Auditor's Report on Promotora de Informaciones, S.A. and subsidiaries

(Together with the consolidated annual accounts and consolidated directors' report of Promotora de Informaciones, S.A. and subsidiaries for the year ended 31 December 2024)

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

KPMG Auditores, S.L.
Paseo de la Castellana, 259 C.
28046 Madrid

Independent Auditor's Report on the Consolidated Annual Accounts

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

To the shareholders of Promotora de Informaciones, S.A.:

REPORT ON THE CONSOLIDATED ANNUAL ACCOUNTS

Opinion

We have audited the consolidated annual accounts of Promotora de Informaciones, S.A. (the "Parent") and subsidiaries (together the "Group"), which comprise the consolidated balance sheet at 31 December 2024, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and consolidated notes.

In our opinion, the accompanying consolidated annual accounts give a true and fair view, in all material respects, of the consolidated equity and consolidated financial position of the Group at 31 December 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and other provisions of the financial reporting framework applicable in Spain.

Basis for Opinion

We conducted our audit in accordance with prevailing legislation regulating the audit of accounts in Spain. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Annual Accounts* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those regarding independence, that are relevant to our audit of the consolidated annual accounts pursuant to the legislation regulating the audit of accounts in Spain. We have not provided any non-audit services, nor have any situations or circumstances arisen which, under the aforementioned regulations, have affected the required independence such that this has been compromised.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the consolidated annual accounts of the current period. These matters were addressed in the context of our audit of the consolidated annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverable amount of goodwill See notes 4.d), 4.f) and 6 to the consolidated annual accounts	
Key audit matter	*How the matter was addressed in our audit*
The Group's consolidated annual accounts at 31 December 2024 include Euros 110,087 thousand of goodwill allocated to the corresponding cash-generating units (CGU). Irrespective of whether there is any indication of impairment, IFRS-EU require that the CGUs to which goodwill is allocated be tested for impairment at least annually. Consequently, at each reporting date the Group estimates the recoverable amount of these CGUs. Estimating the recoverable amounts requires the Group to exercise a high level of judgement as regards the assumptions applied in their calculation and the valuation methodology used. Due to the significance of the carrying amount of goodwill, the high level of judgement required to establish the calculation methodology and key assumptions, as well as the related uncertainties, the estimate of the recoverable amount of these CGUs has been considered a key audit matter.	Our audit procedures included the following: – We evaluated the design and implementation of the key controls related to process of estimating the recoverable amount of the CGUs to which goodwill is allocated – We assessed the reasonableness of the methodology used to calculate the recoverable amount and the main assumptions considered, with the involvement of our valuation specialists. – In calculating the recoverable amount, we analysed the consistency of the estimated future cash flow growth of each CGU with the business plans approved by management. – We contrasted the cash flow forecasts estimated in prior years with the actual cash flows obtained (retrospective analysis). – We assessed management's sensitivity analysis of the key assumptions used in the valuation vis-à-vis changes that can be considered reasonable. – We assessed whether the disclosures in the consolidated annual accounts meet the requirements of the financial reporting framework applicable to the Group.

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

<table>
<tr><th colspan="2">Recognition of operating income
See notes 4.j), 13 and 16 to the consolidated annual accounts</th></tr>
<tr><td>Key audit matter</td><td>How the matter was addressed in our audit</td></tr>
<tr><td>As detailed in note 13 to the accompanying annual accounts, in 2024 the Group recognised Euros 919,542 thousand of operating income, mainly from education and advertising sales.

Revenue from education sales relates mainly to sales of books and digital teaching systems, which are subject to different sales conditions due to the existence of different types of customers, and are concentrated in a certain period of the year based on the school calendar in force in each of the countries where the Group operates.

Revenue from advertising sales, mostly from radio and print media, mainly relate to advertisements in the spaces owned by the Group. This revenue is generally fragmented and subject to different contractual conditions, including any applicable discounts.

Due to the significance of the amount of revenue from education and advertising sales and the large number of transactions involved, revenue recognition, particularly at the reporting date as regards the appropriate timing of the recognition, has been considered a key audit matter.</td><td>Our audit procedures included the following:

– We evaluated the design and implementation of the key controls related to the process of recognising operating income.

– We analysed, using mass data processing techniques, the correlation of advertising sales revenue with accounts receivable and cash.

– We selected a sample of advertising pieces in various Group-managed media outlets, analysed the documentation supporting their broadcast, including customer orders, and assessed the reasonableness of the related revenue recognised.

– We analysed with supporting documentation a sample of education sales transactions (books, teaching materials and digital content) to validate the completeness, existence and accuracy of this revenue in the year.

– Through our meetings with key personnel from the Group, we gained an understanding of the discounts agreed upon and the method used to calculate them. We also analysed the movement and settlements during the current year of volume discounts related to prior years' sales and compared them with the respective estimates made at year-end for consistency.

– We obtained confirmation from third parties of a sample of customer balances and invoices outstanding at year-end and, if no reply was received, we performed alternative verification procedures.

– We assessed whether the disclosures in the consolidated annual accounts meet the requirements of the financial reporting framework applicable to the Group.</td></tr>
</table>

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Other Information: Consolidated Directors’ Report

Other information solely comprises the 2024 consolidated directors' report, the preparation of which is the responsibility of the Parent's Directors and which does not form an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not encompass the consolidated directors' report. Our responsibility regarding the information contained in the consolidated directors’ report is defined in the legislation regulating the audit of accounts, as follows:

a) Determine, solely, whether the consolidated non-financial information statement and certain information included in the Annual Corporate Governance Report and the Annual Report on Directors’ Remuneration, as specified in the Spanish Audit Law, have been provided in the manner stipulated in the applicable legislation, and if not, to report on this matter.

b) Assess and report on the consistency of the rest of the information included in the consolidated directors’ report with the consolidated annual accounts, based on knowledge of the Group obtained during the audit of the aforementioned consolidated annual accounts. Also, assess and report on whether the content and presentation of this part of the consolidated directors’ report are in accordance with applicable legislation. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report them.

Based on the work carried out, as described above, we have observed that the information mentioned in section a) above has been provided in the manner stipulated in the applicable legislation, that the rest of the information contained in the consolidated directors' report is consistent with that disclosed in the consolidated annual accounts for 2024, and that the content and presentation of the report are in accordance with applicable legislation.

Directors' and Audit, Risk and Compliance Committee's Responsibilities for the Consolidated Annual Accounts

The Parent's Directors are responsible for the preparation of the accompanying consolidated annual accounts in such a way that they give a true and fair view of the consolidated equity, consolidated financial position and consolidated financial performance of the Group in accordance with IFRS-EU and other provisions of the financial reporting framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual accounts, the Parent's Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Parent's Audit, Risk and Compliance Committee is responsible for overseeing the preparation and presentation of the consolidated annual accounts.

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Auditor's Responsibilities for the Audit of the Consolidated Annual Accounts_

Our objectives are to obtain reasonable assurance about whether the consolidated annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing legislation regulating the audit of accounts in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual accounts.

As part of an audit in accordance with prevailing legislation regulating the audit of accounts in Spain, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Parent's Directors.

- Conclude on the appropriateness of the Parent's Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated annual accounts, including the disclosures, and whether the consolidated annual accounts represent the underlying transactions and events in a manner that achieves a true and fair view.

– Plan and execute the audit of the Group to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units of the Group as the basis to form an opinion on the consolidated annual accounts. We are responsible for the direction, supervision and review of the work performed for the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit, Risk and Compliance Committee of the Parent regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Parent's Audit, Risk and Compliance Committee with a statement that we have complied with the ethical requirements regarding independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, safeguarding measures adopted to eliminate or reduce the threat.

From the matters communicated to the Audit, Risk and Sustainability Committee of the Parent, we determine those that were of most significance in the audit of the consolidated annual accounts of the current period and which are therefore the key audit matters.

We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

European Single Electronic Format

We have examined the digital files of Promotora de Informaciones, S.A. and its subsidiaries for 2024 in European Single Electronic Format (ESEF), which comprise the XHTML file that includes the consolidated annual accounts for the aforementioned year and the XBRL files tagged by the Company, which will form part of the annual financial report.

The Directors of Promotora de Informaciones, S.A. are responsible for the presentation of the 2024 annual financial report in accordance with the format and mark-up requirements stipulated in Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 (hereinafter the “ESEF Regulation”). In this regard, they have incorporated the Annual Corporate Governance Report and the Annual Report on Directors’ Remuneration by means of a reference thereto in the consolidated directors’ report.

Our responsibility consists of examining the digital files prepared by the Directors of the Parent, in accordance with prevailing legislation regulating the audit of accounts in Spain. This legislation requires that we plan and perform our audit procedures to determine whether the content of the consolidated annual accounts included in the aforementioned digital files fully corresponds to the consolidated annual accounts we have audited, and whether the consolidated annual accounts and the aforementioned files have been formatted and marked up, in all material respects, in accordance with the requirements of the ESEF Regulation.

