.....	0	79,471,328 ⁽²⁾	7.88%
Control Empresarial de Capitales, S.A. de C.V.	70,719,171	0	7.01%
Global Alconaba, S.L.	73,981,058	0	7.34%
Shk. Dr. Khalid Bin Thani Bin Abdullah Al Thani	0	36,422,971 ⁽³⁾	3.61%
Mr Roberto Lázaro Alcántara Rojas	18,565	35,570,206 ⁽⁴⁾	3.53%
Banco Santander, S.A.	17,239,369	17,017,746 ⁽⁵⁾	3.40%
Total.....	280,871,499	467,717,599	74.24%

Source: according to communications made to the CNMV (CNMV website consulted at the date of the Registration Document) and, in some cases, information provided by the shareholders themselves to the Company.

(1): Through Oviedo Holdings, S.A.R.L. (24.78%) and Amber Capital Investment Management ICAV – Amber Global Opportunities Fund (4.89%). Joseph Oughourlian controls Amber Capital UK LLP, which acts as the investment manager of Oviedo Holdings, S.A.R.L. and Amber Capital Investment Management ICAV - Amber Global Opportunities Fund.

(2): Through Aherlow Inversiones, S.L.U. (7.86%), Promotora de Publicaciones, S.L. (0.01%) and Rucandio Inversiones SICAV, S.A. (0.01%). Rucandio, S.A. (a family company controlled by the heirs of Mr Jesús Polanco Gutierrez and other members of the Polanco family, signatories of the shareholders' agreement notified to the CNMV on 14 August 2007) directly controls Timón, S.A. (which in turn controls the share capital of Aherlow Inversiones, S.L.U. and Promotora de Publicaciones, S.L.). Likewise, Rucandio, S.A. holds 47.62% of the share capital of Rucandio Inversiones SICAV, S.L.

(3): Through International Media Group, S.A.R.L., which is wholly owned by International Media Group Limited, which in turn is wholly owned by Shk. Dr Khalid bin Thani bin Abdullah Al-Thani.

(4): Through Consorcio Transportista Ocher, S.A. de C.V., 85% owned by Roberto Lázaro Alcántara Rojas.

(5): According to the information available to the Company, as of 18 December 2020, the date of the last General Shareholders' Meeting of Prisa attended by Banco Santander, the latter held, directly (1.71%) and indirectly, the voting rights listed in the table above, through Cántabra de Inversiones, S.A. (0.56%), Cántabro-Catalana de Inversiones, S.A. (0.57%) and Suleyado 2003, S.L. (0.56%), Santander Group companies.

In addition, according to the information published on the CNMV's website, the ownership of significant shareholdings in financial instruments whose underlying consists of voting rights in Prisa is as follows:

<u>COMPANY NAME</u>	<u>No. of voting rights that can be acquired if the instrument is exercised or redeemed</u>	<u>% of total voting rights</u>
Melqart Opportunities Master Fund LTD ⁽¹⁾	15,491,512	1.54%

(1): Melqart Asset Management (UK) Ltd. acts as an Investment Manager of Melqart Opportunities Master Fund Ltd.

Regarding the share in the voting rights of the members of the Board of Directors and senior management of the Prisa Group, see section 15.2 of the Registration Document.

Shareholders' agreements

According to publicly available information, the Company's shareholders' agreements as at the date of the Registration Document are set out below. In this respect, Prisa has no further information on the content of these shareholder agreements beyond publicly available information and of the following:

- *Rucandio shareholders' agreement:* on 23 December 2003, Ignacio Polanco Moreno, Isabel Polanco Moreno - deceased - (whose children have succeeded her in her position in this agreement), Manuel Polanco Moreno, María Jesús Polanco Moreno, plus her father, deceased, Jesús de Polanco Gutiérrez, and her mother, Isabel Moreno Puncel, signed a Family Protocol, which includes as an appendix a Syndication Agreement relating to the shares of Rucandio, S.A., the purpose of which is to prevent third parties outside the Polanco Family from entering Rucandio, S.A., and which establishes the mechanisms for voting, representation, exercise of the rights of the shareholders and transfer of the shares.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- *Promotora de Publicaciones, S.L. shareholders' agreement:* it should be noted that the company Promotora de Publicaciones, S.L. (Propu) had a shareholders' agreement in place (Significant events no. 48407 and 49622 dated 22 March 2004 and no. 63701 dated 30 January 2006), but according to what Rucandio has stated to Prisa, in the 2022 financial year Propu has become a sole shareholder company, and therefore said shareholders' agreement has been rendered null and void.

16.2. Explanation of whether the issuer's major shareholders have different voting rights.

At present, all shares representing the share capital of Prisa grant the same political and economic rights to all holders.

16.3. Statement as to whether the issuer is owned or controlled, directly or indirectly, by a third party.

As at the date of the Registration Document, Prisa is not controlled, alone or in concert, directly or indirectly, by any natural or legal person.

16.4. A description of any agreement, known to the issuer, the implementation of which may at a later date result in a change in control of the issuer.

Notwithstanding the provisions of section 16.1 above, according to the information available to the Company, there is no agreement the implementation of which may, at a later date, result in a change in control of Prisa.

17. RELATED-PARTY TRANSACTIONS

17.1. Details of related-party transactions that the issuer has entered into during the period covered by the historical financial information and up to the date of the registration document.

Set out below is a detail of Prisa's related-party transactions (which for these purposes are defined in accordance with the rules adopted under Regulation (EC) No. 1606/2002) during the period covered by the historical financial information (2022, 2021 and 2020 financial years) and during the first half of 2023. The latest available information on related-party transactions is as at 30 June 2023 as such information is prepared by Prisa on a half-yearly basis. However, from 30 June 2023 until the date of the Registration Document, no related-party transactions have taken place that differ significantly from those indicated in this item. The Prisa Group carries out all its related-party transactions at market value.

Related-party transactions during 2022, 2021 and 2020

Information on related party transactions for the 2022, 2021 and 2020 financial years can be found in section D of the annual report on corporate governance for 2022 ([link](#)), 2021 ([link](#)) and 2020 ([link](#)), respectively.

Pursuant to Article 19 of Regulation (EU) 2017/1129, the Company's Annual Corporate Governance Report for 2021 and 2020 is also incorporated by reference into the Registration Document and is available on the CNMV's website (www.cnmv.es) and on Prisa's website (www.prisa.com). The Annual Corporate Governance Report of the Company for 2022 is incorporated by reference in section 13.1 of the Registration Document.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Related-party transactions during the first half of 2023

Information on related party transactions for the first half of 2023 ended 30 June 2023 is set out in note 15-*“Related party transactions”* to the condensed consolidated interim financial statements for the six months ended 30 June 2023, which have been incorporated by reference to the Registration Document. Related-party transactions in the six months ended 30 June 2023 were as follows:

	30/06/2023		
	Directors and executives	Group employees, companies or entities	Significant shareholders
RELATED-PARTY TRANSACTIONS	Unaudited⁽¹⁾ (thousands of €)		
Finance costs.....	--	1	--
Services received.....	--	444	763
Other expenses.....	2,757	133	--
Total expenses.....	2,757	578	763
Interest income.....	--	6	--
Services rendered.....	--	5,283	14,072
Dividends received.....	--	2,553	--
Total revenue.....	--	7,842	14,072

(1): Information subject to limited review.

Balances held with associates and related companies as at 30 June 2023 are as follows:

	30/06/2023	
	Group employees, companies or entities	Significant shareholders
BALANCES WITH PERSONS, COMPANIES OR ENTITIES OF THE GROUP	Unaudited⁽¹⁾ (thousands of €)	
Receivable.....	4,137	5,341
Financial credits.....	200	--
Total accounts receivable.....	4,337	5,341
Trade payables.....	927	423
Total accounts payable.....	927	423

(1): Information subject to limited review.

18. FINANCIAL INFORMATION ABOUT THE ISSUER’S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFIT AND LOSS.

18.1. Historical financial information

18.1.1. Audited historical financial information covering the last three fiscal years

The historical financial information for the financial years ended 31 December 2022, 2021 and 2020 has been audited by EY and has been prepared in accordance with International Financial Reporting Standards (the *“IFRS”*) issued by the *International Accounting Standards Board* (IASB) as adopted by the European Union, in accordance with Regulation (EC) No. 1066/2002 of the European Parliament and of the Council of Ministers of the European Union, taking into account all the accounting principles and standards and valuation criteria of mandatory application that have a significant effect, as well as the Commercial Code, the mandatory regulations approved by the Spanish Accounting and Auditing Institute (ICAC) and other applicable Spanish legislation.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Pursuant to Article 19 of Regulation (EU) 2017/1129, the audited individual and consolidated financial statements of Prisa for the years ended 31 December 2022, 2021 and 2020, together with the corresponding audit reports and management reports, are hereby incorporated by reference into the Registration Document and are available for consultation on the CNMV's website (www.cnmv.es) and on the Prisa website (www.prisa.com).

The audited consolidated balance sheets, income statement, cash flow statement, statement of comprehensive income and statement of changes in equity for the 2022, 2021 and 2020 financial years are presented below.

A. Prisa's consolidated balance sheet at 31 December 2022, 2021 and 2020

The following table sets out the audited consolidated balance sheet of Prisa as at 31 December 2022, 2021 and 2020:

CONSOLIDATED BALANCE SHEET (under IFRS)	31/12/2022	Change	31/12/2021	Change	31/12/2020
	Audited (thousand €)	2022-2021 (%)	Audited (thousand €)	2021-2020 (%)	Audited (thousand €)
A) Non-current assets	425,934	6.7	399,222	(9.9)	443,259
I. Property, plant and equipment	103,294	(5.8)	109,678	(29.5)	155,464
II. Goodwill.....	117,220	7.0	109,542	(2.6)	112,501
III. Intangible assets	104,943	9.3	96,008	(1.6)	97,543
IV. Non-current financial assets.....	12,363	8.8	11,359	8.3	10,493
V. Investments accounted for using the equity method.....	33,123	22.6	27,020	9.5	24,679
VI. Deferred tax assets	54,979	20.6	45,601	7.1	42,563
VII. Other non-current assets	12	(14.3)	14	(12.5)	16
B) Current assets	556,739	16.2	479,061	(9.3)	528,460
I. Inventories	74,693	87.1	39,920	(12.7)	45,708
II. Trade receivables and other receivables.....	290,181	9.2	265,737	6.8	248,712
1. Customers for sales and services	285,536	7.7	265,004	5.1	252,120
2. Associates	4,027	(16.2)	4,807	26.6	3,797
3. Public administrations	35,108	7.6	32,638	31.2	24,883
4. Other debtors	25,000	9.6	22,806	(3.8)	23,698
5. Provisions	(59,490)	0.0	(59,518)	(6.7)	(55,786)
III. Current financial assets.....	1,528	(37.0)	2,425	(68.6)	7,718
IV. Cash and cash equivalents.....	189,496	12.3	168,672	(24.0)	221,879
V. Non-current assets held for sale.....	841	(63.5)	2,307	(48.1)	4,443
TOTAL ASSETS	982,673	11.9	878,283	(9.6)	971,719
A) Equity	(532,160)	(4.0)	(511,815)	(27.0)	(402,980)
I. Subscribed capital	74,065	4.5	70,865	0.0	70,865
II. Other reserves and retained earnings from prior periods	(519,367)	(21.0)	(429,393)	16.8	(516,048)
III. Profit/(loss) for the year attributable to the parent company	(12,949)	87.8	(106,506)	--	89,737
IV. Treasury shares	(401)	69.6	(1,320)	13.7	(1,530)
V. Translation differences	(87,583)	3.1	(90,410)	2.0	(92,275)
VI. Minority interests	14,075	(68.7)	44,949	(2.9)	46,271
B) Non-current liabilities	1,073,345	3.8	1,033,811	9.0	948,543
I. Non-current bank borrowings	980,848	5.0	934,342	15.3	810,568
II. Non-current financial liabilities	53,935	0.2	53,854	(45.8)	99,348
III. Deferred tax liabilities	19,894	(6.8)	21,335	26.7	16,840
IV. Long-term provisions.....	15,308	(27.2)	21,016	9.5	19,195

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

	<u>31/12/2022</u>	<u>Change</u>	<u>31/12/2021</u>	<u>Change</u>	<u>31/12/2020</u>
	<u>Audited</u>	<u>2022-2021</u>	<u>Audited</u>	<u>2021-2020</u>	<u>Audited</u>
CONSOLIDATED BALANCE SHEET					
(under IFRS)	(thousand €)	(%)	(thousand €)	(%)	(thousand €)
V. Other non-current liabilities	3,360	2.9	3,264	25.9	2,592
C) Current liabilities	441,488	23.9	356,287	(16.4)	426,156
I. Commercial creditors.....	254,800	30.0	195,983	2.4	191,454
II. Associates.....	571	(49.2)	1,123	8.6	1,034
III. Other non-trade payables	44,082	0.7	43,774	10.4	39,656
IV. Current bank borrowings	30,824	106.6	14,918	(85.5)	102,746
V. Current financial liabilities	32,832	106.7	15,884	(14.4)	18,558
VI. Public administrations.....	30,286	(11.5)	34,204	16.7	29,321
VII. Current provisions.....	6,166	(56.2)	14,087	41.1	9,986
VIII. Other current liabilities.....	41,503	17.8	35,218	17.5	29,967
IX. Liabilities associated with non-current assets held for sale.....	424	(61.3)	1,096	(68.1)	3,434
TOTAL EQUITY AND LIABILITIES	982,673	11.9	878,283	(9.6)	971,719

Main changes between Prisa's audited consolidated balance sheets as at 31 December 2022, 2021 and 2020:

Assets

The changes in the main "asset" items in 2022, 2021 and 2020 are described below:

- **Property, plant, and equipment:** as at 31 December 2022, the amount of property, plant and equipment amounted to EUR 103,294 thousand, representing a decrease of 5.8% compared to the amount of property, plant and equipment as at 31 December 2021 (EUR 109,678 thousand). Meanwhile, the amount of property, plant and equipment as at 31 December 2021 (EUR 109,678 thousand) represented a decrease of 29.5% compared to the amount of property, plant and equipment as at 31 December 2020 (EUR 155,464 thousand). Additions to the Group's consolidated financial statements during the 2020, 2021 and 2022 financial years amounted to EUR 13,899 thousand, EUR 10,936 thousand and EUR 11,163 thousand, respectively, corresponding mainly to investments in technical installations and machinery, investments made by Santillana in digital equipment and learning systems, and investments by all business units in information processing equipment (see section 5.7.1 of the Registration Document).

In 2022, retirements (net of accumulated depreciation) amounted to EUR 4,101 thousand and were mainly due to the abandonment of several leased buildings in the Miguel Yuste complex (Madrid) (as described below) and the derecognition of fully depreciated assets. In 2021, derecognitions (net of accumulated depreciation) amounted to EUR 31,797 thousand, and were mainly due to the fact that in December 2021 the Group formalised, among others, a renegotiation of the lease agreements for its offices in Miguel Yuste (Madrid), Gran Vía (Madrid) and Caspe (Barcelona), which involved, among other aspects, the early disposal of three of the buildings in the Miguel Yuste complex, a decrease in the minimum duration of the existing lease agreements and a reduction in future lease payments. This meant that at the effective date of the lease amendment (December 2021) the financial liability and lease tangible fixed assets associated with such contracts were recalculated and reduced considering the effects described above.

The balance of property, plant and equipment also includes lease assets, which mainly relate to the activation of the Group's office and warehouse lease contracts, the net balance of which at 31 December 2022 amounted to EUR 47,440 thousand (EUR 53,298 thousand at 31 December 2021 and EUR 96,680 thousand in 2020). Santillana includes leased technological equipment for use in the classroom by pupils and teachers integrated in education systems for a net amount of EUR 7,408 thousand, recorded in "Other items of property, plant and equipment" (EUR 8,206 thousand at 31 December 2021 and EUR 8,097 thousand in 2020).

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- **Goodwill:** The following is the detail of the composition and movements in goodwill of the fully consolidated Group companies for 2022, 2021 and 2020.

- 2022:

	<u>Balance at</u> <u>31/12/2021</u>	<u>Translation</u> <u>adjustment</u>	<u>Additions</u>	<u>Balance at</u> <u>31/12/2022</u>
Audited (thousands of €)				
<u>COMPOSITION AND MOVEMENT OF GOODWILL IN 2022</u>				
Editora Moderna, Ltda.....	12,938	1,456	--	14,394
Santillana Educaçao Ltda.....	22,086	2,485	--	24,571
Grupo Latino de Radiodifusión Chile, Ltda.....	27,086	1,547	--	28,633
Propulsora Montañesa, S.A.....	8,608	--	--	8,608
Sociedad Española de Radiodifusión, S.L.....	27,217	--	--	27,217
Other companies.....	11,607	16	2,174	13,797
Goodwill.....	109,542	5,504	2,174	117,220

During the 2022 financial year, the addition in “Other companies” is a consequence of the acquisition in May 2022 of 51% of Lacoproductora, S.L., also including the fair value of the cross put option for the buyer and seller for the remaining 49%.

- 2021:

	<u>Balance at</u> <u>31/12/2020</u>	<u>Translation</u> <u>adjustment</u>	<u>Transfers</u>	<u>Balance at</u> <u>31/12/2021</u>
Audited (thousands of €)				
<u>COMPOSITION AND MOVEMENT OF GOODWILL IN 2021</u>				
Editora Moderna, Ltda.....	34,833	191	(22,086)	12,938
Santillana Educaçao Ltda.....	--	--	22,086	22,086
Grupo Latino de Radiodifusión Chile, Ltda.....	30,238	(3,152)	--	27,086
Propulsora Montañesa, S.A.....	8,608	--	--	8,608
Sociedad Española de Radiodifusión, S.L.....	27,217	--	--	27,217
Other companies.....	11,605	2	--	11,607
Goodwill.....	112,501	(2,959)	--	109,542

In 2021, as part of the corporate reorganisation at Santillana to separate its public and private activities, the private business which up to that point had been carried out by Editora Moderna Ltda. was transferred to Santillana Educaçao Ltda., and the former retained the public business. This meant that both companies have become two independent cash-generating units, and so the goodwill up to that point was distributed between Editora Moderna Ltda. (public business) and Santillana Educaçao Ltda. (private business). Valuations of both businesses on the basis of future projections were used to make this allocation.

- **Intangible assets:** The most significant additions in 2020, 2021 and 2022 were in “Prototypes”, corresponding to additions of prototypes for book publishing at Santillana amounting to Euros 19,548 thousand in 2020, Euros 21,856 thousand in 2021 and Euros 27,184 thousand in 2022, as well as in “Computer software”, corresponding to applications acquired or developed by third parties for Group companies amounting to EUR 11,099 thousand in 2020, EUR 11,667 thousand in 2021 and EUR 12,742 thousand in 2022. In addition, radio frequency leases of EUR 3,743 thousand, EUR 6,093 thousand and EUR 5,002 thousand were entered into or renewed in 2020, 2021 and 2022, respectively.

In 2022, Grupo Santillana wrote off fully depreciated prototypes amounting to EUR 13,619 thousand, as well as other impaired prototypes. In addition, in 2022 and 2021, the various business segments derecognised fully amortised or impaired software.

In addition, as a consequence of the sale of Santillana España in the 2020 financial year, intangible assets for a net amount of EUR 9,618 million were transferred to “Non-current assets held for sale”.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- **Non-current financial assets:** An interest rate hedge contracted by Prisa on a nominal EUR 150 million was recorded in 2022 limiting the impact of any rise in the three-month Euribor (“cap”) above 2.25%. According to applicable accounting standards and the Company’s analysis, it did not believe that the arranged product met requirements to be considered effective, and so the change in the fair value of the hedge is posted to the consolidated income statement for each period. The amount recorded as at 31 December 2022 was the amount paid for arranging this hedge and which was pending being posted in the income statement during its validity period (until June 2025). This is EUR 3,977 thousand. In addition, loans granted to associated companies were derecognised as a result of the sale of these companies. In 2021 there were no significant changes in this heading.
- **Investments accounted for using the equity method:** The following is a breakdown of investments accounted for using the equity method during 2022, 2021 and 2020.
 - 2022:

COMPOSITION/MOVEMENTS IN 2022	Balance at 31/12/2021	Translation adjustments	Changes in scope	Share of results	Transfers	Dividends/ Other	Balance at 31/12/2022
Audited (thousands of €)							
Sistema Radiópolis, S.A. de C.V.	26,340	3,277	--	2,602	--	187	32,406
Other companies.....	680	10	(3,669)	3,384	527	(215)	717
Investments accounted for using the equity method	27,020	3,287	(3,669)	5,986	527	(28)	33,123

During 2022, the change in “*Investments accounted for using the equity method*” was mainly due to the share in the result of Radiópolis in the amount of EUR 2,602 thousand and the exchange rate effect. The column “Change in the scope of consolidation” and “Share of results” of other companies mainly includes the effect of the exclusion from the scope of consolidation of El Dorado Broadcasting Corporation and its subsidiary WSUA Broadcasting Corporation, as well as Green Emerald Business, Inc. and Planet Events, S.A. The effect on the Group’s net result for the 2022 financial year was not significant considering that, although the negative equity of these subsidiaries was provisioned, the financial loans granted to these companies were derecognised.

- 2021:

COMPOSITION/ MOVEMENTS IN 2021	Balance at 31/12/2020	Translation adjustments	Changes in scope	Share of results/ impairment losses	Transfers	Dividends/ Other	Balance at 31/12/2021
Audited (thousands of €)							
Sistema Radiópolis, S.A. de C.V.	24,065	1,293	--	979	--	3	26,340
Other companies.....	614	(486)	227	425	115	(215)	680
Investments accounted for using the equity method	24,679	807	227	1,404	115	(212)	27,020

During 2021, the change in “*Investments accounted for using the equity method*” was mainly due to the share in the result of Radiópolis in the amount of EUR 979 thousand and the exchange rate effect.

- **Deferred tax assets:** The following table shows the source and amount of deferred tax assets, recognised for accounting purposes in 2022, 2021 and 2020, as well as their movement:
 - 2022:

COMPOSITION AND MOVEMENT OF DEFERRED TAX ASSETS IN 2022	Balance at 31/12/2021	Additions	Disposals	Balance at 31/12/2022
Audited (thousands of €)				
Tax loss carryforwards	8,914	5,448	(748)	13,614
Other temporary differences	36,687	4,959	(281)	41,365
Deferred tax assets	45,601	10,407	(1,029)	54,979

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The net increase of EUR 9,378 thousand in “*Deferred tax assets*” derives from the recording of tax credits for tax losses generated in some companies of the Santillana and radio business in Latin America, timing differences and exchange rate fluctuations.

o 2021:

COMPOSITION AND MOVEMENT OF DEFERRED TAX ASSETS IN 2021	Balance at			Balance at
	31/12/2020	Additions	Disposals	31/12/2021
	Audited (thousands of €)			
Tax loss carryforwards	10,718	610	(2,414)	8,914
Other temporary differences	31,845	8,003	(3,161)	36,687
Deferred tax assets	42,563	8,613	(5,575)	45,601

The net increase in the heading “*Deferred tax assets*” includes the effect of the finalisation of the inspection carried out by the Spanish State Tax Administration Agency (AEAT) for the 2016-2018 period, the effect of the accounting recording of tax credits resulting from temporary differences and losses generated in some companies of the Santillana and Radio business in Latin America in 2021 and exchange rate variations.

- **Current assets:** the amount corresponding to the heading “*Current assets*” at 31 December 2022 was EUR 556,739 thousand, 16.2% higher than the amount of this heading at 31 December 2021 (EUR 479,061 thousand), mainly as a result of the increase in inventories of publishing products (EUR 22,615 thousand), due to the delay in their delivery in December 2022 and which were formalised in the first months of 2023, the net increase in customers for sales and services (net of the provision of services), and the net increase in customers for sales and services (net of provision) (EUR 20,398 thousand) due to higher sales in the Education segment recorded in the last months of 2022, mainly in Brazil and Mexico, as well as the increase in cash and cash equivalents. At 31 December 2021, this heading amounted to EUR 479,061 thousand, a decrease of 9.3% compared to the amount at 31 December 2020, mainly due to cash consumption in 2021, as explained in section 8.2 of the Registration Document. Trade receivables from sales and services increased slightly during 2021, mainly due to the increase in sales in 2021, after 2020 that was marked by the adverse impact of the COVID-19 pandemic on the Group’s businesses.
- **Inventories:** the heading “*Inventories*” segment includes mainly finished products, mainly publishing products, for a net amount of EUR 49,495 thousand at 31 December 2022 (EUR 26,880 thousand in 2021 and EUR 35,553 thousand in 2020) and also includes raw materials, mainly paper.

Liabilities and equity

The changes in the main “equity” and “liabilities” items in 2022, 2021 and 2020 are described below:

- **Share capital:** Prisa’s share capital at 31 December 2022 stood at EUR 74,065 thousand, represented by 740,650,193 ordinary shares, all belonging to the same class and series, with a par value of EUR 0.10 each, fully paid up and with identical rights, following the execution, in June 2022, of a capital increase by offsetting credits for a nominal amount of EUR 3,200 thousand.

At 31 December 2021 and 2020, the share capital of Prisa was EUR 70,865 thousand, represented by 708,650,193 ordinary shares, all belonging to the same class and series, with a par value of EUR 0.10 each, fully paid up and with identical rights. For further information on the development of the share capital, see section 19.1.7 of the Registration Document.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- **Minority interests:** correspond to the minority interests' shares in the consolidated equity value and consolidated results for the year. The movements in this heading in 2020, 2021 and 2022 were as follows:

- 2022:

COMPOSITION AND MOVEMENTS IN 2022	Balance at 31/12/2021	Translation adjustment	Share of results	Changes in scope	Dividends paid/received	Other	Balance at 31/12/2022
	Audited (thousands of €)						
Caracol, S.A.....	7,219	(52)	(162)	(2,679)	(817)	--	3,509
Diario As, S.L.	7,337	--	296	--	(1,533)	(93)	6,007
GLR Chile, Ltda..... Grupo Santillana Educación Global, S.A. and subsidiaries	9,017	756	212	(9,985)	--	--	--
Prisa Radio, S.A. and subsidiaries (Spain)	111	29	(60)	--	--	--	80
Other companies.....	19,877	--	(161)	(12,880)	(2,191)	(813)	3,832
	1,388	444	(444)	(710)	(414)	383	647
Minority interests	44,949	1,177	(319)	(26,254)	(4,955)	(523)	14,075

The decrease in minority interests in Prisa Radio, S.L. and subsidiaries (Spain), as well as in Caracol, S.A. and GLR Chile, Ltda. is a consequence of the acquisition of the 20% stake in Prisa Radio, S.L. held by Grupo Godó (see section 5.3 of the Registration Document).

- 2021:

COMPOSITION AND MOVEMENTS IN 2021	Balance at 31/12/2020	Translation adjustment	Share of results	Changes in scope	Dividends paid/received	Other	Balance at 31/12/2021
	Audited (thousands of €)						
Caracol, S.A.....	7,796	(675)	76	--	--	22	7,219
Diario As, S.L.	7,521	--	983	--	(1,094)	(73)	7,337
GLR Chile, Ltda..... Grupo Santillana Educación Global, S.A. and subsidiaries	9,382	(1,073)	1,035	--	(327)	--	9,017
Prisa Radio, S.A. and subsidiaries (Spain)	118	(3)	(4)	--	--	--	111
Other companies.....	20,187	--	(1,080)	(102)	39	833	19,877
	1,267	(284)	(347)	407	1	344	1,388
Minority interests	46,271	(2,035)	663	305	(1,381)	1,126	44,949

- **Long-term provisions:** "Provision for taxes" corresponds to the estimated amount of tax debts arising from the tax audit of various Group companies, and "Provision for indemnities" includes the provision set up in recent years to meet probable or certain liabilities arising from indemnities to employees for termination of their employment relationships which will be payable in future years, but for which a valid expectation has been created among the affected employees in the year in which they are provided for. Finally, "Provision for liabilities and others" corresponds to the estimated amount for other probable claims and litigation against Group companies and other future obligations to employees. It also includes the Group's share in the equity of companies accounted for using the equity method, the net value of which is negative.

The detail of the changes during the 2020, 2021 and 2022 financial years in the various accounts under the heading "Non-current liabilities - provisions" was as follows:

- 2022:

COMPOSITION AND MOVEMENTS OF LONG-TERM PROVISIONS IN 2022	Balance at 31/12/2021	Translation adjustments	Changes in scope	Allocations/ overruns	Applications/ Transfers	Balance at 31/12/2022
	Audited (thousands of €)					
For taxes	624	(17)	--	96	(5)	698
For termination benefits	7,111	19	--	1,221	(2,108)	6,243
For third-party liability and other	13,281	194	(5,859)	3,868	(3,117)	8,367
Long-term provisions	21,016	196	(5,859)	5,185	(5,230)	15,308

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

During 2022, the Group made a provision for indemnities of EUR 1,221 thousand, applied EUR 77 thousand as a result of the payment of indemnities and issuance of promissory notes, and transferred EUR 2,011 thousand to the short term to be paid in 2023. The Group expected to apply this provision in the next six years.

○ 2021:

COMPOSITION AND MOVEMENTS OF LONG-TERM PROVISIONS IN 2021	Balance at	Translation	Allocations	Amounts	Transfers	Balance at
	31/12/2020	adjustments	/overruns	used/ disposals		31/12/2021
Audited (thousands of €)						
For taxes	3,378	4	(310)	(2,445)	(3)	624
For termination benefits	2,555	8	7,036	(2,488)	--	7,111
For third-party liability and other	13,262	62	3,521	(3,678)	114	13,281
Long-term provisions	19,195	74	10,247	(8,611)	111	21,016

The decrease in the tax provision in 2021 was mainly due to the completion of the aforementioned tax audits relating to income tax for 2016 to 2018 of the tax consolidation group 2/91, with no significant impact on the consolidated income statement.

The provision for termination benefits increased in 2021 mainly due to personnel restructuring processes carried out in the Media segment in 2021, which are payable in future years, but for which a valid expectation has been created among the affected employees in 2021. During 2021, the Group made a provision of EUR 7,036 thousand and applied EUR 2,488 thousand in this connection as a result of termination benefits and the issuance of promissory notes.

- **Deferred tax liabilities:** The following table shows the source and amount of deferred tax liabilities, recognised for accounting purposes in 2020, 2021 and 2022, as well as their movement:

○ 2022:

COMPOSITION AND MOVEMENT OF DEFERRED TAX LIABILITIES IN 2022	Balance at	Additions	Disposals	Balance at
	31/12/2021			31/12/2022
Audited (thousands of €)				
Deferral for reinvestment of extraordinary income	1,006	--	(38)	968
Accelerated depreciation and amortisation.....	2,924	2	(504)	2,422
Different accounting and tax recognition criteria for income and expenses	7,275	744	(2,508)	5,511
Other.....	10,130	901	(38)	10,993
Deferred tax liabilities	21,335	1,647	(3,088)	19,894

As at 31 December 2022, the amount of the Group's deferred tax liabilities amounted to EUR 19,894 thousand, which was a decrease of 6.8% compared to the amount of deferred tax liabilities as at 31 December 2021 (EUR 21,335 thousand). The net variation in "Deferred tax liabilities" mainly reflects the different accounting and tax allocation criteria for certain intangible amortisation expenses and certain institutional sales in Brazil.

○ 2021:

COMPOSITION AND MOVEMENT OF DEFERRED TAX LIABILITIES IN 2021	Balance at	Additions	Disposals	Balance at
	31/12/2020			31/12/2021
Audited (thousands of €)				
Deferral for reinvestment of extraordinary income	1,044	--	(38)	1,006
Accelerated depreciation and amortisation.....	2,568	423	(67)	2,924
Different accounting and tax recognition criteria for income and expenses	4,720	2,555	--	7,275
Other.....	8,508	1,676	(54)	10,130
Deferred tax liabilities	16,840	4,654	(159)	21,335

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

As at 31 December 2021, the amount of the Group's deferred tax liabilities amounted to EUR 21,335 thousand, which was an increase of 26.7% compared to the amount of deferred tax liabilities as at 31 December 2020 (EUR 16,840 thousand). The net variation in "Deferred tax liabilities" mainly reflects the different accounting and tax allocation criteria for certain intangible amortisation expenses and certain institutional sales in Brazil.

- **Current and non-current payables to credit institutions:** The information relating to the heading "Current and non-current bank borrowings" is described in section 8.1(B) of the Registration Document.
- **Non-current and current financial liabilities:** The information relating to the heading "Non-current and current financial liabilities" is described in section 8.1(B) of the Registration Document.
- **Other non-trade payables:** The information relating to the heading "Other non-trade payables" is described in section 8.1(B) of the Registration Document.
- **Other current liabilities:** The information relating to the heading "Other current liabilities" is described in section 8.1(B) of the Registration Document.