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

In our opinion, the digital files examined fully correspond to the audited consolidated annual accounts, and these are presented and marked up, in all material respects, in accordance with the requirements of the ESEF Regulation.

Additional Report to the Audit, Risk and Compliance Committee of the Parent

The opinion expressed in this report is consistent with our additional report to the Parent's Audit, Risk and Compliance Committee dated 19 March 2025.

Contract Period

We were appointed as auditor of the Group by the shareholders at the ordinary general meeting on 26 June 2024 for a period of three years, from the year commenced 1 January 2024.

KPMG Auditores, S.L.
On the Spanish Official Register of Auditors ("ROAC") with No. S0702

(Signed on original in Spanish)

Gustavo Rodríguez Pereira
On the Spanish Official Register of Auditors ("ROAC") with No. 17564

19 March 2025

PRISA

PROMOTORA DE INFORMACIONES, S.A. (PRISA)
AND SUBSIDIARIES

Consolidated Annual Accounts together with consolidated Directors' Report for 2024

PROMOTORA DE INFORMACIONES, S.A. (PRISA) AND SUBSIDIARIES

Consolidated Annual Accounts for 2024

PROMOTORA DE INFORMACIONES, S.A. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET AT DECEMBER 31, 2024
(Thousands of euros)

ASSETS	Notes	12.31.2024	12.31.2023
A) NON-CURRENT ASSETS		**388,370**	**430,686**
I. PROPERTY, PLANT AND EQUIPMENT	5	81,270	94,464
II. GOODWILL	6	110,087	117,654
III. INTANGIBLE ASSETS	7	95,143	104,019
IV. NON-CURRENT FINANCIAL ASSETS	11a	5,806	11,153
V. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD	8	40,834	45,061
VI. DEFERRED TAX ASSETS	17	55,217	58,320
VII. OTHER NON-CURRENT ASSETS		13	15
B) CURRENT ASSETS		**491,697**	**544,081**
I. INVENTORIES	9a	49,322	63,699
II. TRADE AND OTHER RECEIVABLES			
1. Trade receivables for sales and services	9b	289,678	300,027
2. Receivable from associates	20	3,410	3,420
3. Receivable from public authorities	17	28,929	33,730
4. Other receivables	9b	22,925	22,072
5. Asset value corrections	9b	(60,509)	(63,113)
		284,433	296,136
III. CURRENT FINANCIAL ASSETS	11a	913	4,165
IV. CURRENT DERIVATIVES	11a	908	-
V. CASH AND CASH EQUIVALENTS	9c	156,008	176,610
VI. ASSETS CLASSIFIED AS HELD FOR SALE		113	3,471
TOTAL ASSETS		**880,067**	**974,767**

EQUITY AND LIABILITIES	Notes	12.31.2024	12.31.2023
A) EQUITY	**10**	**(368,479)**	**(428,150)**
I. SHARE CAPITAL		108,638	100,827
II. OTHER RESERVES AND ACCUMULATED RESULT FROM PRIOR YEARS		(503,250)	(468,940)
III. RESULT FOR THE YEAR ATTRIBUTABLE TO THE PARENT		(11,573)	(32,505)
IV. OTHER EQUITY INSTRUMENTS		99,147	30,027
V. TREASURY SHARES		(953)	(1,449)
VI. TRANSLATION DIFFERENCES		(74,124)	(70,729)
VII. NON CONTROLLING INTERESTS		13,636	14,619
B) NON-CURRENT LIABILITIES		**880,548**	**971,430**
I. NON-CURRENT BANK BORROWINGS	11b	801,163	885,351
II. NON-CURRENT FINANCIAL LIABILITIES	11b	46,843	50,242
III. DEFERRED TAX LIABILITIES	17	22,720	22,137
IV. LONG-TERM PROVISIONS	12	8,489	11,058
V. OTHER NON-CURRENT LIABILITIES		1,333	2,642
C) CURRENT LIABILITIES		**367,998**	**431,487**
I. TRADE PAYABLES	23	198,378	232,983
II. PAYABLE TO ASSOCIATES	20	582	895
III. OTHER NON-TRADE PAYABLES	9d	35,368	46,995
IV. CURRENT BANK BORROWINGS	11b	26,570	37,578
V. CURRENT FINANCIAL LIABILITIES	11b	17,799	17,892
VI. PAYABLE TO PUBLIC AUTHORITIES	17	39,756	41,923
VII. CURRENT PROVISIONS		5,489	6,110
VIII. OTHER CURRENT LIABILITIES	9e	44,052	46,888
IX. LIABILITIES ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE		4	223
TOTAL EQUITY AND LIABILITIES		**880,067**	**974,767**

The accompanying Notes 1 to 26 and Appendix I and II are an integral part of the consolidated balance sheet at December 31, 2024.

PROMOTORA DE INFORMACIONES, S.A. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENT FOR 2024
(Thousands of euros)

	Notes	Year 2024	Year 2023
Revenue		880,611	929,440
Other income		38,931	17,970
OPERATING INCOME	13-16	919,542	947,410
Cost of materials used	14	(110,659)	(146,315)
Staff costs	14	(323,959)	(319,711)
Depreciation and amortisation charge	5-7	(67,282)	(70,282)
Outside services	14	(288,812)	(289,884)
Change in value corrections	14	(10,898)	(10,371)
Impairment of goodwill	6	-	(155)
Impairment of assets	5-7	(3,314)	(1,882)
OPERATING EXPENSES		(804,924)	(838,600)
RESULT FROM OPERATIONS		114,618	108,810
Finance income		14,646	8,934
Finance costs		(99,721)	(113,096)
Changes in value of financial instruments		(12,486)	(14,813)
Exchange differences (net)		(976)	694
FINANCIAL RESULT	15	(98,537)	(118,281)
Result of companies accounted for using the equity method	8	3,179	13,659
RESULT BEFORE TAX FROM CONTINUING OPERATIONS	16	19,260	4,188
Expense tax	17	(30,172)	(35,421)
RESULT FROM CONTINUING OPERATIONS		(10,912)	(31,233)
Result after tax from discontinued operations		341	(365)
CONSOLIDATED RESULT FOR THE YEAR		(10,571)	(31,598)
Result attributable to non controlling interests	10i	(1,002)	(907)
RESULT ATTRIBUTABLE TO THE PARENT		**(11,573)**	**(32,505)**

BASIC AND DILUTED RESULT PER SHARE (in euros)	19	(0.01)	(0.03)
- Basic and diluted result per share from continuing activities (in euros)	19	(0.01)	(0.03)
- Basic and diluted result per share from discontinuing activities (in euros)	19	0.00	0.00

The accompanying Notes 1 to 26 and Appendix I and II are an integral part of the consolidated income statement for 2024.

PROMOTORA DE INFORMACIONES, S.A. AND SUBSIDIARIES
CONSOLIDATE STATEMENT OF COMPREHENSIVE INCOME FOR 2024
(Thousands of euros)

	Year 2024	Year 2023
CONSOLIDATED PROFIT FOR THE YEAR	**(10,571)**	**(31,598)**
Items that are not reclassified to result of the period	**(81)**	**2,912**
From actuarial gains and losses	(65)	2,936
Entities accounted for using the equity method	(16)	(24)
Items that may be reclassified subsequently to profit or loss	**(34,867)**	**3,776**
Translation differences	**(28,638)**	**73**
Profit/(Loss) for valuation	(28,638)	(222)
Amounts transferred to the profit and loss account	-	295
Entities accounted for using the equity method	**(6,229)**	**3,703**
TOTAL COMPREHENSIVE INCOME	**(45,519)**	**(24,910)**
Attributable to the Parent	(46,129)	(26,597)
Attributable to non controlling interests	610	1,687

The accompanying Notes 1 to 26 and Appendix I and II are an integral part of the consolidated statement of comprehensive income for 2024.