B. Prisa's consolidated income statement at 31 December 2022, 2021 and 2020

The following table sets out Prisa's audited consolidated income statements as at 31 December 2022, 2021 and 2020:

CONSOLIDATED INCOME STATEMENT (under IFRS)	31/12/2022	Change 2022-2021 (%)	31/12/2021	Change 2021- 2020	31/12/2020
	Audited (thousand €)		Audited (thousand €)	(%)	Audited (thousand €)
Revenue.....	830,764	13.9	729,350	5.6	690,942
Other income.....	19,425	64.4	11,818	21.8	9,699
Operating income.....	850,189	14.7	741,168	5.8	700,641
Cost of materials used	(127,640)	(23.8)	(103,093)	2.7	(105,931)
Staff costs.....	(297,882)	3.3	(307,945)	(14.9)	(268,007)
Depreciation and amortisation	(71,010)	9.3	(78,317)	(10.9)	(70,637)
Outside services	(282,575)	(9.9)	(257,116)	(2.5)	(250,882)
Change in allowances, write-downs and provisions	(4,515)	54.5	(9,917)	15.5	(11,730)
Impairment of goodwill	--	--	--	--	(16,602)
Impairment and losses on fixed assets	(3,203)	28.6	(4,489)	24.7	(5,961)
Operating expenses	(786,825)	(3.4)	(760,877)	(4.3)	(729,750)
Operating income.....	63,364	421.5	(19,709)	32.3	(29,109)
Interest income	5,562	(51.7)	11,513	--	2,367
Finance costs.....	(132,226)	(118.8)	(60,444)	27.2	(83,022)
Change in value of financial instruments.....	55,805	453.4	(15,791)	65.7	(46,072)
Exchange differences (net).....	(1,476)	(201.0)	1,461	169.6	(2,098)
Financial profit or loss.....	(72,335)	(14.3)	(63,261)	50.9	(128,825)
Result of companies accounted for using the equity method.....	5,986	326.4	1,404	116.6	(8,458)
Profit/(loss) before tax from continuing operations	(2,985)	96.3	(81,566)	51.0	(166,392)
Corporation tax	(10,283)	51.0	(20,969)	74.1	(81,071)
Profit/(loss) from continuing operations	(13,268)	87.1	(102,535)	58.6	(247,463)
Post-tax profit or loss of discontinued operations	--	--	(3,308)	(101.0)	322,913
Consolidated result for the year	(13,268)	87.5	(105,843)	--	75,450
Profit/(loss) attributable to non-controlling interests	319	148.1	(663)	(104.6)	14,287

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

	<u>31/12/2022</u>	<u>Change</u>	<u>31/12/2021</u>	<u>Change</u>	<u>31/12/2020</u>
	<u>Audited</u>	<u>2022-2021</u>	<u>Audited</u>	<u>2021-</u>	<u>Audited</u>
CONSOLIDATED INCOME STATEMENT				<u>2020</u>	
(under IFRS)	(thousand €)	(%)	(thousand €)	(%)	(thousand €)
Profit/(loss) for the year attributable to the parent company	(12,949)	87.8	(106,506)	--	89,737
Basic earnings per share (in euros)	(0.02)	86.7	(0.15)	--	0.13
Diluted earnings per share (in euros)	(0.02)	86.7	(0.15)	--	0.13
- Basic earnings per share of continuing operations (in euros)	(0.02)	86.7	(0.15)	54.5	(0.33)
- Basic earnings per share from discontinued operations (in euros)	--	--	--	--	0.46

Evolution of the main items of Prisa's audited consolidated income statement in 2022, 2021 and 2020:

- **Operating income:** the Group's operating results amounted to EUR 63,364 thousand as at 31 December 2022 while as at 31 December 2021 and 2020 the operating results amounted to EUR -19,709 thousand and EUR -29,109 thousand, respectively. The analysis of the items comprising the operating result is detailed for each financial year in the corresponding individual and consolidated management reports of Prisa for the 2022, 2021 and 2020 financial years, which are incorporated by reference into the Registration Document.
- **Financial profit or loss:** The Group's financial result was EUR -72,335 thousand during the 2022 financial year, which was a higher negative result of 14.3% compared to 2021. Meanwhile, in the 2021 financial year, the Group's financial result amounted to EUR -63,261 thousand and improved by 50.9% compared to the result of the 2020 financial year (EUR -128,825 thousand).

The table below shows a breakdown of the balance of this heading for the years ended 31 December 2022, 2021 and 2020.

	<u>31/12/2022</u>	<u>31/12/2021</u>	<u>31/12/2020</u>
BREAKDOWN OF THE FINANCIAL RESULT	Audited (thousands of €)		
Income from current financial assets	3,156	963	1,077
Income from equity investments	20	1	--
Other finance income	2,386	10,549	1,290
Interest income	5,562	11,513	2,367
Interest on debt	(71,487)	(49,731)	(71,112)
Financial expenses for hedging operations	(823)	--	--
Adjustments for inflation	(5,177)	(486)	801
Debt arrangement expenses	(43,793)	--	--
Other finance costs	(10,946)	(10,227)	(12,711)
Finance costs	(132,226)	(60,444)	(83,022)
Exchange gains	47,083	27,333	30,557
Exchange losses	(48,559)	(25,872)	(32,655)
Exchange differences (net)	(1,476)	1,461	(2,098)
Change in fair value of financial instruments	55,805	(15,791)	(46,072)
Financial profit or loss	(72,335)	(63,261)	(128,825)

The increase in the heading "Income from current financial assets" in 2022 was mainly in the Education segment due to the increase in interest rates during the period on the deposits set up.

At 31 December 2021, the heading "Other financial income" included the income derived from the favourable ruling of the Central Economic-Administrative Tribunal (TEAC) in relation to the Value Added Tax inspection for the period from May 2010 to December 2011 in the amount of EUR 7,841 thousand, mainly corresponding to VAT on invoices associated with debt arrangement expenses.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Since the end of 2020, the financial expense for “*Debt interests*” was positively affected by the lower debt with credit institutions following the repayments that took place at the end of that year with the cash obtained from the sale of stakes in Media Capital and Santillana España. However, the increase in the expense in this section during 2022 is mainly due to the increase in the Euribor on the cost of the Group’s financial debt, which is mostly pegged to this indicator.

The heading “*Other financial expenses*” mainly includes the effect of the restatement of the financial liabilities associated with the lease contracts (EUR 4,912 thousand in 2022, EUR 6,925 thousand in 2021 and EUR 7,376 thousand in 2020). Also, at 31 December 2022, this included the expense for the derecognition of a financial investment related to Prisa Radio’s shareholding in the associated companies El Dorado Broadcasting Corporation and WSUA Broadcasting Corporation, and at 31 December 2020 the reversal of a provision for a financial loan amounting to EUR 2,461 thousand.

The heading “*Debt arrangement expenses*” included as at 31 December 2022 all expenses and fees related to the 2022 Refinancing, including the refinancing, structuring and underwriting fee expense that the Company decided to pay through the share issue. In addition, the heading “*Change in value of financial instruments*” included at that date a positive impact of EUR 23,434 thousand associated with the derecognition of the original financial liability (i.e. the Group’s syndicated loan subject to the 2022 Refinancing) for interest accrued in prior periods (which accrues at the effective interest rate (EIR)) that ultimately does not have to be paid.

Also, at 31 December 2022, the heading “*Changes in value of financial instruments*” included a positive impact of EUR 38,285 thousand for the difference between the par value of the 2022 Refinancing debt and its fair value at the initial recording date. Thereafter, the difference between the nominal value of the debt and its initial fair value is charged as an expense in the consolidated income statement using the effective interest method (in 2022 the expense transferred to the consolidated income statement in this connection amounted to EUR 4,886 thousand).

Finally, the heading “*Changes in value of financial instruments*” in 2021 included the financial result accrued from the transfer to the consolidated income statement of the difference between the amount of the debt associated with the 2020 Refinancing of the Group’s syndicated debt made on 31 December 2020 on the initial recording date and its nominal amount over the term of the loan, as well as the accrual of debt arrangement costs, in both cases using the effective interest method. Likewise, and associated with the aforementioned refinancing carried out on 31 December 2020, the heading “*Changes in value of financial instruments*” in 2020 included an expense of EUR 37,217 thousand derived from the entry into force of the refinancing of its bank debt, for the difference between the previous book value of the debt subject to said refinancing and its present value once refinanced considering the discounting of future flows calculated on the basis of the effective interest rate (EIR) of the original debt.

As at 31 December 2020, the heading “*Changes in value of financial instruments*” also included an accrued finance cost amounting to EUR 8,855 thousand, resulting from the transfer to the consolidated income statement of the difference between the amount of the debt associated with the 2018 Refinancing at the date of initial registration and its nominal amount over the term of the loan, using the effective interest method, considering the effect of the syndicated debt repayments made in 2020 and up to the effective date of the refinancing made on 31 December 2020. For more information on the 2022 Refinancing, the 2020 Refinancing and the 2018 Refinancing, see section 5.3 of the Registration Document.

- **Result of companies accounted for using the equity method:** This heading mainly includes the Prisa Group’s share in the results of Radiópolis amounting to EUR 2,602 thousand in 2022, EUR 979 thousand in 2021 and EUR 1,636 thousand in 2020. In addition, an impairment on Radiópolis’ investment of EUR 10,411 thousand was recorded in 2020, mainly as a result of the impact of COVID-19 on future projections, adversely impacting Radiópolis’ advertising revenues and its expected future growth. Also, and to a lesser extent, the impairment of the investment is the result of an increase in the applicable discount rate.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- **Corporation tax:** in 2020, this heading included a higher expense of EUR 64,108 thousand arising from the analysis performed for the recovery of tax credits, in accordance with the criteria laid down by accounting regulations, which led to the derecognition in the consolidated balance sheet at 31 December 2020 and with an impact on the consolidated income statement of tax credits for the aforementioned amount corresponding to (i) tax deductions totalling EUR 14,572 thousand; (ii) tax credits arising from the non-deductibility of the net financial expense amounting to EUR 40,238 thousand; and (iii) tax loss carryforwards amounting to EUR 9,298 thousand.

These disposals were mainly due to the revision of future business projections as a result of the impact of COVID-19, which led to a decrease in the projected long-term growth of the Group's businesses, as well as the impact of the sale of the Santillana España business, and the 2020 Refinancing.

- **Post-tax profit or loss of discontinued operations:** Profit after tax from discontinued operations for 2021 included a provision associated with the unfavourable ruling received by Telefónica and communicated to Prisa by the latter in January 2022, which was appealed, in relation to certain operations of DTS, a subsidiary that was sold to the aforementioned company in 2015. At 31 December 2022 this provision was maintained to the extent that future cash outflows remained probable.

The amount of profit after tax from discontinued operations amounted to EUR 322,913 thousand as at 31 December 2020, and included the following items that are described below, associated with the sales of Media Capital and Santillana España in 2020 (see section 5.3 of the Registration Document).

Media Capital:

- Impairment was recorded for the loss resulting from the agreement to purchase 30.22% of Media Capital from Pluris (minus costs of the sale) in May 2020, amounting to EUR 28,769 thousand.
- Recognition of an additional impairment for the loss resulting from the sale and purchase agreement for the remaining 64.47% of the Portuguese subsidiary (less costs of sale) in September 2020 amounting to EUR 48,522 thousand.

Santillana España:

- Recognition of the capital gain net of costs arising from the sale of the Santillana España companies for EUR 377,344 thousand on 31 December 2020.
- The contribution of the result of Santillana España to the Group's results during 2020, for a positive amount of EUR 22,441 thousand.

- **Profit/(loss) attributable to non-controlling interests:** The change in 2021 compared to 2020 was due to the improvement in the net results of minority-owned subsidiaries, primarily in the Media segment, as a result of the recovery of the businesses after the impact of COVID 19.

C. Consolidated statement of comprehensive income as at 31 December 2022, 2021 and 2020

The following table sets out the audited consolidated statement of comprehensive income of Prisa as at 31 December 2022, 2021 and 2020:

	<u>31/12/2022</u>	<u>Change</u>	<u>31/12/2021</u>	<u>Change</u>	<u>31/12/2020</u>
	<u>Audited</u>	<u>2022-2021</u>	<u>Audited</u>	<u>2021-2020</u>	<u>Audited</u>
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (under IFRS)	(thousand €)	(%)	(thousand €)	(%)	(thousand €)
Consolidated result for the year	(13,268)	87.5	(105,843)	--	75,450
Items not reclassified to profit or loss for the period	924	--	--	--	--
For actuarial gains and losses	630	--	--	--	--
Entities accounted for using the equity method.....	294	--	--	--	--
Items that may be reclassified subsequently to profit or loss for the period	14,752	348.3	(5,941)	90.5	(62,551)

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (<i>under IFRS</i>)	31/12/2022	Change	31/12/2021	Change	31/12/2020
	Audited	2022-2021	Audited	2021-2020	Audited
	(thousand €)	(%)	(thousand €)	(%)	(thousand €)
Translation differences	11,490	265.3	(6,952)	87.6	(56,261)
Valuation gains/(losses)	10,844	257.4	(6,891)	87.9	(56,823)
Amounts transferred to the P&L account	646	--	(61)	(110.9)	562
Entities accounted for using the equity method.....	3,262	222.7	1,011	116.1	(6,290)
Total recognised income and expenses	2,408	102.2	(111,784)	--	12,899
Attributed to the parent entity.....	1,550	101.4	(110,412)	--	28,701
Attributed to minority interests.....	858	162.5	(1,372)	91.3	(15,802)

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

D. Statement of changes in Prisa's consolidated equity at 31 December 2022, 2021 and 2020

Prisa's audited consolidated statement of changes in equity for 2022, 2021 and 2020 is set out below:

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (under IFRS)	Share capital	Share premium	Reserves	Accumulated profit for prior years	Treasury shares	Translation differences	Accumulated profit for the year	Equity attributable to the parent company	Minority interests	Equity
	Audited (thousands of €)									
Balance as at 31 December 2020	70,865	--	118,146	(634,194)	(1,530)	(92,275)	89,737	(449,251)	46,271	(402,980)
Transactions in treasury shares.....	--	--	(839)	--	210	--	--	(629)	--	(629)
Distribution of 2020 profit:										
- Reserves	--	--	(52,793)	142,530	--	--	(89,737)	--	--	--
Income and expenses recognised in equity:										
- Translation differences.....	--	--	--	(5,771)	--	1,865	--	(3,906)	(2,035)	(5,941)
- Consolidated result for 2021.....	--	--	--	--	--	--	(106,506)	(106,506)	663	(105,843)
Other movements.....	--	--	1,521	2,007	--	--	--	3,528	1,126	4,654
Variations of external partners:										
- Dividends paid during the year	--	--	--	--	--	--	--	--	(1,381)	(1,381)
- Changes in the scope of consolidation.....	--	--	--	--	--	--	--	--	305	305
Balance as at 31 December 2021	70,865	--	66,035	(495,428)	(1,320)	(90,410)	(106,506)	(556,764)	44,949	(511,815)
Capital increases.....	3,200	17,088	--	--	--	--	--	20,288	--	20,288
Transactions in treasury shares.....	--	--	(1,780)	--	919	--	--	(861)	--	(861)
Distribution of 2021 profit:										
Reserves.....	--	--	56,547	(163,053)	--	--	106,506	--	--	--
Income and expenses recognised in equity:										
- Translation differences.....	--	--	--	4,341	--	9,234	--	13,575	1,177	14,752
- Consolidated result for 2022.....	--	--	--	--	--	--	(12,949)	(12,949)	(319)	(13,268)
- Other recognised income and expenses.....	--	--	--	924	--	--	--	924	--	924
Other movements.....	--	--	817	(4,858)	--	(6,407)	--	(10,448)	(523)	(10,971)
Variations of external partners:										
- Dividends paid during the year	--	--	--	--	--	--	--	--	(4,955)	(4,955)
- Changes in the scope of consolidation.....	--	--	--	--	--	--	--	--	1,063	1,063
- For changes in the percentage shareholding	--	--	--	--	--	--	--	--	(27,317)	(27,317)
Balance as at 31 December 2022	74,065	17,088	121,619	(658,074)	(401)	(87,583)	(12,949)	(546,235)	14,075	(532,160)

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

E. Consolidated cash flow statements of Prisa at 31 December 2022, 2021 and 2020

Prisa's audited consolidated cash flow statements for 2022, 2021 and 2020 are included below:

	31/12/2022	Change	31/12/2021	Change	31/12/2020
	Audited	2022-2021	Audited	2021-2020	Unaudited
CONSOLIDATED STATEMENTS OF CASH FLOWS (under IFRS)	(thousand €)	(%)	(thousand €)	(%)	(thousand €)
ACCOUNTING PROFIT (LOSS)					
BEFORE TAX	(2,985)	96.3	(81,566)	51.0	(166,392)
Depreciation and provisions.....	78,722	(15.1)	92,715	(11.5)	104,704
Change in working capital	(12,042)	(253.6)	7,842	--	(1,691)
Inventories.....	(34,773)	--	5,788	(79.4)	28,106
Receivable	(11,299)	58.3	(27,111)	(127.1)	100,185
Payable	34,030	16.7	29,165	122.4	(129,982)
Receipts (payments) for income tax	(15,494)	(17.2)	(13,219)	25.9	(17,849)
Other adjustments to profit or loss	59,008	(19.0)	72,891	(46.2)	135,386
Financial profit or loss.....	72,335	14.3	63,261	(50.9)	128,825
Sale of assets	(2,189)	(366.7)	(469)	61.8	(1,229)
Other adjustments to profit or loss.....	(11,138)	(210.3)	10,099	29.6	7,790
CASH FLOW FROM OPERATING ACTIVITIES	107,209	36.3	78,663	45.2	54,158
Recurrent investments in intangible assets	(40,641)	(18.4)	(34,330)	(8.9)	(31,512)
Recurrent investments in property, plant and equipment.....	(11,163)	(2.1)	(10,936)	21.3	(13,899)
Investments in financial fixed assets.....	(2,200)	82.2	(12,336)	--	(921)
Divestment proceeds	3,361	(59.0)	8,193	(98.2)	461,269
Other cash flows from investing activities.....	231	(86.3)	1,690	(84.5)	10,922
CASH FLOW FROM INVESTING ACTIVITIES	(50,412)	(5.6)	(47,719)	(111.2)	425,859
Proceeds (payments) for equity instruments	(30,087)	--	(629)	--	20
Proceeds from financial liability instruments.....	99,826	(10.9)	112,080	20.1	93,354
Payments for financial liability instruments.....	(7,442)	92.9	(104,364)	75.6	(427,997)
Dividend and remuneration payments on other equity instruments	(5,196)	(192.1)	(1,779)	27.5	(2,453)
Interest payments	(50,714)	(40.4)	(36,127)	40.9	(61,170)
Other cash flows from financing activities.....	(46,506)	16.5	(55,703)	(41.4)	(39,406)
CASH FLOW FROM FINANCING ACTIVITIES	(40,119)	53.6	(86,522)	80.2	(437,652)
Effect of exchange rate changes.....	4,146	74.9	2,371	119.0	(12,453)
CHANGE IN CASH FLOWS FROM CONTINUING OPERATIONS	20,824	139.1	(53,207)	--	29,912
Cash flow from operating activities of discontinued operations	--	--	--	--	57,444
Cash flow from investing activities of discontinued operations	--	--	--	--	(34,354)
Cash flow from financing activities of discontinued operations	--	--	--	--	2,297
CHANGE IN CASH FLOWS FROM DISCONTINUED OPERATIONS	--	--	--	--	25,387

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

	31/12/2022	Change	31/12/2021	Change	31/12/2020
	Audited	2022-2021	Audited	2021-2020	Unaudited
CONSOLIDATED STATEMENTS OF CASH FLOWS (under IFRS)	(thousand €)	(%)	(thousand €)	(%)	(thousand €)
CHANGE IN CASH FLOWS FOR					
THE YEAR.....	20,824	139.1	(53,207)	(196.2)	55,299
Cash and cash equivalents at the beginning of the period.....	168,672	(24.0)	221,879	33.2	166,580
Cash and cash equivalents at the end of the period.....	189,496	12.3	168,672	(24.0)	221,879

The cash flow analysis is detailed in section 8.2 of the Registration Document.