PROMOTORA DE INFORMACIONES, S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR 2024
(Thousands of euros)

	Share capital	Share premium	Reserves	Prior years´ accumulated result	Other equity instruments	Treasury shares	Exchange differences	Result for the Year	Equity attributable to the Parent	Non controlling interests	Equity
BALANCE AT DECEMBER 31, 2022	**74,065**	**17,088**	**121,619**	**(658,074)**	**0**	**(401)**	**(87,583)**	**(12,949)**	**(546,235)**	**14,075**	**(532,160)**
Conversion of financial liabiities into equity			(258)		3,044				2,786		2,786
Issuance of equity instruments					126,003				126,003		126,003
Conversion of financial instruments into equity	26,762	72,258			(99,020)				0		0
Treasury share transactions (Note 10g)			(812)			(1,048)			(1,860)		(1,860)
Distribution of 2022 results											
- Reserves			(88,554)	75,605				12,949			
Comprehensive income											
- Translation differences (Note 10h-10i)				(13,872)			16,854		2,982	794	3,776
- Result for 2023								(32,505)	(32,505)	907	(31,598)
- Others				2,926					2,926	(14)	2,912
Other movements			(412)	3,546					3,134	(233)	2,901
Changes in non controlling interest (Note 10j)											
- Dividends paid during the year										(1,026)	(1,026)
- Due to changes in percentage of consolidation										116	116
BALANCE AT DECEMBER 31, 2023	**100,827**	**89,346**	**31,583**	**(589,869)**	**30,027**	**(1,449)**	**(70,729)**	**(32,505)**	**(442,769)**	**14,619**	**(428,150)**
Conversion of financial liabiities into equity (see note 10c)			(63)		833				770		770
Issuance of equity instruments (see note 10c)					97,187				97,187		97,187
Conversion of financial instruments into equity (see note 10 a-c)	7,811	21,089			(28,900)				0		0
Treasury share transactions (Note 10g)			(1,071)			496			(575)		(575)
Distribution of 2023 results											
- Reserves			(85,689)	53,184				32,505			
Comprehensive income											
- Translation differences (Note 10h-10i)				(31,085)			(3,395)		(34,480)	(387)	(34,867)
- Result for 2024								(11,573)	(11,573)	1,002	(10,571)
- Others				(76)					(76)	(5)	(81)
Other movements			(43)	9,444					9,401	(86)	9,315
Changes in non controlling interest (Note 10j)											
- Dividends paid during the year										(1,507)	(1,507)
BALANCE AT DECEMBER 31, 2024	**108,638**	**110,435**	**(55,283)**	**(558,402)**	**99,147**	**(953)**	**(74,124)**	**(11,573)**	**(382,115)**	**13,636**	**(368,479)**

The accompanying Notes 1 to 26 and Appendix I and II are an integral part of the consolidated statement of changes in equity for 2024.

PROMOTORA DE INFORMACIONES, S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOW FOR 2024
(Thousands of euros)

	Notes	Year 2024	Year 2023
RESULT BEFORE TAX FROM CONTINUING OPERATIONS	16	**19,260**	**4,188**
Depreciation and amortisation charge	**5-7**	**67,282**	**70,282**
Value corrections	**5-7-14**	**14,185**	**12,376**
Changes in working capital		**(31,601)**	**(51,187)**
Inventories	9a	14,377	10,994
Accounts receivable	9b	(2,575)	(22,365)
Accounts payable		(43,403)	(39,816)
Income tax recovered (paid)	17	**(21,128)**	**(9,665)**
Other profit adjustments		**79,408**	**100,393**
Financial results	15	98,537	118,281
Gains and losses on disposal of assets	13	(5,034)	(1,711)
Result of companies accounted for using the equity method	8	(3,179)	(13,659)
Other adjustments to results	9c	(10,916)	(2,518)
CASH FLOWS FROM OPERATING ACTIVITIES	16	**127,406**	**126,387**
Investments in intangible assets	7	(34,261)	(31,573)
Investments in property, plant and equipment	5	(11,762)	(11,878)
Investments in non-current financial assets		(492)	(1,551)
Proceeds from disposals	13	13,072	5,404
Dividends received	8-20	1,068	5,208
Interest received	15	7,660	4,308
CASH FLOWS FROM INVESTING ACTIVITIES	16	**(24,715)**	**(30,082)**
Proceeds and payments relating to equity instruments	10	97,640	110,654
Proceeds relating to financial liability instruments	11b	2,300	9,729
Payments relating to financial liability instruments	11b	(103,907)	(121,130)
Dividends and returns on other equity instruments paid		(1,640)	(2,141)
Interest paid		(80,846)	(77,463)
Payment for leases (IFRS 16)	11b	(25,988)	(23,794)
Other cash flow from financing activities		(2,591)	(7,078)
CASH FLOWS FROM FINANCING ACTIVITIES	16	**(115,032)**	**(111,223)**
Effect of foreign exchange rate changes		(8,261)	2,032
CHANGE IN CASH FLOWS FROM CONTINUING OPERATIONS	16	**(20,602)**	**(12,886)**
CHANGE IN CASH FLOWS IN THE YEAR		**(20,602)**	**(12,886)**
Cash and cash equivalents at beginning of year	9c	**176,610**	**189,496**
Cash and cash equivalents at end of period	9c	**156,008**	**176,610**

The accompanying Notes 1 to 26 and Appendix I and II are an integral part of the consolidated statement of cash flow for 2024.

PROMOTORA DE INFORMACIONES, S.A. (PRISA) AND SUBSIDIARIES

Notes to the Consolidated Financial Statements for 2024

Translation of consolidated annual accounts originally issued in Spanish and prepared in accordance with IFRSs as adopted by the European Union (see notes 2 and 26). In this sense, this translation has been carried out by the Company, under its sole responsibility, and it is not considered official or regulated information. In the event of a discrepancy, the Spanish-language version prevails.

PROMOTORA DE INFORMACIONES, S.A. (PRISA)

AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR 2024

(1) GROUP ACTIVITIES AND PERFORMANCE

a) Group activities

Promotora de Informaciones, S.A. ("PRISA" or "the Company") was incorporated on January 18, 1972 in Madrid (Spain) and has its registered office in Madrid, at Gran Vía, 32. The Group's activity includes, inter alia, the exploitation of media in any format, including the publication of newspapers and educational material, the holding of investments in companies and businesses and the provision of all manner of services.

In addition to the business activities carried on directly by the Company, PRISA heads a group of subsidiaries, joint ventures and associates which engage in a variety of business activities (in Spain and in other countries) and which compose the Group ("the PRISA Group" or "the Group"). Therefore, in addition to its own separate individual annual accounts, PRISA is obliged to present consolidated annual accounts for the Group including its interests in joint ventures and investments in associates.

The consolidated annual accounts for 2023 were approved by the shareholders at the Annual General Meeting held on June 26, 2024, and are deposited in the Mercantile Register of Madrid.

The Group's consolidated annual accounts for 2024 were authorized for issue by the Company's Directors on March 19, 2025, for submission to the approval of the General Meeting of Shareholders, it being estimated that they will be approved without modification.

These consolidated annual accounts are presented in euros (thousands) as this is the currency of the main economic area in which the Group operates. Foreign operations are accounted for in accordance with the policies described in note 2d.

Shares of PRISA are admitted to trading on continuous market of the Spanish Stock Exchanges (Madrid, Barcelona, Bilbao and Valencia). In addition, PRISA has admitted to trading on the AIAF Fixed Income Market subordinated bonds mandatory convertible into newly issued ordinary shares of the Company, as described in section b) below.

b) Evolution of the Group's equity and financial structure

During the last few years and in the present, the Administrators of PRISA have taken a number of measures to strengthen the Group's financial and asset structure, such as capital increases or issuance of bonds mandatorily convertible into shares and refinancing of its debt.

On April 19, 2022, the amendment of the Group's syndicated financial debt entered into force (the "Refinancing"), which considered, among other aspects, the extension of the maturity of the financial debt to 2026 and 2027, the division of the syndicated loan into two differentiated tranches (one of Senior debt and one of Junior debt) and the flexibilization of the contractual commitments of the debt that will allow, among other improvements, to increase PRISA's operating flexibility and soften the financial ratios required by the previous contracts. Likewise, the terms of the Super Senior contract debt of the Company were modified, that among other terms, supposed an extension of the maturity of the debt to June 2026.

The agreed Refinancing thus made the Group's financial debt more flexible and provided in that date a financial structure that allowed the Group to comply with its financial commitments, ensuring the Group's stability in the short and medium term.

In January 2023 the Board of Directors of PRISA unanimously agreed to issue subordinated notes (with pre-emptive subscription rights for PRISA shareholders) mandatorily convertible into newly issued ordinary shares of the Company ("Convertible Notes of 2023"). This issue ("2023 Issuance") took place through a public offer for subscription of up to a total nominal amount of EUR 130 million, by issuing and putting into circulation up to a total of 351,350 convertible Notes. The maturity date of these convertible Notes and conversion into new shares will be, at most, on the fifth anniversary of the issue date (February 2028), with a conversion price of EUR 0.37 per new share having been set. The said convertible Notes will bear interest at a fixed annual rate (coupons) of 1.00% (which cannot be capitalised) and payable upon conversion into ordinary shares. In February 2023 convertible notes amounting to a total of EUR 130 million were subscribed, i.e. the full amount of the offer. The issue of this note mandatorily convertible into shares was treated as a compound financial instrument, practically fully registered in equity *(see notes 4g and 10)*.

In May and November 2023 and 2024, and in accordance with the conversion schedule established in the issuance of the Convertible Notes of 2023 (which established semi-annual early conversion windows at the discretion of the holders of said notes), 267,777 notes have been converted, which have led to the issuance of 267,777,000 newly issued ordinary shares of the Company, according to the conversion price established.