18.1.2. Change of accounting reference date

Prisa has not changed its accounting reference date during the period covered by the historical financial information included in the Registration Document.

18.1.3. Accounting standards

The Prisa historical financial information included in the Registration Document has been prepared in accordance with IFRS, taking into account the relevant circulars and subsequent amendments to it.

18.1.4. Change in the accounting framework

Prisa does not intend to adopt a new accounting standards framework in its next published financial statements.

18.1.5. Where the audited financial information is prepared in accordance with national accounting standards, such information should include at least: (a) the balance sheet; (b) the income statement; (c) a statement showing all changes in equity; (d) the cash flow statement; and (e) the accounting policies used and explanatory notes.

As indicated in section 18.1.3 of the Registration Document, the Prisa historical financial information included in the Registration Document has been prepared in accordance with IFRS, taking into account the relevant circulars and subsequent amendments to it.

18.1.6. Consolidated financial statements

The consolidated financial statements of Prisa are included in section 18.1.1 of the Registration Document.

18.1.7. Age of financial information

The balance sheet date for the last audited financial reporting period (2022) does not precede the date of the Registration Document by more than 16 months.

18.2. Interim and other financial information

18.2.1. Half-yearly financial information

Prisa's condensed interim consolidated financial statements for the six months ended 30 June 2023, which have been subject to a limited review by EY, are included below.

Pursuant to Article 19 of Regulation 2017/1129, the condensed consolidated interim financial statements of Prisa relative to the six months ended 30 June 2023, as well as the related limited review and management reports, are incorporated by reference into the Registration Document and are available on the CNMV website (www.cnmv.es) and on the Prisa website ([link](#)).

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

A. Consolidated balance sheet of Prisa at 30 June 2023 and 31 December 2022

The following table sets out Prisa's consolidated balance sheet as at 30 June 2023 which has been subject to limited review and Prisa's audited consolidated balance sheet as at 31 December 2022:

CONSOLIDATED BALANCE SHEET (under IFRS)	30/06/2023	Change	31/12/2022
	Unaudited⁽¹⁾		Audited
	(thousand €)	(%)	(thousand €)
A) Non-current assets	453,602	6.5	425,934
I. Property, plant and equipment	100,483	(2.7)	103,294
II. Goodwill	121,589	3.7	117,220
III. Intangible assets	107,104	2.1	104,943
IV. Non-current financial assets	17,686	43.1	12,363
V. Investments accounted for using the equity method	35,173	6.2	33,123
VI. Deferred tax assets	71,553	30.1	54,979
VII. Other non-current assets	14	16.7	12
B) Current assets	474,212	(14.8)	556,739
I. Inventories	71,215	(4.7)	74,693
II. Trade receivables and other receivables	256,219	(11.7)	290,181
1. Customers for sales and services	239,062	(16.3)	285,536
2. Associates	4,137	2.7	4,027
3. Public administrations	42,074	19.8	35,108
4. Other debtors	27,060	8.2	25,000
5. Provisions	(56,114)	5.7	(59,490)
III. Current financial assets	3,535	131.3	1,528
IV. Cash and cash equivalents	142,540	(24.8)	189,496
V. Non-current assets held for sale	703	(16.4)	841
TOTAL ASSETS	927,814	(5.6)	982,673
A) Equity	(421,862)	20.7	(532,160)
I. Subscribed capital	100,817	36.1	74,065
II. Other reserves and retained earnings from prior periods	(456,788)	12.0	(519,367)
III. Profit/(loss) for the year attributable to the parent company	(36,253)	(180.0)	(12,949)
IV. Other net equity instruments	30,063	--	--
V. Treasury shares	(1,120)	(179.3)	(401)
VI. Translation differences	(72,257)	17.5	(87,583)
VII. Minority interests	13,676	(2.8)	14,075
B) Non-current liabilities	970,820	(9.6)	1,073,345
I. Non-current bank borrowings	881,058	(10.2)	980,848
II. Non-current financial liabilities	50,525	(6.3)	53,935
III. Deferred tax liabilities	20,027	0.7	19,894
IV. Long-term provisions	16,195	5.8	15,308
V. Other non-current liabilities	3,015	(10.3)	3,360
C) Current liabilities	378,856	(14.2)	441,488
I. Commercial creditors	204,353	(19.8)	254,800
II. Associates	927	62.3	571
III. Other non-trade payables	39,810	(9.7)	44,082
IV. Current bank borrowings	38,356	24.4	30,824
V. Current financial liabilities	17,499	(46.7)	32,832
VI. Public administrations	38,129	25.9	30,286
VII. Current provisions	5,178	(16.0)	6,166

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

	30/06/2023		31/12/2022
	Unaudited ⁽¹⁾	Change	Audited
CONSOLIDATED BALANCE SHEET (under IFRS)	(thousand €)	(%)	(thousand €)
VIII. Other current liabilities	34,142	(17.7)	41,503
IX. Liabilities associated with non-current assets held for sale	462	9.0	424
TOTAL EQUITY AND LIABILITIES	927,814	(5.6)	982,673

(1): Financial information subject to limited review.

Main changes between Prisa's consolidated balance sheets as at 30 June 2023 and 31 December 2022:

Assets

The changes in the main "asset" items as at 30 June 2023 and 31 December 2022 are described below:

- **Property, plant, and equipment:** as at 30 June 2023, the amount of property, plant and equipment amounted to EUR 100,483 thousand, representing a decrease of 2.7% compared to the amount of property, plant and equipment as at 31 December 2022 (EUR 103,294 thousand). Additions to "Property, plant and equipment " during the first half of 2023 amounted to EUR 5,589 thousand, mainly corresponding to investments made by Santillana in digital developments and learning systems (EUR 3,318 thousand) as well as investments in both Media and Santillana in equipment for information processes, amounting to EUR 1,200 thousand. This amount is lower than the depreciation of the items and to the decrease due to the exchange rate, therefore the tangible fixed assets compared to December 2022 decrease by 2.7%.
- **Goodwill:** As at 30 June 2023, the amount of goodwill amounted to EUR 121,589 thousand, representing an increase of 3.7% compared to the amount of goodwill as at 31 December 2022 (EUR 117,220 thousand). The increase in "goodwill" was mainly due to the effect of exchange rate changes on goodwill resulting from the investment in Editora Moderna, Ltda. and Santillana Educaçao, Ltda and in GLR Chile, Ltda.
- **Intangible assets:** As at 30 June 2023, the amount of intangible assets amounted to EUR 107,104 thousand, which represented an increase of 2.1% compared to the amount of intangible assets as at 31 December 2022 (EUR 104,943 thousand). Additions to "intangible assets" during the first half of the 2023 financial year amounted to EUR 15,168 thousand and mainly relate to the investment in prototypes in the Education area (EUR 10,077 thousand) and the acquisition of computer applications by Group companies (EUR 4,756 thousand).
- **Non-current financial assets:** The increase in "Non-current financial investments" in the first half of 2023 (up 43.1% compared to 31 December 2022) was mainly due to the recognition of two interest rate hedges arranged by Prisa, the first in January 2023, on a nominal EUR 150 million limiting the impact of any rise in the three-month Euribor above 2.5% and the second, in March 2023, on a nominal EUR 100 million limiting rises in the three-month Euribor above 3% and up to a maximum of 5%. In accordance with applicable accounting regulations, and based on the Company's analysis, it is considered that the products contracted do not meet the requirements to be considered effective from an accounting point of view, and therefore the change in the fair value of the aforementioned hedges is taken to the consolidated income statement for each period. Therefore, the amount recognised at 30 June 2023 corresponds to the fair value of these instruments at that date, in other words, to the amounts paid to contract these hedges, together with the hedge contracted in 2022, adjusted by the changes in the fair value of these hedges until June 30, 2023, and which are therefore pending to be taken to the consolidated income statement during the term of the hedges (until June 2025).
- **Investments accounted for using the equity method:** During the first half of 2023, the 6.2% increase in this heading compared to 31 December 2022 was mainly due to the share in the results of Radiópolis amounting to EUR 484 thousand and the effect of the exchange rate, reduced by the effect of the dividend distributed by this company amounting to EUR 2,553 thousand.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- **Deferred tax assets:** the net increase in the heading “*Deferred tax assets*” during the first half of 2023 amounting to EUR 16,574 thousand is due to (i) the capitalisation of tax losses for the first half of 2023 in certain companies of the Education business (Santillana) and radio in Latin America; (ii) exchange rate fluctuations; and (iii) the capitalisation of tax credits by the tax consolidation group in Spain.
- **Current assets:** the amount corresponding to the heading “*current assets*” EUR 474,212 thousand at 30 June 2023, 14.8% lower than the amount of this item at 31 December 2022, mainly due to the cash consumption in the first half of 2023, as explained in section 8.2 of the Registration Document. In addition, during the aforementioned period, the client account for sales and services rendered was reduced, among other factors, because the collection in the first half of 2023 of the previous year-end campaign was higher than the clients that have been generated until June 2023.

Liabilities and equity

The changes in the main “Total equity” and “Liabilities” items as at 30 June 2023 and 31 December 2022 are described below:

- **Equity:** As at 30 June 2023, the Company’s consolidated equity is negative in the amount of EUR 421,862 thousand. Among other negative results, this amount includes losses associated with the sales of DTS and Media Capital, impairments of goodwill and tax credits, the impact of the unfavourable Mediapro ruling and the negative impact of translation differences. The above adverse effects were offset in 2020 by the positive result associated with the sale of Santillana España (see section 5.3 of the Registration Document).
- **Share capital:** As at 1 January 2023, Prisa’s share capital amounted to EUR 74,065 thousand, represented by 740,650,193 ordinary shares, all of the same class and series, with a par value of EUR 0.10 each, fully paid up and with identical rights.

Within the framework of the issue of subordinated debentures necessarily convertible into newly issued ordinary shares of the Company that took place in February 2023, in May 2023 the share capital of Prisa was increased by a nominal amount of EUR 26,752.1 thousand to cover the early conversion of 267,521 subordinated debentures, which have been converted and redeemed after the first ordinary conversion period of the issue (see section 5.3 of the Registration Document).

As a result of the foregoing, at 30 June 2023, Prisa’s share capital amounted to EUR 100,817 thousand, represented by 1,008,171,193 ordinary shares, all of the same class and series, with a par value of EUR 0.10 each, fully paid up and with identical rights.

- **Other reserves and retained earnings from prior periods:** At 30 June 2023 the negative balance of this heading is reduced by EUR 62,579 thousand compared to 31 December 2022, mainly as a result of the conversion of the subordinated debentures mentioned in the previous description of changes in share capital, which generated an increase in Prisa’s share premium in May 2023 of EUR 72,230.7 thousand (EUR 0.27 per converted debenture). As a result, the share premium was set at EUR 89,319 thousand at 30 June 2023.
- **Other net equity instruments:** the convertible bond issue described in section 5.3 of the Registration Document was treated and registered in 2023 as a compound financial instrument, because it is a financial instrument that includes both liability and equity components simultaneously.

Thus, an equity component was recorded after deducting all its liabilities, to the extent that the financial instrument is mandatorily convertible into a fixed number of shares and does not incorporate any contractual obligation to deliver cash or another financial asset, other than the payment of coupons. Therefore, as a result of recording the transaction at the fair value of the equity instruments to be issued, an equity instrument amounting to EUR 126,003 thousand was recognised at the time of issue, resulting from the difference between the cash received for the issue of the convertible bond and the liability described in the following paragraph, so that consolidated equity was increased by the aforementioned amount. The conversion price of the convertible bonds does not substantially differ from the listed value of the Company’s shares during the subscription period of the convertible bond.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Additionally, a liability was recorded under “*Non-current financial liabilities*” calculated as the present value of the coupons payable in cash, considering that the mandatory conversion of the financial instrument takes place at the end of the life of the bond, without estimating early conversions, to the extent that such conversions are beyond the Company’s control. This resulted in the recording of an initial financial liability of EUR 3,997 thousand. The difference between the amount of this liability and the face value of the coupons will be recorded and posted in the income statement during the life of the aforementioned instrument using the effective interest method.

The transaction costs were mainly recorded as a decrease in the consolidated net profit, since almost all of the convertible bond has been recorded as an equity instrument.

As mentioned above, in May 2023 there was an early conversion and redemption of 267,521 subordinated bonds. This resulted in the reversal of the financial liability associated with the aforementioned converted bonds for the portion corresponding to the coupon that the Company is no longer obliged to pay, insofar as Prisa only had to pay the accrued coupon corresponding to such bonds from the time of their issue in February 2023 until their early conversion in May 2023 for an insignificant amount. Therefore, the amount reversed at 30 June 2023 with a credit to the Prisa’s consolidated equity amounted to EUR 2,786 thousand.

Finally, the aforementioned early conversion of the subordinated debentures led to a reclassification within consolidated equity between the heading “*Other equity instruments*” (where the equity component of the converted debentures was recorded) and share capital and share premium for a total amount of EUR 98,983 thousand.

- **Current and non-current debt with credit institutions:** The information relating to the heading “*Current and non-current bank borrowings*” is described in section 8.1(B) of the Registration Document.
- **Non-current and current financial liabilities:** The information relating to the heading “*Non-current and current financial liabilities*” is described in section 8.1(B) of the Registration Document.

B. Prisa’s consolidated income statements for the first half of 2023 and 2022

The following table sets out Prisa’s consolidated income statements for the first half of 2023 and 2022 ended 30 June, which have been subject to limited review:

	<u>30/06/2023</u>		<u>30/06/2022</u>
	<u>Unaudited⁽¹⁾</u>	<u>Change</u>	<u>Unaudited⁽¹⁾</u>
<u>CONSOLIDATED INCOME STATEMENT (under IFRS)</u>	<u>(thousand €)</u>	<u>(%)</u>	<u>(thousand €)</u>
Revenue.....	431,884	13.2	381,690
Other income.....	8,822	36.1	6,481
Operating income.....	440,706	13.5	388,171
Cost of materials used	(71,347)	(15.9)	(61,550)
Staff costs.....	(159,380)	(9.5)	(145,543)
Depreciation and amortisation	(33,267)	4.4	(34,787)
Outside services	(142,954)	(0.9)	(141,652)
Change in allowances, write-downs and provisions	1,318	(75.2)	5,319
Impairment and losses on fixed assets.....	(194)	(220.5)	161
Operating expenses	(405,824)	(7.3)	(378,052)
Operating income.....	34,882	244.7	10,119
Interest income	5,581	94.7	2,867
Finance costs.....	(61,846)	27.5	(85,334)
Change in value of financial instruments.....	(6,054)	(110.2)	59,424
Exchange differences (net).....	(3,146)	--	603
Financial profit or loss.....	(65,465)	(191.7)	(22,440)
Result of companies accounted for using the equity method	376	(89.2)	3,475
Profit/(loss) before tax from continuing operations.....	(30,207)	(241.5)	(8,846)

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

	30/06/2023	Change	30/06/2022
	Unaudited ⁽¹⁾		Unaudited ⁽¹⁾
CONSOLIDATED INCOME STATEMENT (under IFRS)	(thousand €)	(%)	(thousand €)
Corporation tax	(5,844)	(5.8)	(5,524)
Profit/(loss) from continuing operations	(36,051)	(150.9)	(14,370)
Post-tax profit or loss of discontinued operations	(350)	--	--
Consolidated result for the period	(36,401)	(153.3)	(14,370)
Profit/(loss) attributable to non-controlling interests	148	(60.4)	374
Profit/(loss) attributable to the parent company	(36,253)	(159.0)	(13,996)
Basic earnings per share (in euros)	(0.05)	(150.0)	(0.02)
Diluted earnings per share (in euros)	(0.05)	(150.0)	(0.02)

(1): Financial information subject to limited review.

Changes in the main items of Prisa's consolidated income statement during the first half of 2023:

- **Operating income:** The Group's operating profit for the first half of 2023 amounted to EUR 34,882 thousand, 244.7% higher than for the first half of 2022 (-EUR 10,119 thousand). The analysis of the headings comprising the operating result is detailed in the Company's consolidated interim management report for the first half of 2023 which are incorporated by reference to the Registration Document.
- **Financial profit or loss:** The table below provides a breakdown of the balance of this item for the first half of 2023 and 2022.

BREAKDOWN OF THE FINANCIAL RESULT	30/06/2023	30/06/2022
	Unaudited ⁽¹⁾ (thousands of €)	
Income from current financial assets	3,845	1,632
Other finance income	1,736	1,235
Interest income	5,581	2,867
Interest on debt	(45,395)	(32,385)
Adjustments for inflation	(12,991)	(2,844)
Debt formalisation costs	(33)	(43,647)
Other finance costs	(3,427)	(6,458)
Finance costs	(61,846)	(85,334)
Exchange gains	26,268	22,034
Exchange losses	(29,414)	(21,431)
Exchange differences (net)	(3,146)	603
Change in fair value of financial instruments	(6,054)	59,424
Financial profit or loss	(65,465)	(22,440)

(1): Information subject to limited review.

The heading "*Income from short-term investments*" mainly includes interest income associated with short-term deposits made with cash surpluses in the Education and Other business.

The increase in "*Interest on debt*" is mainly due to the significant increase in Euribor on the cost of the Group's financial debt, most of which is indexed to this indicator, even though EUR 110,000 thousand of Junior debt was repaid in February 2023 with the proceeds from the issue of convertible bonds.

The heading "*Other financial expenses*" includes EUR 2,384 thousand at 30 June 2023 due to the effect of the restatement of the financial liabilities associated with the lease contracts (EUR 2,364 thousand at 30 June 2022). In June 2022, it also included the expense for the derecognition of a financial investment related to Prisa Radio's shareholding in the associated companies El Dorado Broadcasting Corporation and WSUA Broadcasting Corporation, as a result of their sale, amounting to EUR 2,119 thousand.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

At 30 June 2022, the heading “*Debt arrangement expenses*” included all expenses and fees related to the 2022 Refinancing, including the refinancing, structuring and underwriting fee expense that the Company decided to pay through the share issue. Additionally, at 30 June 2022, the heading “*Change in value of financial instruments*” included a positive impact amounting to EUR 23,434 thousand, associated with the derecognition of the original financial liability (i.e. the Group’s syndicated loan subject to the 2022 Refinancing) for interest accrued in prior periods (accruing at the effective interest rate (EIR)) that ultimately did not have to be paid.

Also, at 30 June 2022, the heading “*Changes in value of financial instruments*” included a positive impact of EUR 38,285 thousand for the difference between the par value of the 2022 Refinancing debt and its fair value at the initial recording date. Thereafter, the difference between the nominal value of the debt and its initial fair value is charged as an expense in the consolidated income statement using the effective interest method, so that in the first half of 2023 a total expense of EUR 8,767 thousand was recorded for this concept. This amount includes approximately EUR 5.5 million of interest expense associated with the portion of the Junior debt that was partially repaid early in February 2023 in the amount of EUR 110 million, which at that date had not yet been taken to the consolidated income statement during the period of the 2022 Refinancing. This heading also includes the financial income from the change in the fair value of the interest rate hedges contracted in 2022 and in the first half of 2023.

C. Consolidated cash flow statements of Prisa at 30 June 2023 and 2022

Prisa’s consolidated cash flow statements at 30 June 2023 and 2022 are included below:

	<u>30/06/2023</u>		<u>30/06/2022</u>
	<u>Unaudited⁽¹⁾</u>	<u>Change</u>	<u>Unaudited⁽¹⁾</u>
<u>CONSOLIDATED STATEMENTS OF CASH FLOWS (under IFRS)</u>	<u>(thousand €)</u>	<u>(%)</u>	<u>(thousand €)</u>
ACCOUNTING PROFIT (LOSS) BEFORE TAX.....	(30,207)	(241.5)	(8,846)
Depreciation and provisions.....	32,143	9.7	29,292
Change in working capital	(42,295)	(517.5)	10,131
Inventories.....	3,478	114.0	(24,823)
Receivable	34,974	(37.8)	56,215
Payable	(80,747)	(279.8)	(21,261)
Receipts (payments) for income tax	(8,574)	5.0	(9,022)
Other adjustments to profit or loss	66,885	326.4	15,687
Financial profit or loss.....	65,465	191.7	22,440
Sale of assets	(1,766)	15.3	(2,084)
Other adjustments to profit or loss	3,186	168.2	(4,669)
CASH FLOW FROM OPERATING ACTIVITIES	17,952	(51.8)	37,242
Recurrent investments	(20,757)	7.0	(22,324)
Investments in intangible assets.....	(15,168)	16.6	(18,188)
Investments in tangible fixed assets.....	(5,589)	(35.1)	(4,136)
Investments in financial fixed assets.....	(1,597)	10.6	(1,786)
Divestment proceeds	3,622	103.5	1,780
Other cash flows from investing activities	5,148	--	0
CASH FLOW FROM INVESTING ACTIVITIES	(13,584)	39.2	(22,330)
Proceeds (payments) for equity instruments	111,511	470.5	(30,094)
Proceeds from financial liability instruments.....	9,967	(41.5)	17,028
Payments for financial liability instruments	(117,912)	--	(3,471)
Dividend and remuneration payments on other equity instruments.....	(860)	76.9	(3,723)
Interest payments	(37,816)	(59.7)	(23,676)
Other cash flows from financing activities	(17,109)	24.0	(22,524)
CASH FLOW FROM FINANCING ACTIVITIES	(52,219)	21.4	(66,460)

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

	<u>30/06/2023</u>		<u>30/06/2022</u>
	<u>Unaudited⁽¹⁾</u>	<u>Change</u>	<u>Unaudited⁽¹⁾</u>
<u>CONSOLIDATED STATEMENTS OF CASH FLOWS (under IFRS)</u>	<u>(thousand €)</u>	<u>(%)</u>	<u>(thousand €)</u>
Effect of exchange rate changes.....	895	(89.3)	8,358
CHANGE IN CASH FLOWS FROM CONTINUING OPERATIONS	(46,956)	(8.7)	(43,190)
CHANGE IN CASH FLOWS FOR THE YEAR.....	(46,956)	(8.7)	(43,190)
Cash and cash equivalents at the beginning of the period	189,496	12.3	168,672
Cash	109,982	(17.3)	132,968
Other equivalent liquid resources	79,514	122.7	35,704
Cash and cash equivalents at the end of the period	142,540	13.6	125,482
Cash	70,149	(32.6)	104,084
Other equivalent liquid resources	72,391	238.3	21,398

(1): Financial information subject to limited review.

The cash flow analysis for the first half of 2023 is detailed in section 8.2 of the Registration Document.

18.3. Audit of annual financial information

18.3.1. Declaration that the annual financial information has been audited

The individual and consolidated annual accounts of Prisa for the 2022, 2021 and 2020 financial years have been audited by EY and with an unqualified favourable report for each year.

18.3.2. Indication of other information in the registration document that has been examined by the auditors

With the exception of Prisa's consolidated annual accounts for 2022, 2021 and 2020, which have been audited by EY, there is no other information in the Registration Document that has been audited by the auditors.

18.3.3. Where the financial information in the registration document has not been extracted from the audited financial statements of the issuer, indication of the source of the information and specification that it has not been audited.

With the exception of the data extracted from the annual accounts, which are the subject of the audit reports referred to in section 18.3.2 of the Registration Document, as well as those others where the source is expressly mentioned, all other data and information on the Company contained in the Registration Document have been extracted from the Company's internal accounting and management information system, which have not been separately audited.

18.4. Pro forma financial information

Not applicable.

18.5. Dividend policy

18.5.1. Description of the issuer's policy on the distribution of dividends and any restrictions thereon

The Company has not adopted any specific policy on dividend distributions or shareholder remuneration, so that dividend distributions are reviewed on an annual basis.

In this respect, the Company's dividend distribution depends primarily on (i) the existence of distributable profits and the financial position of the Company, (ii) its debt servicing obligations as well as those arising from its commitments to its financial creditors under the Group's financing agreements, (iii) the cash generation derived from the normal course of its activities, (iv) the existence or not of attractive investment opportunities that generate value for the Group's shareholders, (v) the Group's reinvestment needs, (vi) the execution of Prisa's business plan, and (vii) other factors that Prisa considers relevant from time to time.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Furthermore, at 31 December 2022 and 30 June 2023, the Company had a legal reserve of EUR 12,646 thousand, representing 17.1% and 12.5% of the share capital at those dates, respectively. In accordance with the Spanish Companies Act, the Company must transfer 10% of the profits obtained to the legal reserve until the reserve reaches at least 20% of the subscribed share capital.

Regarding restrictions on dividend distributions, within the 2022 Refinancing agreement and in relation to the Company's dividend distribution, dividends are subject to the limitations and commitments made with financial creditors.

In this respect, the Company may only distribute dividends if the total amount available for distribution in any financial year has been determined based on the net profit of the previous financial year within the following limits: (i) as long as the ratio of Consolidated Net Financial Debt (including the associated IFRS 16 liability) to consolidated EBITDA, as detailed in section 8.3 of the Registration Document, is above 4.5 during the 12 months preceding the dividend distribution date, the total dividend distribution may not exceed in aggregate EUR 10,000 thousand during the term of the contracts; or (ii) provided that the aforementioned ratio does not exceed 4.5 during the 12 months prior to the dividend distribution date, the distribution of dividends may amount to EUR 10,000 thousand per annum, the limit set out in point (i) above being waived.

18.5.2. Amount of dividends per share for each financial year during the period covered by the historical financial information.

The Company has not agreed to distribute profits and/or dividends per share or other form of shareholder remuneration during the period covered by the historical financial information (2022, 2021 and 2020).

18.6. Judicial and arbitration proceedings

18.6.1. Information on any administrative, judicial or arbitration proceedings (including proceedings which are pending or which the issuer believes may affect it), during a period covering at least the preceding 12 months, which may have or have had in the recent past significant effects on the financial position or profitability of the issuer and/or the group.

Except for the procedure detailed below, no Group company is or has been in the last 12 months prior to the date of the Registration Document involved in any governmental, judicial or arbitration proceedings, including those proceedings which are pending or which could be commenced to the knowledge of the Company, which have had or could have a material effect on the Group or its financial position or profitability.

▪ **CNMC**

The Comisión Nacional de los Mercados y la Competencia (CNMC), by Resolution of 30 May 2019, declared that some Santillana companies, Santillana Educación, S.L., Ediciones Grazaema, S.L., Edicions Obradoiro, S.L., Edicions Voramar, S.A., Zubia Editoriala S.L. and Grup Promotor d'Ensenyament i Difusio en Catala, S.L. (the "**Affected Companies**") (as well as companies belonging to other publishing groups) would have committed two very serious infringements of article 1 of Law 15/2007 on the Defence of Competition and article 101 of the Treaty on the Functioning of the European Union, specifically the existence of 2 allegedly typical, unlawful and culpable conducts constituting: (i) a single and continuous infringement consisting of the making and implementation of agreements and concerted practices between competing publishers, with the collaboration of ANELE (the sector's employers' association), to share out the market for the publishing and marketing of non-university textbooks in Spain and to fix certain commercial conditions in this market, through the development and implementation of a Code of Conduct (CDC) for the sector. This Code of Conduct was signed by the publishers in question through ANELE in order to prevent malpractice in the adoption of textbooks by schools, as well as to prevent the exchange of sensitive commercial information in relation to the commercial offers made by themselves and their direct competitors to educational institutions; and (ii) an infringement consisting of the making and implementation of agreements and concerted practices between competing publishers, with the collaboration of ANELE, aimed at fixing prices and coordinating the conditions for the marketing of textbooks in digital format. For these infringements, the CNMC imposed a cumulative penalty of EUR 9,214 thousand, without prejudice to the breakdown of the penalties that the Resolution applies to each company.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

On 19 July 2019, a contentious-administrative appeal was filed against the aforementioned Resolution before the Sixth Section of the National High Court and the suspension of the enforceability of the Resolution was requested for the duration of the proceedings. On 4 September 2019, the Audiencia Nacional suspended the enforceability of the Resolution, subject to the presentation of security for the amount of the sanction imposed by the Resolution. On 4 November 2019, a bank guarantee was presented to the Audiencia Nacional for the aforementioned amount and by order of 6 November 2019, the Court agreed to consider the condition imposed to have been met in due time and form and, therefore, to suspend the enforceability of the Resolution. On 16 April 2020, the Affected Companies filed the corresponding lawsuit before the National High Court requesting the full nullity of the Resolution and, alternatively, the full nullity of the sanction imposed or its significant reduction. The State Attorney's Office filed the corresponding response in due time and form, on 26 October the expert ratification by the Claimants' expert witness took place and on 27 November 2020 the Affected Companies filed their written conclusions. The State Attorney's Office also presented its written conclusions, dated 22 December 2020. On 31 December 2020, the sale by Santillana of Santillana Educación, S.L. and its subsidiaries (Edicions Obradoiro, S.L., Edicions Voramar, S.A., Zubia Editorials S.L., Ediciones Grazalema, S.L. and Grup Promotord'Ensenyament i Difusió en Catalá, S.L.) to Sanoma Pro Oy was completed, so that these companies do not form part of the Group's scope. However, in accordance with the terms of the sale and purchase agreement signed between the parties, Santillana granted an indemnity to Sanoma Pro Oy for the outcome of this process.

On 3 January 2022, Santillana filed a written submission with the Audiencia Nacional, by virtue of which a judgment recently issued by the Chamber for Contentious Administrative Proceedings (and subsequent to the date on which Santillana submitted its conclusions) in ordinary proceedings against a CNMC decision - substantially identical to Santillana's - was added to the file, by virtue of which the Chamber accepted the arguments on which the nullity requested was based and which also fully coincided with those put forward by Santillana in the proceedings. As of the date of the Registration Document, the proceedings are pending the announcement of the vote and judgement. In addition, the Group has not recognised any provision for this item as the Group's internal and external legal advisors do not consider it probable that the resolution of these proceedings will give rise to significant liabilities not recognised by the Group.

18.7. Significant change in the issuer's financial position

18.7.1. A description of any significant changes in the financial position of the group that have occurred since the end of the last financial period for which audited financial statements or interim financial information have been published.

Since 30 June 2023 and up to the date of the Registration Document, there has been no significant change in the financial position of the Company other than those included in the Registration Document.

19. ADDITIONAL INFORMATION

19.1. Share capital

19.1.1. Amount of issued capital and additional information

At the date of the Registration Document, the share capital of Prisa is EUR 100,827,119.30, divided into 1,008,271,193 ordinary shares represented by book entries, of a single class and series and a par value of EUR 0.10 each, fully subscribed and paid up. Prisa shares are listed on the Madrid, Barcelona, Bilbao and Valencia stock exchanges. For further information on the development of the share capital, see section 19.1.7 of the Registration Document.

(a) Number of authorised shares

- (i) The Board of Directors of the Company resolved, at its meeting held on 9 January 2023, in exercise of the authorisation granted by the Ordinary General Meeting of Shareholders of the Company held on 28 June 2022, under item nine on the agenda, to issue subordinated debentures necessarily convertible into newly issued shares of the Company, as well as the increase of the Company's share capital in the amount necessary to meet the requests for conversion of the

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

aforementioned subordinated debentures (which were issued in February 2023 pursuant to the securities note registered in the official registers of the CNMV on 10 January 2023 (under official registry no. 11259)). Currently, of the 351,350 convertible bonds issued, and after the conversions of convertible bonds in the ordinary conversion periods that have taken place to date, the number of outstanding convertible bonds is 83,729 bonds, each with a nominal amount of EUR 370. In other words, since their issue in February 2023, 267,621 convertible bonds have been converted into shares, 76.17% of the issue. These conversions have resulted in the issue of 267,621,000 new shares with a par value of EUR 0.10 each.