Due to the communication of the second issuance of subordinated notes mandatorily convertible into newly issued ordinary shares of the PRISA described below, the Board of Directors of PRISA agreed on January 30, 2024 to open an extraordinary conversion period for the Convertible Notes of 2023 in accordance with its provisions of terms and conditions. This led a conversion and early amortization of 20,287 notes, which has entailed the issuance of 20,287,000 new ordinary shares of PRISA *(see note 10)*.

The 2023 Issuance was configured as an instrument to reduce PRISA´s syndicated financial debt, which is linked to a variable interest rate and which was refinanced in April 2022. This enabled the Company to raise the funds necessary to partially pay off early the tranche of the PRISA's syndicated financial debt that constitutes its largest interest financial expense, i.e. the Junior debt tranche, which is benchmarked at Euribor+8% (including cash and capitalisable cost), which as of December 31, 2022 totalled EUR 192,013 thousand. So, in February 2023 the Group cancelled EUR 110 million of Junior debt. The remaining amount up to EUR 130 million (net of operation costs) was destined to meet the Group´s operational needs.

Within the framework of the analysis of different strategic alternatives in order to continue reducing the financial debt of the PRISA Group and the financial costs associated therewith, on January 30, 2024 the Board of Directors of PRISA unanimously agreed to carry out a second issuance of subordinated notes mandatorily convertible into newly issued shares of PRISA, with recognition of the preemptive subscription rights of the Company's shareholders ("Convertible Notes of 2024") in analogous terms to 2023 Issuance. This issue ("2024 Issuance") take place through a public offer for subscription of up to a nominal total amount of EUR 100 million, by issuing and putting into circulation up to a total of 270,270 convertible notes. The maturity date of these convertible notes and conversion into new shares will be, at most, on the fifth anniversary of the issue date (April 2029), with a conversion price of EUR 0.37 per new share having been set. Again, the said convertible notes bear interest at a fixed annual rate (coupons) of 1.00% (which cannot be capitalised) and payable upon conversion into ordinary shares. In April 2024 convertible notes amounting to a total of EUR 100 million were subscribed, i.e. the full amount of the offer *(see notes 4g and 10)*.

The issuance of the Convertible Notes of 2024 has been treated, in accounting terms, like 2023 Issuance, that is, as a compound financial instrument, practically fully registered in equity. The purpose of the 2024 Issuance has been to obtain funds mainly for, on the one hand, to cancel again and in advance the junior tranche of the syndicated financial debt of the PRISA Group, which as at December 31, 2023 totalled EUR 86,967 thousand and, on the other hand, to foster the growth opportunities of the business units of the Group. So, in April 2024 the Group had cancelled EUR 50 million of Junior debt *(see note 11b)*.

In May and November 2024, and in accordance with the conversion schedule established in the 2024 Issuance (which established semi-annual early conversion windows at the discretion of the holders of said notes), 57,666 notes were converted, which led to the issuance of 57,666,000 newly issued ordinary shares of the Company, according to the conversion price established *(see note 10)*.

Developments and impacts of the war in Ukraine and the conflict between Israel and Hamas

In recent years the Group has undertaken its activities in a general climate of almost constant volatility, uncertainty, complexity and ambiguity. This makes it difficult to predict future business performance, especially in the medium and long term. This complex environment has been greatly exacerbated as a consequence of different events that have great global repercussions, such as the COVID-19 pandemic and currently the war in Ukraine or the more recent conflict between Israel and Hamas.

In February 2022 the Russian invasion of Ukraine took place, which led the European Union to adopt a series of individual measures and economic sanctions against Russia. It has also caused great instability in international markets. At present, armed conflict continues in force in the affected region, despite the start of talks for a peace agreement between the US and Russia and other neighboring countries. Likewise, in October 2023, the conflict between Israel and Hamas began, the scope of which remains uncertain, including the extension to more countries and regions in the surrounding area, as has become clear, and that will depend, among other factors, on the evolution of the truce signed between both actors in January 2025.

In particular, the war in Ukraine led since 2022 to a significant increase in inflation rates and higher energy prices in certain periods. In addition, because of those inflationary pressures, Central Banks were raising interest rates since the beginning of that year, which led to an increase in the cost of financing for economic agents. All the above led to a slowdown in the global economy in 2022, which continued in 2023. The year 2024 has shown a stabilization of economic growth, with a moderation in inflation rates and therefore, a decrease in interest rates, the latter, as a result of the decisions taken by Central Banks in recent months. The prospects for economic and growth for 2025 are moderated, but still uncertain, depending, among other factors, on the duration of the war in Ukraine and the Middle East conflict and the future behaviour of inflation and its return to the established objectives, considering other geopolitical tensions, such as the start of a 'trade war' with the implementation of tariffs between countries.

In general, both the Education and Media businesses tend to develop in a way that is very much subject to the macroeconomic environment. For example, on the cost side, raw materials, energy resources or distribution were affected as a result of rising inflation and punctual supply chain disruptions resulting from the environment. Moreover, in the case of Media, the performance of the advertising market is particularly affected. PRISA's activities and investments in Spain and Latin America are exposed to the development of the different macroeconomic parameters of each country, including the development of currency exchange rates.

Likewise, the increase in Euribor from the beginning of 2022, the reference rate for the cost of most of the Group's financial debt, had a negative impact on the financial cost of the same and interest payments. However, this negative impact has been softened in recent months by the decline experienced in said index, as mentioned previously.

Considering the complexity of the markets due to their globalization the consequences for the Group’s businesses are uncertain and will depend to a large extent on the remaining impact of the events mentioned above. Therefore, at the date of approval of these consolidated annual accounts we have carried out an assessment of the impacts that the invasion of Ukraine mainly and to a lesser extent the conflict between Israel and Hamas and other geopolitical tensions, and its associated adverse macroeconomic impacts have mainly had on the Group as of December 31, 2024. There is still a high level of uncertainty about its consequences in the short and medium term.

Therefore, the Directors and Management of the Group have assessed the situation based on the best information available. For the reasons referred to above, such information may be subject to variations. As a result of this assessment, we highlight the following:

- Liquidity risk: the situation in the markets has caused in specific times an increase in liquidity pressures in the economy and sometimes even a contraction of the credit market. To face this, the Group has in place a Super Senior debt (“Super Senior Term & Revolving Facilities Agreement”) to meet operational needs for a maximum amount of EUR 240 million, of which EUR 200 million were drawn as of December 31, 2024. Therefore, EUR 40 million are undrown. Likewise, the rest of subsidiaries of the Group have undrawn credit facilities and other lines of credit amounting to EUR 26.7 million at December 31, 2024. Additionally, the Group has a cash available of EUR 156.0 million at that date. The above, together with the existence of specific plans for the improvement and efficient management of liquidity, allows addressing these specific tensions. Based on this, and in accordance with treasury forecasts, it is estimated that the Group will have sufficient cash in the next twelve months to meet its payment commitments.

- Risk of changes in certain financial magnitudes: the factors referred to above could adversely affect in the future the Group's advertising revenues, the revenues of circulation and sale of education, as well as the associated margins, to the extent there is an increase in costs or an adverse impact on revenues due to the current macroeconomic scenario, even though the Group has no trade relations with Ukraine, Russia or Israel. However, it is not possible at this stage to reliably quantify the impact of the above factors and events on future financial statements, given the constraints and limitations already indicated.

  Likewise, the invasion of Ukraine and the conflict between Israel and Hamas and its macroeconomic impacts, as well as other geopolitical tensions could also have an adverse impact on key indicators for the Group, such as financial leverage ratios and compliance with financial ratios included in the financial agreements of the Group. In this sense, with the agreed Refinancing in 2022, the Group's financial debt was made more flexible and endowed with a financial structure that makes it possible to meet its financial commitments (including financial ratios (covenants)).

- Balance sheet assets and liabilities measurement risk: a change in the future estimates of the Group's revenue, production costs, finance costs, credit quality of trade receivables, etc. could have an adverse impact on the carrying amount of certain assets (goodwill, intangible assets, deferred tax assets, trade and other receivables, etc.) and on the need to recognize provisions or other liabilities. The appropriate analyses and calculations have been carried out which have allowed, those assets and liabilities to be re-measured with the information available to date. At December 31, 2024 there have not been significant changes in the estimates at the end of 2023 in the aforementioned magnitudes, that have a negative impact on the consolidated financial statements.

- Continuity risk (going concern): in the light of all the above factors, the Directors of the Group consider that the application of the going concern principle remains valid. Additionally, on December 31, 2024, the parent Company's equity is greater than two thirds of the capital stock, which is why it is in a situation of equity balance.

Finally, we highlight that the Group's Directors and Management are constantly monitoring the situation so as to successfully address any impacts, both financial and non-financial, that may arise.