- (ii) Moreover, the Ordinary General Shareholders' Meeting of Prisa held on 27 June 2023 approved, under item eight on the agenda, to delegate to the Board of Directors, with express power of substitution, the power to increase the share capital, on one or more occasions and within a maximum period of 5 years from the date of adoption of the resolution, up to the maximum amount equivalent to half of the share capital at the time of authorisation (i.e. up to a maximum nominal amount of EUR 50,408,559.65), when and as the needs of the Company so require in the opinion of the Board, which may set the terms and conditions of the capital increase and the characteristics of the shares.

The aforementioned delegation to the Board of Directors of the Company also includes the power for the Board of Directors to exclude, in whole or in part, the pre-emptive subscription right up to a maximum of 20% of the share capital of the Company at the time of authorisation (i.e. up to a maximum nominal amount of EUR 20,163,423.86). This resolution cancelled the authorisation granted by the Ordinary General Meeting of Shareholders of the Company held on 29 June 2021, under item eight of the agenda, to the extent not provided for.

As of the date of the Registration Document, the Board of Directors has not made use of this authorisation.

- (iii) In addition, the Ordinary General Shareholders' Meeting of Prisa held on 27 June 2023 approved, under item nine of the agenda, to delegate to the Board of Directors, with express power of substitution, the power to issue, on one or various occasions for a maximum period of five years from the date of adoption of the resolution, fixed-income securities convertible into newly issued shares and/or exchangeable for outstanding shares of the Company and other companies, warrants (options to subscribe new shares to acquire outstanding shares of Prisa or other companies), promissory notes and preference shares, up to an aggregate maximum amount of EUR 1,000,000,000 or its equivalent in another currency.

The aforementioned delegation to the Company's Board of Directors also includes the power for the Board of Directors to exclude, in whole or in part, in the issue of convertible bonds and, if applicable, warrants on newly issued shares, the pre-emptive subscription rights of the shareholders, when this is required in order to raise financial resources on international markets, to use techniques for prospecting demand, to incorporate industrial or financial investors that may facilitate the creation of value and the fulfilment of the strategic objectives of the Prisa Group or in any other way justified by the interests of the Company.

To this end, the Board of Directors was delegated the power to increase the capital by the amount necessary to meet requests for conversion or exercise of the warrant on newly issued shares. This power may only be exercised to the extent that the Board, adding together the capital to be increased to cover the issue of convertible bonds or the exercise of warrants and the other capital increases agreed under authorisations by the General Meeting, does not exceed the limit of half the share capital at the time of authorisation or, in the event that the issue excludes pre-emptive subscription rights, 20% of the share capital. This authorisation to increase the capital includes the authorisation to issue and put into circulation, on one or more occasions, the shares representing the capital necessary to carry out the conversion or exercise of the warrant and, where appropriate, to cancel that part of the capital increase which has not been necessary for the conversion into shares or for the exercise of the warrant. In accordance with the provisions of article 304.2 of the Capital Companies Act, the capital increase carried out by the Board of Directors to meet such conversion requests shall not give rise to pre-emptive rights of the Company's shareholders. This resolution cancelled the authorisation granted by the Ordinary General Meeting of Shareholders of the Company held on 28 June 2022, under item nine of the agenda, to the extent not provided for.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

As of the date of the Registration Document, the Board of Directors of the Company has not made use of this authorisation.

- (iv) Finally, the Ordinary General Shareholders' Meeting of Prisa held on 28 June 2022 approved, under items 6.1. and 6.2. of the agenda, 2 Medium-Term Incentive Plans for the period from 2022 to 2025, consisting of the delivery of shares in the Company linked to the achievement of certain objectives, addressed to the Executive Chairman of Prisa Media and the Executive Chairman of Santillana (who are, in turn, the Executive Directors of Prisa) (see section 13.1. of the Registration Document). These plans may be hedged through treasury shares, newly issued shares, or through the Company's use of appropriate financial hedging instruments. The Board of Directors was delegated, with express power of substitution, to implement, develop, formalise and execute such remuneration systems.
- (v) Likewise, the Ordinary General Shareholders' Meeting of Prisa held on 27 June 2023 approved, under item 7.1 on the agenda, a Medium-Term Incentive Plan for the period from 2022 to 2025, consisting of the delivery of shares in the Company linked to meeting certain objectives, addressed to the Chief Financial Officer of the Prisa Group (who is, in turn, an executive director of Prisa). This plan may be hedged through treasury shares, newly issued shares, or through the Company's use of appropriate financial hedging instruments. The Board of Directors was delegated, with express power of substitution, to implement, develop, formalise and execute such remuneration system.

(b) Number of issued and fully paid-up shares and issued but not paid-up shares

As at the date of the Registration Document, there is no amount pending to be released, as the capital is fully subscribed and paid up.

(c) Par value per share

The par value of the Prisa shares is EUR 0.10 per share.

(d) Number of Prisa shares outstanding at the beginning and end of 2022

The number of Prisa shares outstanding at the beginning of the 2022 financial year was 708,650,193 ordinary shares and at the end of the 2022 financial year was 740,650,193 ordinary shares.

19.1.2. If there are shares that do not represent capital, number and main characteristics of those shares

There are no shares that do not represent share capital.

19.1.3. Number, book value and par value of shares held by the issuer or on its behalf by its subsidiaries.

On 17 November 2023, the Company held 5,005,874 treasury shares, representing 0.50% of Prisa's share capital.

Currently, the Company has entered into a liquidity contract with JB Capital Markets, Sociedad de Valores, S.A., valid until 11 July 2024, with the aim of favouring liquidity and regularity in the listing of Prisa shares. This contract was initially signed in July 2019 (announced to the market through the publication of the corresponding "significant event" registration number 280677) and has been extended by agreement between the parties in July 2020, 2021, 2022 and 2023 until July 2021, 2022, 2023 and 2024, respectively. This liquidity contract has been temporarily suspended on 3 occasions:

- (i) From March to September 2023, to enable operations under the temporary programme for the repurchase of treasury shares that the Company agreed to carry out in March 2023 in accordance with market abuse regulations, in order to provide the Company's treasury shares with a sufficient number of shares to meet the settlements of the remuneration plans in force at that date for the executive directors and executives of the Prisa Group, payable in shares.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- (ii) (ii) From May to June 2021, to enable operations under the temporary treasury share buyback programme that the Company agreed to carry out in May 2021 in accordance with market abuse regulations, in order to comply with the obligations arising from the “*Medium Term Incentive Plan for the period 2018/2020*”, addressed to the former Chief Executive Officer and certain Group executives.
- (ii) From May until July 2020, during the period of time when Prisa’s share price was below its par value and therefore it was not possible to trade under the liquidity contract.

In addition, the General Meeting of Shareholders held on 27 June 2023 resolved to grant express authorisation for the derivative acquisition of shares in the Company itself, either directly by the Company or through any of its subsidiaries, subject to the following limits or requirements:

- (i) *Procurement forms*: by purchase, exchange, gift in lieu of payment or any other “inter vivos” act for valuable consideration, as well as any other act permitted by law, in one or more instalments.
- (ii) *Maximum amount*: the par value of the shares acquired directly or indirectly, when added to those already held by the Company and its subsidiaries and, where applicable, by the parent company and its subsidiaries, does not exceed, at any time, the legal maximum permitted.
- (iii) *Characteristics of the shares acquired*: the shares acquired are free of any liens or encumbrances, are fully paid up and are not subject to any kind of obligation.
- (iv) *Compulsory reservation*: a restricted reserve equal to the amount of own shares shown on the assets side of the balance sheet must be set aside in the Company’s equity. This reserve shall be maintained until such time as the shares are disposed of or redeemed or a legislative amendment authorising such disposal or redemption occurs.
- (v) *Term*: 5 years from the date of approval of the agreement.
- (vi) *Minimum and maximum price or countervalue*: where the acquisition is for valuable consideration, the price or consideration shall be not less than the par value and not more than 20% higher than the quoted value in either case at the time of the acquisition in question. Transactions in the acquisition of own shares shall comply with the rules and practices of the securities markets.

All of the above is without prejudice to the application of the general regime for derivative acquisitions provided for in Article 146 of the Capital Companies Act. Furthermore, the shares acquired as a result of this authorisation may be used both for their disposal or redemption and for the implementation of the remuneration systems, plans or agreements through the delivery of shares and stock options to the members of the Board of Directors and management personnel of the Company or the Group in force at any given time, and it is expressly authorised that the shares acquired by the Company or its subsidiaries in use of this authorisation and those owned by the Company at the date of the General Shareholders’ Meeting may be used, in whole or in part, to facilitate compliance with such plans or agreements, as well as to undertake programmes to encourage participation in the Company’s capital, such as, for example, dividend reinvestment plans, loyalty bonds or other similar instruments. Likewise, the shares acquired as a result of the aforementioned authorisation may be used, in whole or in part, for potential corporate or business operations or decisions, as well as for any other legally possible purpose. The Board of Directors was also authorised to replace the powers delegated to it by the General Meeting of Shareholders in favour of the Chairman of the Board of Directors or the Secretary of the Board.

19.1.4. Amount of any convertible security, exchangeable security or security with warrants.

As of the date of the Registration Document, Prisa has 83,729 subordinated debentures outstanding that are necessarily convertible into ordinary shares of Prisa, each with a nominal amount of EUR 370. The convertible bonds were issued in February 2023 under the securities note registered in the official registers of the CNMV on 10 January 2023 (official register no. 11259) and bear a nominal interest rate of 1.00% per annum fixed, non-capitalisable, calculated on an annual basis of 360 days (ACT/360).

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The convertible bonds are mandatorily convertible into newly issued ordinary shares of Prisa at the maturity date (five years from the date of issue) upon the occurrence of certain events described in the securities note and at Prisa's option in the event that, as a result of the exercise of the voluntary conversion right by the holders of the convertible bonds, at any time, less than 5% of the issued convertible bonds remain outstanding.

In addition, holders of convertible bonds are entitled to request the conversion of the number of convertible bonds they deem appropriate into new shares, at their discretion, (i) semi-annually each year, in 2 periods of 10 calendar days each (starting, each year, on 1 May and 1 November); and (ii) in the extraordinary conversion periods that may be opened upon the occurrence of certain events described in the securities note, of 10 calendar days each.

The conversion price currently in force is EUR 0.37 per new share. This is a fixed conversion price until the maturity date, which will only be subject to anti-dilution adjustments customary in this type of transaction to ensure that, in the event that certain corporate transactions are carried out or certain resolutions are adopted that may result in the dilution of the value of the Company's share, the conversion price is adjusted so that such transactions or resolutions affect the Company's shareholders and the holders of the convertible bonds equally.

Since their issue in February 2023, 267,621 convertible bonds have been converted into shares, 76.17% of the issue. These conversions have resulted in the issue of 267,621,000 new shares with a par value of EUR 0.10 each.

Apart from the above, Prisa has not issued and there are no securities exchangeable for or convertible into warrants.

Notwithstanding the above, as described in section 19.1.1.a) of the Registration Document, the Ordinary General Shareholders' Meeting of Prisa held on 27 June 2023 approved, under item nine of the agenda, to delegate to the Board of Directors, with express power of substitution, the power to issue, for a maximum period of five years from the date of adoption of the resolution, fixed-income securities convertible into newly issued shares and/or exchangeable for outstanding shares of the Company and other companies, warrants (options to subscribe new shares to acquire outstanding shares of Prisa or other companies), promissory notes and preference shares, up to an aggregate maximum amount of EUR 1,000,000,000 or its equivalent in another currency.

The aforementioned delegation to the Company's Board of Directors also includes the power for the Board of Directors to exclude, in whole or in part, in the issue of convertible bonds and, if applicable, warrants on newly issued shares, the pre-emptive subscription rights of the shareholders, when this is required in order to raise financial resources on international markets, to use techniques for prospecting demand, to incorporate industrial or financial investors that may facilitate the creation of value and the fulfilment of the strategic objectives of the Prisa Group or in any other way justified by the interests of the Company.

This resolution rendered ineffective, to the extent not provided for, the authorisation granted by the Ordinary General Shareholders' Meeting of Prisa held on 28 June 2022 approved under item nine of the agenda. As of the date of the Registration Document, the Board of Directors of the Company has not made use of this authorisation.

19.1.5. Information and terms of any acquisition rights and/or obligations in respect of authorised but unissued capital or commitment to increase capital.

Apart from the provisions of section 19.1.1.a) and 19.1.4., and the obligations arising from the Company's share delivery plans (see section 13.1), as at the date of the Registration Document there are no acquisition rights and/or obligations in respect of the authorised but unissued capital or on the resolution to increase the share capital.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

19.1.6. Information on any capital of any member of the group which is under option or which has been conditionally or unconditionally agreed to be put under option.

Apart from the provisions of sections 19.1.1.a) and 19.1.4., and the obligations under the Company's share delivery plans (see section 13.1), Prisa has not granted any outstanding options on shares of the Company.

19.1.7. History of share capital, highlighting information on any changes during the period covered by the historical financial information.

During the period covered by the historical financial information and up to the date of the Registration Document, the development of the share capital is summarised in the table below:

<u>Execution date</u>	<u>Description</u>	<u>Shares issued/reduced</u>	<u>Nominal per share (euros)</u>	<u>Nominal total (thousand €)</u>	<u>Total cash</u>	<u>Final number of shares</u>	<u>Share capital (euros)</u>
11/2023	Capital increase (conversion of subordinated bonds)	100,000	0.10	10	27	1,008,271,193	100,827,119.30
05/2023	Capital increase (conversion of subordinated bonds)	267,521,000	0.10	26,752	72,230	1,008,171,193	100,817,119.30
06/2022	Capital increase (offsetting of claims)	32,000,000	0.10	3,200	20,288	740,650,193	74,065,019.30
06/2020	Reduction of capital ⁽¹⁾ (decrease in par value of shares)	--	0.10	267,418	--	708,650,193	70,865,019.30
06/2020	Reduction of capital ⁽²⁾ (decrease in par value of shares)	--	0.48	7,087	--	708,650,193	338,282,965.93
06/2020	Reduction of capital ⁽³⁾ (decrease in par value of shares)	--	0.49	320,762	--	708,650,193	345,369,467.86

(1): Reduction of the share capital by EUR 267,418 thousand, by reducing the par value of the Company's shares by EUR 0.377362413 to EUR 0.10 per share, in order to create a reserve which can only be drawn down under the same conditions as those required for the capital reduction.

(2): Reduction of the share capital by EUR 7,086 thousand, by decreasing the par value of the Company's shares by EUR 0.01 to EUR 0.477362413 per share, in order to increase the legal reserve.

(3): Reduction of share capital by EUR 320,762 thousand, by reducing the par value of the Company's shares by EUR 0.452637587 to EUR 0.487362413 per share, in order to offset losses.

2023 financial year (up to the date of the Registration Document)

The Board of Directors of the Company resolved to partially implement the share capital increase resolved by the Board of Directors at its meeting of 9 January 2023 within the framework of the resolution to issue the necessarily convertible subordinated debentures referred to in section 19.1.4 above. (and others) of the Registration Document. In particular, the following was agreed:

- On 12 May 2023, to increase the share capital by a total nominal amount of EUR 26,752,100 by issuing and putting into circulation 267,521,000 new shares of the Company, each with a nominal value of EUR 0.10, of the same class and series as the Prisa shares currently in circulation. The issue price of the new shares was EUR 0.37 per share (EUR 0.10 par value plus EUR 0.27 share premium). Therefore, the total share premium amounted to EUR 72,230,670 and the effective amount (nominal plus premium) of the capital increase to EUR 98,982,770. This share capital increase was registered in the Madrid Mercantile Register on 17 May 2023.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- On 13 November 2023, to increase the share capital by a total nominal amount of EUR 10,000 by issuing and putting into circulation 100,000 new shares of the Company, each with a nominal value of EUR 0.10, of the same class and series as the Prisa shares currently in circulation. The issue price of the new shares was EUR 0.37 per share (EUR 0.10 par value plus EUR 0.27 share premium). Therefore, the total share premium amounted to EUR 27,000 and the effective amount (nominal plus premium) of the capital increase to EUR 37,000. This share capital increase was registered in the Madrid Mercantile Register on 16 November 2023.

2022

On 28 June 2022, the Ordinary General Meeting of Shareholders of the Company resolved to increase the share capital of Prisa by a nominal amount of EUR 3,200,000 through the issue and flotation of 32,000,000 ordinary shares of the Company with a par value of EUR 0.10 each. This share capital increase was registered in the Madrid Mercantile Register on 26 July 2022.

2021

Neither the amount of share capital nor the number of ordinary shares outstanding changed during 2021.

2020

On 29 June 2020, the Ordinary General Meeting of Shareholders of the Company resolved three capital reductions in order to restore Prisa's equity balance:

- Reduction of share capital by EUR 320,761,713.56, i.e. from EUR 666,131,181.42 to EUR 345,369,467.86, by reducing the par value of each of the 708,650,193 ordinary shares with voting rights that made up the share capital from EUR 0.94 per share to 0.487362413.
- Reduction of share capital by EUR 7,086,501.93, i.e. from EUR 345,369,467.86 to EUR 338,282,965.93, by reducing the par value of each of the 708,650,193 ordinary voting shares comprising the share capital by EUR 0.01, i.e. from EUR 0.487362413 per share to EUR 0.477362413.
- Reduction of share capital by EUR 267,417,946.63, i.e. from EUR 338,282,965.93, by reducing the par value of each of the 708,650,193 ordinary voting shares comprising the share capital by EUR 0.377362413, i.e. from EUR 0.477362413 per share resulting from the capital reduction to EUR 0.10 per share.

The aforementioned share capital reductions were registered with the Madrid Mercantile Registry on 13 July 2020.

19.2. Memorandum and articles of association

19.2.1. Registration and entry number. A description of the issuer's objects and purposes and an indication of where the updated memorandum and articles of association can be found.

Prisa's registration details with the Madrid Mercantile Registry are set out in section 4.2 of the Registration Document.

Pursuant to Article 2 of the Company's Articles of Association, Prisa's corporate purpose is to carry on the following activities:

“ 1. *The objects of the Company are:*

- a) *The management and operation of all kinds of information and social communication media, whether its own or those of third parties, whatever their technical support, including the publication of printed newspapers and educational material.*

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- b) The promotion, planning and execution, for its own account or for the account of others, directly or through third parties, of all kinds of projects, businesses or media companies, publishing and distribution of books (in any format) including educational, industrial, commercial and services.*
 - c) The incorporation of companies and partnerships, the participation, including majority participation, in other existing companies and the association with third parties in operations and businesses, by means of collaboration formulas.*
 - d) The acquisition, direct or indirect holding, exploitation by lease or otherwise, and disposal of all kinds of movable and immovable property and rights.*
 - e) The contracting and provision of advisory services, acquisitions and management of the interests of third parties, whether through intermediation, representation or any other means of collaboration on its own behalf or on behalf of third parties.*
 - f) Acting in the capital and money markets by managing them, buying and selling fixed-income securities, equities or any other type of security, on its own account.*
2. *The activities described are understood to refer to companies and enterprises, operations or businesses, national or foreign, in compliance with the respective legal requirements. If the law requires an administrative licence, registration in a public register or any other requirement for the commencement of any of the activities listed in the preceding paragraph, the Company may not commence the specific activity until the requirement has been met.*
3. *The activities included in the company object may be carried on by the Company in whole or in part, indirectly, through participation in other companies with a similar object”.*

Without prejudice to obtaining or consulting them at the Madrid Mercantile Registry, Prisa’s Articles of Association can be consulted on the Company’s web page. (www.prisa.com). In addition, the deed of incorporation of the Company is available at the Mercantile Registry of Madrid.

19.2.2. Description of the rights, preferences and restrictions relating to each class of existing shares

All the shares into which Prisa’s share capital is divided are ordinary, of a single series and carry the same rights and obligations. The Articles of Association of the Company do not contain any provisions on special privileges, powers or duties arising from the ownership of shares.

19.2.3. A brief description of any provisions in the issuer’s articles of association or by-laws which have the effect of delaying, deferring or preventing a change in control of the issuer.

There are no provisions in the Articles of Association or internal regulations that have the effect of delaying, postponing or preventing a change of control in the Company.

20. MAJOR CONTRACTS

Apart from the contracts detailed below, and those mentioned throughout the Registration Document, in the 2 years prior to the date of the Registration Document, no Prisa Group company has entered into relevant contracts other than those related to its own ordinary activity. Furthermore, during this period, the Prisa Group companies have also not entered into any contract containing clauses by virtue of which any Prisa Group company has an obligation or a right that is relevant to the Prisa Group.

List of relevant contracts signed by Prisa Group companies:

- Three contracts for the provision of technology services (the “Service Contracts”) entered into, on 27 November 2017 and as one single act, between Indra Sistemas, S.A. (“**Indra**”) and Prisa Tecnología (now Prisa Media), and Santillana, which have expired after the initial agreed duration of five years, and have been replaced by those indicated below.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

- Prisa Media and Santillana have signed various contracts with Indra, effective 1 January 2023, to continue to provide various IT services from the contracts signed in 2017, for a total cost of approximately EUR 12 million for the three-year term of the agreement.

By virtue of the aforementioned contracts, Indra provides the Group's companies based in Spain with services, mainly for the management of communication and IT systems and infrastructure management, as well as maintenance services provided to certain Mexican and Brazilian subsidiaries within Santillana's perimeter.

21. AVAILABLE DOCUMENTS

During the period of validity of the Registration Document (12 months from the date of its registration in the official registers of the CNMV), the following documents of the Company may be consulted on the websites indicated:

Document	Prisa website⁽¹⁾	CNMV website⁽²⁾
Articles of Association.....	link	No
Regulations of the General Meeting of Shareholders.....	link	Yes
Rules of Procedure of the Board of Directors.....	link	Yes

(1): www.prisa.com.

(2): www.cnmv.es.

Prisa's articles of association are available to the public and can be consulted at the Madrid Mercantile Registry.

22. DOCUMENTS INCORPORATED BY REFERENCE

The documents incorporated by reference into the Registration Document are listed below, with the corresponding link to access these documents:

DOCUMENTS INCORPORATED BY REFERENCE	Prisa website
The Prisa Group's earnings report for the third quarter 2023.....	link
Presentation of Prisa Group results for the third quarter of 2023.....	link
Consolidated condensed interim financial statements for the first half of 2023, with related management and limited review reports.....	link
Individual annual accounts for the 2022 financial year, including management and audit reports.....	link
Consolidated annual accounts for 2022, including management and audit reports.....	link
Annual corporate governance report for 2022.....	link
Annual report on directors' remuneration for 2022.....	link
Individual annual accounts for the 2021 financial year, including management and audit reports.....	link
Consolidated annual accounts for 2021, including management and audit reports.....	link
Annual corporate governance report for 2021.....	link
Annual report on directors' remuneration for 2021.....	link
Individual annual accounts for the 2020 financial year, including management and audit reports.....	link
Consolidated annual accounts for 2020, including management and audit reports.....	link
Annual corporate governance report for 2020.....	link

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

Madrid, 22 November 2023.

Signed for and on behalf of Promotora de Informaciones, S.A.

p.p.

Pilar Gil Miguel
Chief Financial Officer (CFO)

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

APPENDIX I: Glossary of alternative performance measures

The Registration Document includes financial measures and ratios that are considered alternative performance measures (“**APMs**”) in accordance with the guidelines of the European Securities and Markets Authority (ESMA) published in October 2015, which Prisa has followed in its preparation. The Company considers that it follows and complies with ESMA’s recommendations regarding APMs.

The APMs are presented for a better assessment of the Group’s financial performance, cash flows and financial position to the extent that they are used by Prisa in making financial, operational or strategic decisions for the Group. However, the APMs are not audited and are not required or presented in accordance with IFRS and therefore should not be considered in isolation but as supplementary information to the audited financial information prepared in accordance with IFRS. Furthermore, these measures may differ in definition and calculation from similar measures calculated by other companies and therefore may not be comparable.

1. EBITDA

Prisa defines EBITDA as operating profit, as shown in its financial statements, plus depreciation and amortisation, changes in operating provisions, impairment of fixed assets and impairment of goodwill.

The Group uses EBITDA to monitor the progress of its business and to establish the operational and strategic objectives of Group companies.

Prisa presents EBITDA because it believes that it is frequently used by analysts, investors and other stakeholders for the purpose of evaluating similar issuers, a considerable number of which present EBITDA (or a similar measure) when publishing their results.

Although Prisa uses EBITDA to assess the profitability of its businesses, its use has important limitations, such as the following:

- does not reflect funds available for dividend distribution, reinvestment or other uses;
- does not reflect cash outflows for capital expenditure or contractual commitments;
- does not reflect changes in working capital;
- does not reflect financial expenses or cash requirements to meet interest or principal payments on debt;
- does not reflect taxes on profits and the funds needed to pay them;
- excludes depreciation and impairment and, although they are not cash outflows, assets that are subject to depreciation and impairment will normally have to be replaced in the future;
- does not reflect the funding requirements for such replacements; and
- may be calculated differently by other companies, including companies in Prisa’s sector, limiting its usefulness as a comparative measure.

Because of these limitations, EBITDA should not be considered a measure of Prisa’s cash available to invest in the growth of its businesses and is used by the Company only in addition to other economic measures.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

EBITDA reconciliation – Operating income (EBIT):

The reconciliation between operating profit (EBIT) and EBITDA for the Group and for each business unit for the first half of 2023 and for the 2023 (until 30 September), 2022, 2021 and 2020 financial years is presented below:

RECONCILIATION OF OPERATING PROFIT (EBIT) AND PRISA GROUP EBITDA	2023 financial year (until 30/09)	First half of 2023	2022	2021	2020
	Unaudited (thousands of €)				
Operating income (EBIT)	71,190	34,882⁽¹⁾	63,364⁽²⁾	(19,709)⁽²⁾	(29,109)⁽²⁾
Depreciation and amortisation	49,882	33,267 ⁽¹⁾	71,010 ⁽²⁾	78,317 ⁽²⁾	70,637 ⁽²⁾
Impairment of assets	113	194 ⁽¹⁾	3,197 ⁽²⁾	4,481 ⁽²⁾	5,735 ⁽²⁾
Impairment of goodwill	0	0 ⁽¹⁾	0 ⁽²⁾	0 ⁽²⁾	16,602 ⁽²⁾
EBITDA	121,186	68,344	137,571	63,089	63,865

(1): Information subject to limited review.

(2): Audited information.

RECONCILIATION OF OPERATING PROFIT (EBIT) AND EDUCATION AREA EBITDA	2023 financial year (until 30/09)	First half of 2023	2022	2021	2020
	Unaudited (thousands of €)				
Operating income (EBIT)	71,307	34,262⁽¹⁾	51,121⁽²⁾	26,118⁽²⁾	34,141⁽²⁾
Depreciation and amortisation	30,886	20,593 ⁽¹⁾	43,408 ⁽²⁾	39,821 ⁽²⁾	41,945 ⁽²⁾
Impairment of assets	166	247 ⁽¹⁾	1,850 ⁽²⁾	3,330 ⁽²⁾	942 ⁽²⁾
Impairment of goodwill	0	0 ⁽¹⁾	0 ⁽²⁾	0 ⁽²⁾	0 ⁽²⁾
EBITDA	102,359	55,103	96,380	69,268	77,027

(1): Information subject to limited review.

(2): Audited information.

RECONCILIATION OF OPERATING PROFIT (EBIT) AND MEDIA EBITDA	2023 financial year (until 30/09)	First half of 2023	2022	2021	2020
	Unaudited (thousands of €)				
Operating income (EBIT)	2,592	1,949⁽¹⁾	20,344⁽²⁾	(28,929)⁽²⁾	(54,103)⁽³⁾
Depreciation and amortisation	18,601	12,412 ⁽¹⁾	26,096 ⁽²⁾	37,694 ⁽²⁾	27,458 ⁽³⁾
Impairment of assets	(53)	(53) ⁽¹⁾	1,346 ⁽²⁾	1,138 ⁽²⁾	4,588 ⁽³⁾
Impairment of goodwill	0	0 ⁽¹⁾	0 ⁽²⁾	0 ⁽²⁾	16,681 ⁽³⁾
EBITDA	21,140	14,308	47,787	9,903	(5,375)

(1): Information subject to limited review.

(2): Audited information.

(3): Financial information at 31 December 2020 as amended (unaudited) by the Company for the purpose of presenting it in accordance with the new segments (Education and Media) into which the Prisa Group's activities are grouped from 2021 and to make the information comparable. Such amended financial information is included in Note 17-"Business Segments" of Prisa's audited consolidated financial statements for 2021.

EBITDA margin

The Group also uses the EBITDA margin, which is the ratio of EBITDA to operating income for the same period, as an indicator of operating performance. This APM is interpreted as the Group's operating profit per euro of operating income and is used to assess the performance of the various business areas and business lines on a comparable basis, irrespective of their relative contribution to the Group's operating income.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The reconciliation of this APM for the first half of 2023 and for 2023 (until 30 September), 2022, 2021 and 2020 is presented below:

	2023 financial year (until 30/09)	First half of 2023	2022	2021	2020
PRISA GROUP EBITDA MARGIN RECONCILIATION					
Unaudited (thousands of €)					
EBITDA	121,186	68,344	137,571	63,089	63,865
Operating income	678,355	440,706 ⁽¹⁾	850,189 ⁽²⁾	741,168 ⁽²⁾	700,641 ⁽²⁾
EBITDA margin	17.9%	15.5%	16.2%	8.5%	9.1%

(1): Information subject to limited review.

(2): Audited information.

	2023 financial year (until 30/09)	First half of 2023	2022	2021	2020
RECONCILIATION OF THE EBITDA MARGIN OF THE EDUCATION AREA					
Unaudited (thousands of €)					
EBITDA	102,359	55,103	96,380	69,268	77,027
Operating income	376,186	235,136 ⁽¹⁾	447,435 ⁽²⁾	358,810 ⁽²⁾	365,829 ⁽²⁾
EBITDA margin	27.2%	23.4%	21.5%	19.3%	21.1%

(1): Information subject to limited review.

(2): Audited information.

	2023 financial year (until 30/09)	First half of 2023	2022	2021	2020
RECONCILIATION OF THE EBITDA MARGIN OF THE MEDIA AREA					
Unaudited (thousands of €)					
EBITDA	21,140	14,308	47,487	9,903	(5,375)
Operating income	301,431	204,495 ⁽¹⁾	403,775 ⁽²⁾	383,343 ⁽²⁾	335,878 ⁽³⁾
EBITDA margin	7.0%	7.0%	11.8%	2.6%	(1.6)%

(1): Information subject to limited review.

(2): Audited information.

(3): Financial information at 31 December 2020 as amended (unaudited) by the Company for the purpose of presenting it in accordance with the new segments (Education and Media) into which the Prisa Group's activities are grouped from 2021 and to make the information comparable. Such amended financial information is included in Note 17-"Business Segments" of Prisa's audited consolidated financial statements for 2021.

2. Adjusted EBITDA

Prisa defines adjusted EBITDA as EBITDA plus compensation expenses.

The Group uses adjusted EBITDA to monitor the progress of its business and to establish the operational and strategic objectives of Group companies. Prisa considers that adjusted EBITDA is a measure of the profitability and performance of its businesses insofar as it provides information on the profitability of its assets net of compensation expenses.

Notwithstanding the above, the use of adjusted EBITDA has the limitations noted above in relation to EBITDA.

Reconciliation Adjusted EBITDA - EBITDA:

	2023 financial year (until 30/09)	First half of 2023	2022	2021	2020
RECONCILIATION EBITDA - ADJUSTED EBITDA OF THE PRISA GROUP					
Unaudited (thousands of €)					
EBITDA	121,186	68,344	137,571	63,089	63,865
Termination benefits	6,053	4,564	9,921	43,628	9,127
Adjusted EBITDA	127,238	72,909	147,492	106,717	72,992

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

RECONCILIATION EBITDA - ADJUSTED EBITDA OF THE EDUCATION AREA	2023 financial year (until 30/09)	First half of 2023	2022	2021	2020
	Unaudited (thousands of €)				
EBITDA.....	102,359	55,103	96,380	69,268	77,027
Termination benefits	2,898	1,824	5,609	6,183	3,855
Adjusted EBITDA	105,257	56,927	101,988	75,451	80,882

RECONCILIATION EBITDA - ADJUSTED EBITDA OF THE MEDIA AREA	2023 financial year (until 30/09)	First half of 2023	2022	2021	2020
	Unaudited (thousands of €)				
EBITDA.....	21,140	14,308	47,787	9,903	(5,375)
Termination benefits	3,129	2,714	4,263	31,958	4,601
Adjusted EBITDA	24,269	17,022	52,050	41,862	(774)

Adjusted EBITDA margin

The Group also uses the adjusted EBITDA margin, which is the ratio of adjusted EBITDA to operating income for the same period, as an indicator of operating performance. This APM is interpreted as the Group's recurring operating profit per euro of operating income and is used to assess the performance of the different business areas and business lines on a comparable basis, regardless of their relative contribution to the Group's operating income.

The reconciliation of this APM for the first half of 2023 and for 2023 (until 30 September), 2022, 2021 and 2020 is presented below:

PRISA GROUP ADJUSTED EBITDA MARGIN RECONCILIATION	2023 financial year (until 30/09)	First half of 2023	2022	2021	2020
	Unaudited (thousands of €)				
Adjusted EBITDA	127,238	72,909	147,492	106,717	72,992
Operating income	678,355	440,706 ⁽¹⁾	850,189 ⁽²⁾	741,168 ⁽²⁾	700,641 ⁽²⁾
Adjusted EBITDA margin	18.8%	16.5%	17.3%	14.4%	10.4%

(1): Information subject to limited review.

(2): Audited information.