(2) BASIS OF PRESENTATION OF THE CONSOLIDATED ANNUAL ACCOUNTS

a) Application of International Financial Reporting Standards (IFRSs)

The Group’s consolidated annual accounts were prepared in accordance with International Financial Reporting Standards (“IFRSs-EU”) as adopted by the European Union, in conformity with Regulation (EC) no. 1606/2002 of the European Parliament and of the Council, and with the format requirements established in the European Commission Delegated Regulation EU 2018/815. In addition to those established by IFRS-EU, all the requirements set out in the Commercial Code and the Capital Companies Act, as well as other aspects that may be applicable in current Spanish regulations, have been applied to these consolidated annual accounts.

In accordance with said regulation, in the scope of application of IFRS-EU, and in the preparation of these consolidated annual accounts of the Group, the following aspects should be highlighted:

- The IFRSs-EU are applied in the preparation of the consolidated financial information of the Group. The financial statements of individual companies that are part of the Group are prepared and presented in accordance with accounting standards in each country *(see note 2b)*.

- In accordance with IFRSs-EU, these consolidated annual accounts include the following consolidated financial statements of the Group:

  - Balance sheet.
  - Income statement.
  - Statement of comprehensive income.
  - Statement of changes in equity.
  - Statement of cash flow.

- As required by IAS 8, uniform accounting policies and measurement bases were applied by the Group for all transactions, events and items in 2024 and 2023.

In 2024 the following amendment to accounting standards came into force which, therefore, was considered when preparing these consolidated annual accounts:

- Amendment to IAS 1: Classification of liabilities as current or non-current. Non-current liabilities with covenants.
- Amendment to IFRS 16: Lease Liability in a Sale and Leaseback.
- Amendment to IAS 7 Statement of cash flows and IFRS7 Financial instruments: supplier finance arrangements. Disclosures.

The application of the aforementioned modifications and interpretations in force since January 1, 2024, has not had any significant impact on the Group's consolidated financial statements for the current year. Therefore, the accounting policies used in the preparation of these consolidated financial statements are, in all significant aspects, the same ones applied to the consolidated annual accounts for the fiscal year that ended on December 31, 2023.

In relation to the optional early application of other IFRS already issued, but not yet effective, the Group has not opted for such options in any case.

At December 31, 2024, the PRISA Group has not applied the following standards or interpretations issued, since the effective application thereof was required subsequent to that date or they have not been adopted by the European Union.

Standards, amendments, and interpretations		Mandatory application for financial years beginning on or after
Approved for use in the EU		
Amendments to IAS 21	The effects of changes in foreign exchange rates: Lack of exchangeability	January 1, 2025
Not yet approved for use in the EU		
Amendments to IFRS 9 and IFRS 7	Contracts referencing Nature-dependent Electricity	January 1, 2026
Amendments to IFRS 9 and IFRS 7	Amendments to the classification and measurement of financial instruments	January 1, 2026
Annual improvements	Volume 11	January 1, 2026
IFRS 18	Presentation and disclosure in financial statements	January 1, 2027
IFRS 19	Subsidiaries without public accountability: disclosures	January 1, 2027

At the date of preparation of these consolidated financial statements, the Group is evaluating the accounting impact of the entry into force of the new standards mentioned above, especially with regard to IFRS 18.

There are no accounting principle or measurement bases having a significant effect on the consolidated financial statements that the Group has failed to apply.

b) Fair presentation and accounting principles

The consolidated annual accounts were obtained from the separate financial statements of PRISA and its subsidiaries and, accordingly, they present fairly the Group's equity and financial position at December 31, 2024, and the results of its operations, the changes in net equity and the cash flows in the year then ended. The Group prepared its financial statements on a going concern basis, as described in note 1b. Also, with the exception of the consolidated statement of cash flow, these consolidated financial statements were prepared in accordance with the accrual basis of accounting.

Given that the accounting policies and measurement bases applied in preparing the Group's annual accounts for 2024 may differ from those applied by some of the Group companies, the necessary adjustments and reclassifications were made on consolidation to unify these policies and bases and to make them compliant with IFRSs as adopted by the European Union.

c) Responsibility for the information and use of estimates

The information in these consolidated annual accounts is the responsibility of the Company's directors.

In the consolidated annual accounts for 2024 estimates were made by executives of the Group and of the entities in order to quantify certain of the assets, liabilities and obligations reported herein. These estimates relate basically to the following:

- The measurement of financial, non-financial assets, goodwill and investments accounted for using the equity method to determine the possible existence of impairment losses or their reversals (*see notes 4f, 4g and 4h*).
- The useful life of property, plant, and equipment and intangible assets (*see notes 4b and 4e*).
- The recoverability of deferred tax assets (*see notes 4k and 17*).
- The hypotheses used to calculate the fair value of financial instruments (*see note 4g*).
- The assessment of the likelihood and amount of undetermined or contingent liabilities (*see note 12*).
- Estimated sales returns received after the end of the reporting period and advertising rappels (*see note 4j*).
- Provisions for unissued and outstanding invoices.
- The estimates made for the determination of future commitments (*see note 23*).
- Determination of the lease term in contracts with renewal option (*see note 4c*).

Although these estimates were made on the basis of the best information available at the date of approval of these consolidated annual accounts on the events analyzed, it is possible that events that may take place in the future force them to modify them, upwards or downwards. In this case, the effects in the corresponding consolidated income statements for future periods, as well as in assets and liabilities affected, would be recognized.

In 2024 there were no significant changes in the accounting estimates made at the end of 2023, that imply a significant adverse impact on the consolidated financial statements of the current fiscal year.

d) Basis of consolidation

The consolidation methods applied were as follows:

Full consolidation-

Subsidiaries are accounted for using full consolidation, and all their assets, liabilities, income, expenses and cash flows are included in the consolidated annual accounts after the necessary adjustments and eliminations have been carried out. Subsidiaries are companies over which the parent company exercises control, i.e. it has the power to direct their financial and operating policies, it is exposed or is entitled to variable earnings or has the ability to influence their earnings. Subsidiaries accounted for using this method are listed in Appendix I.

The results of subsidiaries which are acquired or sold during the year are included in the consolidated income statement from the effective date of acquisition of control or until the effective date of disposal, as appropriate.

On acquisition of control, the assets, liabilities and contingent liabilities of a subsidiary are measured at their fair values. Any excess of the cost of the subsidiary's acquisition over the parent company's share of the net fair value of its assets and liabilities is recognized as goodwill. Any deficiency is accounted as an income in the consolidated income statement.

The share of third parties of the equity of Group companies is presented under "*Equity – Non-dominant interests*" in the consolidated balance sheet and their share of the profit for the year is presented under "*Result attributable to non-dominant interests*" in the consolidated income statement.

The interest of non-controlling shareholders is stated at those shareholders' proportion of the fair values of the assets and liabilities recognized.

All balances and transactions between the fully consolidated companies were eliminated on consolidation.

Equity method-

Associates are accounted for using the equity method. Associates are companies in which PRISA holds direct or indirect ownership interests of between 20% and 50%, or even if the percentage of ownership does not reach those levels, it has significant influence over their management.

This method was also applied to joint ventures, considered as arrangements whereby the parties that exercise joint control over the company are entitled to its net assets on the basis of the arrangement. Joint control is the sharing of control that is contractually decided and set out in an agreement, which exists only when decisions concerning major operations require the unanimous consent of the parties that share control.

Under the equity method, investments are recognized in the consolidated balance sheet at the Group's share of net assets of the investee, adjusted, if appropriate, for the effect of transactions performed with the Group, plus any unrealized gains relating to the goodwill paid on the acquisition of the company and adjusted by the effect of the exchange rate.

Dividends received from these companies are recognized as a reduction in the value of the Group's investment. The Group's share of the profit or loss of these companies is included, net of the related tax effect, in the consolidated income statement under "*Result of companies accounted for using the equity method.*"

The companies accounted for using these consolidation methods are listed in Appendix I and II, together with the main financial aggregates for the companies accounted using the equity method. Likewise, it is noted that none of these companies are listed on the stock exchange.

Other matters -

All related party transactions have taken place under market conditions.

The data relating to Sociedad Española de Radiodifusión, S.L.U., Grupo Santillana Educación Global, S.L., Grupo Latino de Radiodifusión Chile, Ltda. and Sistema Radiópolis, S.A. de C.V. contained in these notes were obtained from their respective consolidated financial statements.

The items in the consolidated balance sheet and income statement of the companies whose functional currency is not the euro included in the scope of consolidation were translated to euros using "the closing rate method", i.e. all assets, rights and obligations were translated at the exchange rates prevailing at the end of the reporting period. Income statement items were translated at the average exchange rates for each month. The difference between the value of the equity translated at historical exchange rates and the net equity position resulting from the translation of the other items as indicated above is recognized under "*Equity– Translation* *differences*" in the accompanying consolidated balance sheet. At the time of sale of any company that has generated translation differences or translation differences in accumulated results from prior years, these will be transferred to the consolidated income statement, reflecting them in the consolidated statement of comprehensive income, under the heading *"Amounts transferred to the profit and loss account"*, with no impact on consolidated net equity.