RECONCILIATION OF THE ADJUSTED EBITDA MARGIN OF THE EDUCATION AREA	2023 financial year (until 30/09)	First half of 2023	2022	2021	2020
	Unaudited (thousands of €)				
Adjusted EBITDA	105,257	56,927	101,988	75,451	80,882
Operating income	376,186	235,136 ⁽¹⁾	447,435 ⁽¹⁾	358,810 ⁽²⁾	365,829 ⁽²⁾
Adjusted EBITDA	28.0%	24.2%	22.8%	21.0%	22.1%

(1): Information subject to limited review.

(2): Audited information.

RECONCILIATION OF THE ADJUSTED EBITDA MARGIN OF THE MEDIA AREA	2023 financial year (until 30/09)	First half of 2023	2022	2021	2020
	Unaudited (thousands of €)				
Adjusted EBITDA	24,269	17,022	52,050	41,862	(774)
Operating income	301,431	204,495 ⁽¹⁾	403,775 ⁽¹⁾	383,343 ⁽²⁾	335,878 ⁽³⁾
Adjusted EBITDA margin	8.1%	8.3%	12.9%	10.9%	(0.2)%

(1): Information subject to limited review.

(2): Audited information.

(3): Financial information at 31 December 2020 as amended (unaudited) by the Company for the purpose of presenting it in accordance with the new segments (Education and Media) into which the Prisa Group's activities are grouped from 2021 and to make the information comparable. Such amended financial information is included in Note 17-"Business Segments" of Prisa's audited consolidated financial statements for 2021.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

3. EBIT Margin

Prisa defines EBIT Margin as the ratio of book operating income to operating revenues for the same period. This APM is interpreted as the Group's operating profit per euro of operating income and is used for the assessment of the operating profit of the different business areas and business lines on a comparable basis, irrespective of their relative contribution to the Group's operating income.

The reconciliation of this APM for the first half of 2023 and for 2023 (until 30 September), 2022, 2021 and 2020 is presented below:

	2023 financial year (until 30/09)	First half of 2023	2022	2021	2020
RECONCILIATION OF EBIT MARGIN	Unaudited (thousands of €)				
Operating income	71,190	34,882 ⁽¹⁾	63,364 ⁽²⁾	(19,709) ⁽²⁾	(29,109) ⁽²⁾
Operating income	678,355	440,706 ⁽¹⁾	850,189 ⁽²⁾	741,168 ⁽²⁾	700,641 ⁽²⁾
EBIT margin	10.5%	7.9%	7.5%	(2.7)%	(4.2)%

(1): Information subject to limited review.

(2): Audited information.

4. Exchange rate effect

Prisa defines the exchange rate effect as the difference between the financial magnitude at current rate and the same financial magnitude at the previous year's exchange rate. The calculation is made monthly using the average monthly rate of the same month of the previous year (January 2022 at the average exchange rate of January 2021, February 2022 at the average exchange rate of February 2021, etc.). The annual exchange rate effect is the monthly aggregate of the exchange rate effect calculated in each month.

The reconciliation of this APM to the current rate measures for the first half of 2023 and for 2023 (until 30 September), 2022, 2021 and 2020 is presented below:

	2023 financial year (until 30/09)	First half of 2023	2022	2021	2020
RECONCILIATION OF THE EXCHANGE RATE EFFECT	Unaudited (thousands of €)				
Operating income at current rate	678,355	440,706⁽¹⁾	850,189⁽²⁾	741,168⁽²⁾	700,641⁽²⁾
Exchange rate effect compared to previous year	17,955	8,685	37,361	(24,984)	(72,208)
<i>Brazil exchange rate effect</i>	1,594	1,438	23,148	(19,203)	(38,423)
<i>Mexico exchange rate effect</i>	10,349	3,584	12,044	3,782	(10,277)
<i>Argentina exchange rate effect</i>	11,645	6,632	(4,054)	(1,219)	(10,045)
<i>Chile exchange rate effect</i>	819	772	(496)	(199)	(4,586)
<i>Ecuador exchange rate effect</i>	(740)	(87)	2,738	(870)	60
<i>Colombia exchange rate effect</i>	(5,542)	(5,566)	(2,592)	(4,407)	(7,990)
<i>Peru exchange rate effect</i>	501	503	623	(1,979)	636
<i>Exchange rate effect by other countries</i>	(669)	1,410	5,950	(890)	(1,583)
Operating income at constant rate (without previous year's exchange rate effect)	660,400	432,021	812,828	766,152	772,848

(1): Information subject to limited review.

(2): Audited information.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

5. Net bank debt

Net bank debt

Net bank borrowings comprise non-current and current bank borrowings increased by the amount equivalent to arrangement fees and fair value in financial instruments (as both, arrangement fees and fair value in financial instruments, reduce on-balance sheet bank borrowings) less current financial investments (adjusted for the short-term finance lease receivable associated with IFRS 16 and the dividend receivable) and cash and cash equivalents.

Net bank debt is an indicator used by the Company for the analysis of the Group's financial position.

The reconciliation of this APM for the first half of 2023 and for 2023 (until 30 September), 2022, 2021 and 2020 is presented below:

	<u>30/09/2023</u>	<u>30/06/2023</u>	<u>31/12/2022</u>	<u>31/12/2021</u>	<u>31/12/2020</u>
RECONCILIATION OF NET BANK DEBT	Unaudited (thousands of €)				
Current bank borrowings	47,245	38,356 ⁽¹⁾	30,824 ⁽²⁾	14,918 ⁽²⁾	102,746 ⁽²⁾
Non-current bank borrowings	883,765	881,058 ⁽¹⁾	980,848 ⁽²⁾	934,342 ⁽²⁾	810,568 ⁽²⁾
Fair value in financial instruments.....	25,444	27,032 ⁽¹⁾	35,799 ⁽²⁾	(22,411) ⁽²⁾	(6,035) ⁽²⁾
Gross bank debt.....	956,454	946,446	1,047,471	926,849	907,279
Convertible bond coupon liability	1,000	974	--	--	--
Current financial assets	(4,096)	(3,535) ⁽¹⁾	(1,528) ⁽²⁾	(2,425) ⁽²⁾	(7,718) ⁽²⁾
Finance lease receivable (IFRS 16)	0	0 ⁽¹⁾	0 ⁽²⁾	319 ⁽²⁾	0 ⁽²⁾
Dividend receivable.....	0	0 ⁽¹⁾	0 ⁽²⁾	0 ⁽²⁾	1,621 ⁽²⁾
Cash and cash equivalents	(146,101)	(142,540) ⁽¹⁾	(189,496) ⁽²⁾	(168,672) ⁽²⁾	(221,879) ⁽²⁾
Net bank debt.....	807,257	801,345	856,447	756,071	679,303

(1): Information subject to limited review.

(2): Audited information.

Net bank debt including IFRS 16

The net bank debt including IFRS 16 is obtained by adding to the net bank debt the financial liabilities associated with IFRS 16, both current and non-current, and by adding the short-term finance lease receivable associated with IFRS 16.

The reconciliation of this APM for the first half of 2023 and for 2023 (until 30 September), 2022, 2021 and 2020 is presented below:

	<u>30/09/2023</u>	<u>30/06/2023</u>	<u>31/12/2022</u>	<u>31/12/2021</u>	<u>31/12/2020</u>
RECONCILIATION OF NET BANK DEBT AND NET BANK DEBT INCLUDING IFRS 16	Unaudited (thousands of €)				
Net bank debt.....	807,257	801,345	856,447	756,071	679,303
Non-current lease liabilities IFRS 16.....	49,802	48,380 ⁽¹⁾	52,006 ⁽²⁾	53,766 ⁽²⁾	99,203 ⁽²⁾
Current lease liabilities IFRS 16	13,411	16,632 ⁽¹⁾	17,150 ⁽²⁾	15,555 ⁽²⁾	18,462 ⁽²⁾
Finance lease receivable IFRS 16.....	0	0 ⁽¹⁾	0 ⁽²⁾	(319) ⁽²⁾	0 ⁽²⁾
Net bank debt including IFRS 16.....	870,470	866,357	925,603	825,073	796,967

(1): Information subject to limited review.

(2): Audited information.

This indicator is used to measure the Group's level of financial leverage.

Ratio of net bank debt including IFRS 16 to adjusted EBITDA

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The Group also uses the ratio of net bank debt including IFRS 16 to adjusted EBITDA to measure its level of financial indebtedness and the ability to repay its bank debt. Thus, the ratio of net bank debt including IFRS 16 to adjusted EBITDA is interpreted as the pay-back of bank debt (meeting principal only) to adjusted EBITDA, thus disregarding flows earmarked for reinvestment or dividend payments.

Prisa believes that adjusted EBITDA is a better measure of its operating assets' cash generation capacity. This is because it excludes severance costs, which are used to calculate the net bank debt leverage ratio, including IFRS 16 over adjusted EBITDA.

The reconciliation of this ratio at 30 September 2023, 30 June 2023 and 31 December 2022, 2021 and 2020 is presented below:

RECONCILIATION OF THE RATIO OF NET BANK DEBT INCLUDING IFRS 16 TO ADJUSTED EBITDA	2023 financial	First half	2022	2021	2020
	year (until 30/09)	of 2023			
	Unaudited (thousands of €)				
Net bank debt including IFRS 16	870,470	866,357	925,603	825,073	796,967
Adjusted EBITDA ⁽¹⁾	198,860	170,727	147,492	106,717	72,992
Net bank debt including IFRS 16 / adjusted EBITDA	4.4x	5.1x	6.3x	7.7x	10.9x

(1): Adjusted EBITDA for the first half of 2023 is the annualised figure (last 12 months from July 2022 to June 2023). Adjusted EBITDA for the 2023 financial year (up to 30 September) is the annualised figure (last 12 months from October 2022 to September 2023).

6. Cash generation (cash flow) excluding one-offs

Prisa defines cash generation (cash flow) excluding extraordinary effects as the change in cash flows from continuing operations, adjusted for the effects of exchange rate fluctuations on cash flows, receipts and payments of financial liability instruments, deposits and all non-recurring extraordinary items that affect cash flows on a one-off basis in a given period. The Group uses cash generation (cash flow) excluding one-off effects to track cash inflows and outflows for each period.

Prisa considers that this APM shows the recurrent capacity to generate liquidity without considering one-off extraordinary effects in each financial year and is important to analyse the evolution of the Group's financial situation.

The reconciliation of cash generation (cash flow) excluding one-off effects as at 30 September 2023, 30 June 2023 and 31 December 2022, 2021 and 2020 is presented below:

RECONCILIATION OF CASH GENERATION (CASH FLOW) EXCLUDING ONE-OFF EFFECTS	2023 financial	First half	2022	2021	2020
	year (until 30/09)	of 2023			
	Unaudited (thousands of €)				
Change in cash flows from continuing operations	(43,393)	(46,956) ⁽¹⁾	20,824 ⁽²⁾	(53,207) ⁽²⁾	29,912 ⁽²⁾
Effect of exchange rate changes	(1,898)	(895) ⁽¹⁾	(4,146) ⁽²⁾	(2,371) ⁽²⁾	12,453 ⁽²⁾
Proceeds from financial liability instruments	(9,967)	(9,967) ⁽¹⁾	(99,826) ⁽²⁾	(112,080) ⁽²⁾	(93,354) ⁽²⁾
Payments for financial liability instruments	110,221	117,912 ⁽¹⁾	7,442 ⁽²⁾	104,364 ⁽²⁾	427,997 ⁽²⁾
Deposits ⁽³⁾	1,386	1,413	0	(2,371)	(198)
Renegotiation of rental contracts ⁽³⁾	--	--	--	20,572	--
Refinancing/hedging costs ⁽³⁾	3,710	3,710	20,888	4,800	9,846
M&A transaction costs ⁽³⁾	15,220	15,220	33,571	11,584	(451,235)
Compensation payments ⁽³⁾	9,226	6,724	18,283	30,348	8,361
Issue of bonds mandatorily convertible into shares ⁽³⁾	(127,564)	(127,579)	--	--	--
PNLD Brazil charge collected in 2023 but corresponding to 2022 ⁽³⁾	--	--	6,135	--	--
Cash generation (cash flow) excluding one-offs	(43,059)	(40,418)	3,171	1,639	(56,218)

(1): Information subject to limited review.

(2): Audited information.

(3): It is derived from the Company's internal accounting. In its calculation, the Company has followed the same accounting policies as those applied in the financial statements prepared in accordance with the applicable financial reporting framework.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

7. Free cash flow

Prisa defines free cash flow as cash flow from operating activities, adjusted for recurring investments, guarantees and current payments associated with lease liabilities. The Group uses free cash flow to track operating cash inflows and outflows that are available in each period to service debt.

Prisa considers that this APM shows the recurring operational capacity to generate liquidity to meet the Group's financial commitments in each period.

The reconciliation of this free cash flow for the first half of 2023 and for 2023 (until 30 September), 2022, 2021 and 2020 is presented below:

	2023 financial year (until 30/09)	First half of 2023	2022	2021	2020
FREE CASH FLOW RECONCILIATION	Unaudited (thousands of €)				
Adjusted EBITDA	127,238	72,909	147,492	106,717	72,992
Compensation payments	(9,226)	(6,724)	(18,283)	(30,348)	(8,361)
Change in working capital adjusted for provisions	(57,512)	(41,527)	(34)	9,034	7,766
<i>Change in working capital</i>	<i>(61,349)</i>	<i>(42,295)⁽¹⁾</i>	<i>(12,042)⁽²⁾</i>	<i>7,842⁽²⁾</i>	<i>(1,691)⁽²⁾</i>
<i>Change in allowances, write-downs and provisions</i>	<i>1,056</i>	<i>(1,318)</i>	<i>4,515</i>	<i>9,917</i>	<i>11,730</i>
<i>Change in provisions for indemnities</i>	<i>2,781</i>	<i>2,086</i>	<i>7,493</i>	<i>(8,725)</i>	<i>(2,273)</i>
Payment of taxes	(10,011)	(8,574) ⁽¹⁾	(15,494) ⁽²⁾	(13,219) ⁽²⁾	(17,849) ⁽²⁾
Other flows from operating activities ⁽³⁾	706	1,868	(6,472)	6,479	(390)
Cash flow from operating activities	51,195	17,952⁽¹⁾	107,209⁽²⁾	78,663⁽²⁾	54,158⁽²⁾
CAPEX (recurrent investments)	(31,936)	(20,757) ⁽¹⁾	(51,804) ⁽²⁾	(45,266) ⁽²⁾	(45,411) ⁽²⁾
Guarantees ⁽³⁾	(14)	154	53	(276)	250
Lease payments IFRS 16 (current payments associated with lease liabilities)	(18,487)	(11,922)	(24,255)	(26,354) ⁽⁴⁾	(27,133)
Free cash flow	758	(14,573)	31,203	6,767	(18,136)

(1): Information subject to limited review.

(2): Audited information.

(3): It is derived from the Company's internal accounting. In its calculation, the Company has followed the same accounting policies as those applied in the financial statements prepared in accordance with the applicable financial reporting framework.

(4): Excluding the supplementary fee for the renegotiation of the rental contracts for the Miguel Yuste (Madrid), Gran Vía (Madrid) and Caspe (Barcelona) offices in December 2021 (EUR 20,572 thousand).

8. Average interest rate on bank debt

Prisa defines the average interest rate on bank debt as the quotient between the interest expense associated with bank debt (on a 360 basis) and the average of the average monthly balances drawn down (gross) from banks.

Prisa uses this APM to measure the average cost of bank debt, which is the Group's main financial liability.

English translation for information purposes only.

In case of discrepancies between the Spanish original and the English translation, the Spanish version shall prevail.

The reconciliation of the average interest rate of the Group's bank borrowings for the first half of 2023 and for the 2023 (until 30 September), 2022, 2021 and 2020 financial years is presented below:

RECONCILIATION OF THE AVERAGE INTEREST RATE ON BANK DEBT	2023 financial year (until 30/09) ⁽³⁾	First half of 2023 ⁽³⁾	2022	2021	2020
	Unaudited (thousands of €)				
Interest expense on bank borrowings (based on 360 basis) ⁽¹⁾	81,836	78,656	62,854	49,878	69,946
Bank borrowing ⁽²⁾	949,318	953,749	961,820	949,815	1,292,090
Average interest on bank debt	8.62%	8.25%	6.53%	5.25%	5.41%

(1): Interest expense on a 360 basis is calculated by multiplying the interest expense associated with bank borrowings by 360 and dividing by the number of days elapsed in the reporting period, i.e. 365/366 days for annual periods, 181 days for the first half of 2023 and 273 days for the nine months ended 30 September 2023.

(2): Calculated as the average of the average monthly balances drawn with credit institutions (gross). Therefore, the amounts do not coincide with the balance at the end of each reporting period. The bank borrowings drawn down are from the Group's internal accounts. In its calculation, the Company has followed the same accounting policies as those applied in the financial statements prepared in accordance with the applicable financial reporting framework.

(3): Calculated in annualised terms as described in the previous paragraph.