Argentina

Since the second quarter of 2018 Argentina's economy has been considered, by international authorities, as hyperinflationary. The main reason for this is that since July 1, 2018 the accumulated inflation of the last three years in Argentina exceeded 100%. Since 2019 it was determined that the official index to be used would be the one issued by the FACPCE (Argentine Federation of Professional Councils of Economic Sciences), which coincides with the national CPI. During the 2024 financial year, the inflation rate was marked by a sharp slowdown as a result of the changes in fiscal and exchange rate policies established by the new Government at the end of 2023, reaching 117.8% from January to December 2024 (211.4% from January to December 2023).

In addition, with the aim of stabilising the economy, the Government implemented, among other measures, a strong fiscal adjustment, the unfreezing of tariffs and the devaluation of the Argentine peso against the official dollar. These measures have enabled the country to end 2024 with a fiscal surplus for the first time since 2008 and to significantly reduce the gap between the parallel dollar and the official dollar, closing the year at around 10%.

During the 2024 financial year, exchange restrictions and difficulties in accessing the MULC (Mercado Único Libre de Cambio) continued. This limitation on acquiring dollars at the official exchange rate makes it very difficult for companies to access the official dollar to pay off debt, with the only option being to resort to CCL (cash with settlement).

In Argentina, the functional currency is the Argentinean peso and the exchange rate used as at December 31, 2024 for the translation of the balance sheet and income statement of the Argentinean subsidiaries was 1,074.31 Argentinean peso/EUR (894.71 Argentinean peso/EUR as at December 31, 2023). The trend of the official exchange rate during 2024 showed a growth from January to December of 20%.

Prior to the consideration of Argentina as a hyperinflationary economy, the financial statements of this country's subsidiaries were developed using the historical cost method.

When the operations of an entity that operates in an economy hyperinflationary are translated into the currency of a non-hyperinflationary economy, in this case to euros, paragraph IAS 21.42 (b) states that "comparative amounts shall be those that were presented as current year amounts in the relevant prior year financial statements (i.e. not adjusted for subsequent changes in the price level or subsequent changes in exchange rates)". Non- monetary headings of the balance sheet are adjusted to reflect changes in prices in accordance with local laws, before they are translated to euros, as contained in the notes to these consolidated financial statements separately under the column "*Monetary adjustment*". The effect of inflation for the financial year as to non-monetary assets and liabilities is included under "*Finance costs*" in the attached consolidated income statement. The effect of the adjustment for inflation on the net equity of companies to which this accounting practice applies (Argentina) has been positive amounting to EUR 9.1 million and the translation differences associated with them have been negative amounting to EUR 2.7 million, that have been registered under the line "*Translation differences*" on the accompanying consolidated statement of comprehensive income. Likewise, these effects have been registered under "*Equity- Accumulated results for prior years*" on the accompanying consolidated balance sheet.

The operations and investments in Latin America may be affected by various risks typical of investments in countries with emerging economies, such as currency devaluation, inflation and restrictions on the movement of capital. Specifically, in Venezuela and Argentina, the movement of funds out of the country is affected by complex administrative procedures, tax changes, changes in policies and regulations or situations of instability. In this sense, the existing cash as of December 31, 2024 in Argentina and Venezuela amounts to EUR 1,876 thousand and EUR 1,586 thousand, respectively (converted at the exchange rate on said date of 1,074.31 EUR/ARG and 1.04 EUR/USD, respectively).

e) Information comparison

In accordance with the requirements of IFRS-EU, the figures for the previous year are presented for comparison purposes with each of the items in the consolidated balance sheet, income statement, statement of comprehensive income, statement of changes in equity and cash flow statement, in addition to the figures for 2024. Comparative information for the previous year is also included in the notes to the financial statements, except where an accounting standard specifically states that it is not required.

(3) CHANGES IN THE GROUP STRUCTURE

The most significant changes in the scope of consolidation in 2024 were as follows:

Subsidiaries

In January 2024 the company Fundación Santillana Educación (Chile), 100% owned by Santillana Educación Chile, SpA. was created.

Likewise, also in January Sociedad Española de Radiodifusión, S.L.U. (SER) acquires 64% of the share capital of Radio Jaén, S.L.U., reaching a participation percentage of 100% and beginning to consolidate using the global integration method.

In May 2024 the company Forum Tomorrow, S.L., 50% owned by Prisa Media, S.A.U. was created, in October the remaining 50% of that company was acquired, it sold to Promotora de Informaciones, S.A. and is renamed World in Progress Congress, S.L.U.

In November 2024 Vertix SGPS, S.A., a company 100% owned by Promotora de Informaciones, S.A., is liquidated.

Associates

In October 2024 Por Hache or B la Serie, S.L., a company owned 25% by Lacoproductora, S.L.U., is liquidated.

These changes in the Group structure have not had a significant impact on the consolidated financial statements, that have not been revealed.

(4) ACCOUNTING POLICIES

The material accounting policies for the Group used in preparing the consolidated annual accounts for 2024 and comparative information were as follows:

a) Presentation of the consolidated financial statements

In accordance with IAS 1, the Group opted to present the assets in its consolidated balance sheet on the basis of a current/non-current assets distinction. Also, income and expenses are presented in the consolidated income statement according to the nature of the related item. The statement of cash flow was prepared using the indirect method.

b) Property, plant, and equipment

Property, plant and equipment are initially value at cost and subsequently at said cost, net of the related accumulated depreciation and of any impairment losses.

Property, plant and equipment are depreciated by the straight-line method at annual rates based on the years of estimated useful life of the related assets less, in its case, residual value, the detail being as follows:

	Years of estimated useful life (*)
Buildings and structures	50
Plant and machinery	5 – 10
Other items of property, plant and equipment	4 – 10

(*) It excludes assets under IFRS 16

c) Leases

IFRS 16 establishes the principles for the recognition, measurement and presentation of leases, whereby all leases (with certain limited exceptions) are recognised in the consolidated balance sheet and there is an amortisation expense for the right-of-use asset and a finance cost for the change in value of the liability arising from the lease.

At the commencement date of the lease, the lessee recognises an asset (property, plant and equipment or intangible) representing the right to use the underlying asset during the lease term and mainly for an amount equal to the initial value of the lease financial liability. The right-to-use asset is subsequently measured at cost, less any accumulated depreciation and recognised impairment losses, and adjusted for any remeasurement of the lease liability. The asset is depreciated on a straight-line basis over the life of the contract, except where the useful life of the asset is shorter. The Group has applied the requirements included in IAS 36 to determine the impairment of the right-of-use asset (*see note 4f*), in other words, they form part of the value to be recovered in impairment tests associated with goodwill or intangible assets with indefinite useful lives forming part of the same Cash-Generating Unit (CGU). For the other right-to-use assets, an analysis is conducted to ascertain whether there are any signs of impairment, as per property, plant and equipment and intangible assets with defined useful lives.

The financial liability is initially calculated by the current value of the lease payments payable during the lease term, discounted by the incremental rate of indebtedness that would correspond to the companies for a debt of these characteristics. After the commencement date, the lessee values the lease liability by increasing its carrying amount to reflect the interest accrued on the liability and reducing it by the payments made.

The lease term of the contracts has been determined as the non-cancellable period considering the options of extension and termination when there is a reasonable certainty of their execution and it is at the discretion of the lessee.

The Group chooses not to recognize in the balance sheet the liability and the right-of-use asset corresponding to low value asset lease contracts. In this case, the amount accrued for the lease is recognized as an operating expense on a straight-line basis over the term of the contract.

Finally, the Group's main lease contracts, due to their significance (leases of buildings and land), in general do not include variable payments in addition to the fixed amounts established, other than updates of the CPI index, they have renewal options (generally at the discretion of the lessor and the lessee), and have no residual value guarantees. At December 31, 2024 there were no significant lease contracts that had not commenced at that date and were not booked in the consolidated balance sheet, to which the Group was not already committed.

d) Business combinations and goodwill

Combinations of businesses are accounted by applying the acquisition method. The cost of a business combination is the sum of the transferred compensation, valued at a reasonable value as of the date of acquisition, and the amount of the non-controlling interests of the acquired party, if any. For each business combination, the Group values any non-dominant share in the acquired party as the proportional part of the non-dominant share of the identifiable net assets of the acquired party. Acquisition-related costs will be recorded as expenses in the consolidated income statement.

Any positive excess of the cost of the investments in the consolidated companies over the corresponding fair value at the date of acquisition or at the date of first-time consolidation, provided that the acquisition is not after control is obtained, is allocated as follows:

- If it is attributable to specific assets and liabilities of the companies acquired, by adjusting the carrying amounts at which they had been recognized in their balance sheets to the fair value and whose accounting treatment was similar to that of the same assets of the Group.
- If it is attributable to non-contingent liabilities, by recognizing it in the consolidated balance sheet if it is probable that the outflow of resources to settle the obligation embody economic benefits and the fair value can be measured reliably.
- If it is attributable to specific intangible assets, by recognizing it explicitly in the consolidated balance sheet provided that the fair value at the date of acquisition can be measured reliably.
- The remaining amount is recognized as goodwill.

Changes in ownership interests in subsidiaries that do not result in a loss or change of control are accounted for as equity transactions.

Goodwill is considered to be an asset of the company acquired and, therefore, in the case of a subsidiary with a functional currency other than the euro, it is valued in that subsidiary's functional currency and is translated to euros using the exchange rate prevailing at the balance sheet date.

e) Intangible assets

The main items of Group included under "*Intangible assets*" and the measurement bases used were as follows:

Computer software-

"*Computer software*" includes the amounts paid to develop specific computer programmes or the amounts incurred in acquiring from third parties the licenses to use programmes. Computer software is amortized by the straight-line method, depending on the type of program or development, during the period in which contribute to the generation of profits.

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. The prototypes are amortized using the straight-line method over three years from the date on which they are launched on the market, in the case of textbooks and languages, atlases, dictionaries encyclopedias 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-

This account includes the advances to authors, whether or not paid on account of future rights or royalties for the right to use the different forms 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, a value correction is recognized based on the projected sales of the related publication.

Other intangible assets-

This account 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 renewable multi-years periods, in accordance with regulations of each country, and are amortized using the straight-line method over the term of the arrangement, except in cases where the renewal costs are not significant and the required obligations easily attainable, in which case they are deemed to be assets with an indefinite useful life (the latter mainly affect in Sociedad Española de Radiodifusión, S.L.U. and Grupo Latino de Radiodifusión Chile, Ltda.).

f) Losses due to impairment of non-financial assets

The Group reviews the carrying amounts of its assets to determine whether there is any indication of impairment that those assets might have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the amount of the impairment loss (if any). In the case of identifiable assets that do not generate cash flows that are largely independent of those from other assets or groups of assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. For these purposes, a cash-generating unit is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The Group identifies these cash-generating units, broadly, by business and country.

Cash-generating units to which goodwill has been assigned or intangible assets with an indefinite useful life are systematically tested for impairment at the end of each annual reporting period or when the circumstances so warrant. For the purpose of drawing up its impairment tests, the Group has considered it is critical to draw up a single flow scenario for each recovery analysis.

Recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is taken to be the present value of the estimated future cash flows to derive from the asset based on most recent budgets and business plans, which, as appropriate, are approved by the governance bodies of the business units and of the Group and are used to monitor developments in them. These budgets and business plans include the best estimates available of the income and costs of the cash-generating units based on industry projections and future expectations. Specifically, as far as possible projections of earnings are based on external sources of information, such as sectoral publications concerning the areas of business in which the Group operates, market shares, macroeconomic outlooks etc., along with historic trends and information.

These projections cover the following five years and include a terminal value that is appropriate for each business and that is calculated as a perpetual income extrapolating the normalized flow of year five using a constant growth rate. These cash flows are discounted to their present value at a rate that reflects the weighted average cost of capital employed adjusted by the country risk and business risk corresponding to each cash-generating unit. Therefore, in 2024 the rates used (excluding Argentina) ranged from 8.0% to 27.0% depending on the business being analysed (from 8.0% to 20.0% in 2023).

If the recoverable amount is lower than the asset’s carrying amount, the related impairment loss is recognized in the consolidated income statement for the difference.

For the rest of its property, plant and equipment and intangible assets, the Group ascertains whether there are any indications of impairment based, among other aspects, on the obsolescence of the assets, the continuity and profitability of the businesses in which they are used, external evidence and other exogenous factors entailing a reduction in the recoverable value below the assets' carrying amount.

Impairment losses recognized on an asset in previous years are reversed when there is a change in the estimate of its recoverable amount by increasing the carrying amount of the asset up to the limit of the carrying amount that would have been determined had no impairment loss been recognized for the asset. The reversal of the impairment loss is recognized immediately as income in the consolidated income statement. An impairment loss recognized for goodwill must not be reversed.

g) Financial instruments

Financial assets are classified in three categories: (i) amortized cost, (ii) fair value with changes in other comprehensive income (equity) and (iii) fair value with changes in profit and loss, belonging practically all financial assets from the Group to the category of amortized cost.
Non-current financial assets at amortized cost-

This heading includes the following categories:

- *Credits:* this includes financial assets originating from the sale of goods or from the provision of services during the company's traffic operations or those that, not having any commercial substance, are not equity instruments or derivatives and have fixed or determinable payments and are not traded in an active market, meaning that the Group intends to keep them to obtain the contractual cash flows.

- *Other assets at amortized cost:* financial assets with fixed or determinable payments and established maturities for which the Group has the intention and ability to hold to maturity to obtain the contractual cash flows.

Impairment and derecognition of financial assets-

On the date of initial recognition of financial assets the expected loss is recognised that results from a "default" event during the next 12 months or while the contract remains in force, depending on the evolution of the credit risk of the financial asset from its initial recognition on the balance sheet or by applying the "simplified" models allowed by the standards for some financial assets. The Group applies simplified focus to recognise the expected credit loss during the period in which the receivables are in force that result from transactions under IFRS 15. In this way, the Group registers a value correction in the moment of revenue recognition, for which an NPL ratio has been determined per business and type of customer, applied to the amount of sales by customer type.

Moreover, the Group shall derecognise a financial asset whenever the contractual rights on the cashflows of the aforementioned asset expire, or when the financial asset is transferred; this would entail, among other things, a substantial transfer of the risks and benefits inherent to the ownership of the financial asset.

Cash and cash equivalents-

"*Cash and cash equivalents*" in the consolidated balance sheet includes cash on hand and at banks, demand deposits and other short-term highly liquid investments that are readily convertible into cash and are not subject to a risk of changes in value.

Financial liabilities-

This category includes debits for commercial operations and debits for non-commercial operations. These external resources are classified as current liabilities, unless the Company has an unconditional right to defer their liquidation for at least twelve months after the balance sheet date. Debits for commercial operations that have an expiration of no more than one year and that do not have a contractual interest rate, both initially and subsequently, for their nominal value when the effect of not updating the cash flows is not significant.

The financial debt is initially recognised by its fair value, adjusting in the financial liability the directly attributable costs incurred obtaining it. The amortised cost is valued in subsequent periods, i.e. for the amount at which it was measured in its initial recognition, deducting the repayments from the principal, plus any difference between the initial amount and the amount upon expiry, using the effective interest method.

Lastly, the Group shall derecognise a financial liability only when it has been extinguished; that is, when the obligation specified in the corresponding contract has been fulfilled or cancelled, or when the contract expires.

Financial liabilities – refinancing

A substantial change in the current conditions of an existing financial liability or part thereof is accounted for as a cancellation of the original financial liability and the recognition of a new financial liability, as described above. The difference between the cancelled financial liability and the initial value of the new financial liability is recognised in the consolidated income statement for the period, together with the costs or fees incurred to carry out the restructuring operation (extinguishment of the original financial liability).

Otherwise (non-substantial modification), the aforementioned costs adjust the carrying amount of the modified financial liability, being transferred to the consolidated income statement over the remaining life of the aforementioned modified liability, in accordance with the effective interest rate.

Compound financial instruments

A compound financial instrument is a financial instrument that includes liability and equity components simultaneously. Therefore, the Group recognizes, values and presents separately in its consolidated balance sheet the liabilities and equity elements created from a single financial instrument.

The Group distributes the value of its compound financial instruments in accordance with the following criteria which, barring error, will not be subsequently reviewed:

- The liability component is recognised by measuring the fair value of a similar liability that does not have an associated equity component.
- The equity component is measured at the difference between the initial amount of the instrument and the amount assigned to the liability component.
- The transaction costs are distributed in the same proportion.

Derivative financial instruments and hedge accounting--

The Group is exposed to fluctuations in the exchange rates of the various countries in which it operates. In order to mitigate this risk, foreign currency hedges are used, on the basis of its projections and budgets, when the market outlook so requires.

Similarly, the Group is exposed to foreign currency risk as a result of potential fluctuations in the various currencies in which its bank borrowings and debts to third parties are denominated. Accordingly, it uses hedging instruments for transactions of this nature when they are material and the market outlook so requires.

The Group is also exposed to interest rate risk since all of its bank borrowings bear interest at floating rates. In this regard, the Group arranges interest rate hedges, basically through contracts providing for interest rate caps, when the market outlook so requires.

Changes in the value of these financial instruments are recognized as finance income or finance costs, since by their nature they do not qualify for "effective" hedge accounting under IFRSs.
Fair value of financial instruments: applicable valuation techniques and assumptions for measuring fair value

The financial instruments are grouped together on three levels based on the degree to which the fair value is observable.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: those determinable on the basis of valuation techniques, which include inputs for the asset and liability that are not based on observable market data (unobservable inputs).

h) Investments accounted for using the equity method

As discussed in *note 2d*, investments in companies over which the Group has significant influence or joint control are accounted for using the equity method.

When there are signs of deterioration, and at least annually, the Group will analyse the value of these investments to determine whether they have experienced losses due to deterioration. To do this, the recoverable amount of said asset is estimated to determine, where applicable, the necessary impairment amount (when the aforementioned recoverable value is lower than the book value), which is recorded in the consolidated income statement. Losses due to deterioration are reversible in subsequent periods, as long as the recoverable value of the investment is higher than its book value, and for a maximum amount equal to the losses recorded in previous periods.

Investments in companies accounted for using the equity method whose equity carrying amount is negative at the end of the reporting period are recognized, where applicable, under "*Long- term provisions*" at their negative value (by their percentage of participation) excluding the financial effect, given the nature of the investments, and as long as the Group participates in them (legal or implied obligations, or the company makes payments on behalf of the aforementioned entities).

i) Inventories

Inventories of raw materials and supplies and inventories of commercial products or finished goods purchased from third parties are measured at the lower of their average acquisition cost and net realizable value. Work in progress and finished goods produced in-house are measured at the lower of average production cost and net realizable value.

The Group´s main inventories correspond to books and educational material from the Education segment. The stock also includes audiovisual productions that correspond, essentially, to the costs incurred in their creation, which are valued at their acquisition or production cost and attributed to results based on their delivery to the contracting medium.

At the end of each period, an evaluation of the net realizable value of the inventories is carried out, accounting the appropriate value correction when the recovery value is lower than the book value of the existence, mainly books. When the circumstances that previously caused inventories to be written down no longer exist or when there is clear evidence of an increase in net realizable value because of changed economic circumstances, the amount of the write-down is reversed.

j) Revenue recognition

Revenue is recognised when control of the goods and services is transferred to the client for the amount at which the Group estimates that the goods and services will be traded.

In accordance with IFRS 15, the accounting policies applied to recognize the revenue of the Group's main businesses are as follows:

– *Advertising revenue* is recognized when the advertisement appears in the media, less the amount of volume rebates offered to the media agencies (rappels). Likewise, the amounts corresponding to commercial discounts will be reduced from the revenue amount. The average collection period is around 90 days, except programmatic advertising that is charged for 30 days.

– *Revenue from book sales* is recognized on the effective delivery thereof. Where the sales of the copies are subject to sales returns, the sales returns that are estimated to be produced are deducted from the revenue recognized. Also, the amounts corresponding to rebates or trade discounts are deducted from revenue. The collection period is variable and is established in the different sales contracts. The sales returns estimation is calculated using historical return percentages.

– *Revenue from digital teaching systems*: the revenue from the goods and services provided is recognised once control thereof is transferred to the client, in accordance with the criteria described below:

    o Printed teaching material and digital content: revenue is reported when ownership is transferred to the school or student.
    o Equipment made available to schools and other services: the respective revenue will be recognised during the school year.

  Therefore, recurring contracts signed by the Group which usually include several performance obligations refer to the Santillana digital teaching systems, where performance obligations are chiefly identified as printed teaching material and digital content, and the equipment provided for schools and other services. The price and value of revenue from these goods and services, and therefore their allocation to the various performance obligations, are determined by means of an analysis of margins and selling prices independently of goods with a separate marketing process. These revenues are collected in two different ways, either the total at the start of the school year or by means of payments throughout the year.

– *Revenue from circulation* is recognized on the effective delivery of newspapers and magazines, net of the related estimated provision for sales returns. Also, the amounts relating to distributors' fees are deducted from revenue. The collection for the sale of newspapers and magazines occurs in the month in which the sales are made. Subscription revenue is recognized based on the duration of the subscription contract and are collected in two different ways, at the time it is signed or accrued based on the duration of the contract.

- *Revenue related to intermediation services* is recognized at the amount of the fees received when the goods or services under the transaction are supplied.

- The revenue and costs associated with *audiovisual production* contracts is recognized in the income statement when control of the content sold (episodes ready to be shown by the buyer) is transferred at the moment of delivery, with there being no other significant performance obligations to be fulfilled from this moment onwards. The collection period is set out in the different contracts.

- *Other services:* this item includes music sales, organization and management of events, e- commerce and internet services. Some contracts in relation to events associated with Media business also include advertising services. In these cases, the price of the contract is distributed between the various performance obligations, by means of an analysis of discount margins and selling prices independent of equivalent advertising services but without the associated event.

The Group does not adjust the considerations received due to the impact of significant financing components, as the period between the moment at which the goods and services are transferred to the client and the moment at which the client pays for the good or service is less than one year in nearly all of the contracts.

The commissions given to employees for obtaining contracts are recognized mainly as expenses in the financial year instead of as a fixed amortisation asset because the amortisation period of this asset would be less than one year.

k) Tax status

The expense or income due to tax on the year's earnings, is calculated by adding the current tax expense and the deferred tax expense.

The assets and liabilities due to deferred taxes arise from temporary differences defined as the amounts expected to be payable or recoverable in the future which result from the difference between the book value of assets and liabilities and their tax base, as well as non-deductible expenses that acquire deductibility at a later time. These amounts are recorded applying the tax rate at which they are expected to be recovered or settled to the temporary difference.

Deferred tax assets also arise as a result of carry forward losses, credits due to tax deductions generated and not applied and non-deductible financial expenses in the period.

The corresponding liability due to deferred taxes is recognised for all taxable temporary differences, unless the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that at the time of its completion, affects neither the accounting nor the tax profit/loss or arising from differences related to investments in subsidiaries, associates and joint ventures over which the Group has the ability to control the timing of their reversal, and it is not likely that such a reversal will occur in the foreseeable future.

Meanwhile, deferred tax assets, identified using deductible temporary differences or negative tax bases, are only recognised if it is deemed likely that the consolidated companies will have sufficient future taxable profits against which to use them. At each accounting period end, recorded deferred taxes (assets and liabilities) are reviewed in order to check whether they are still applicable, making the appropriate adjustments, in accordance with the results of the analyses performed and the applicable tax rate at all times.

The information related to Pillar two is included in note 17.

l) Share-based payments and compensations for termination of employees

The Group recognizes, on the one hand, goods and services received as an asset or as an expenditure, taking into account its nature at the time it is obtained and, on the other hand, the corresponding increase in equity if the transaction is settled with equity instruments, or the corresponding liability if the transaction is obligatory settled in cash with an amount based on the value of equity instruments.

In the case of transactions settled with equity instruments, both the services provided and increases in equity are valued at the fair value of the equity realized, as of the date of the agreement to realize it (date of communication of objectives).

The provisions corresponding to employment termination plans, such as pre-retirements and other terminations, are calculated individually based on the conditions agreed with the employees, which may at times require the application of actuarial valuations, considering both demographic and financial hypotheses.

m) Dividend policy

PRISA does not have a set dividend policy, and so the Group's distribution of dividends is reviewed annually. In this respect, the distribution of dividends depends mainly on (i) the existence of profit that can be distributed and the Company's financial situation, (ii) its obligations regarding debt servicing and those arising from commitments acquired with its financial creditors in the Group's financing contracts, (iii) the generation of cash arising from its normal course of business, (iv) the existence or non-existence of attractive investment opportunities that could generate value for the Group's shareholders, (v) the Group's reinvestment needs, (vi) the implementation of PRISA's business plan, and (vii) other factors PRISA should consider relevant at any given time.

n) Foreign currency transactions

The consolidated annual accounts of the Group are presented in euros, which is also the functional currency of the Company. Each Group entity determines its own functional currency and the items included in the financial statements of each company are valued using that functional currency.

o) Information by segment

In accordance with IAS 8, the Group has identified two business segments:

- Education, which includes primarily the sale of educational books, and the services and materials related to the education systems;

- Media, includes Radio and News (Press) businesses and its main source of revenue is advertising, as well as the sale of newspapers and magazines, digital subscriptions and, additionally, the organization and management of events and audiovisual production.

The Group's activities are located in Europe and America. The activity in Europe is mainly carried out in Spain. The activity in America is carried out in more than twenty countries, mainly in Brazil, Mexico, Chile, Colombia and Argentina.

p) Consolidated statements of cash flows

The following terms are used in the consolidated statements of cash flows with the meanings specified:

- Changes in cash flows in the year: inflows and outflows of cash and cash equivalents, which are short-term, highly-liquid investments that are subject to an insignificant risk of changes in value.
- Operating activities: the principal revenue-producing activities of the Group and other activities that are not investing or financing activities.
- Investing activities: the acquisition and disposal of long-term assets and other investments not included in cash and in cash equivalents. For transactions between the parent and non-dominant interests, these only include those representing a change of control.
- Financing activities: activities that result in changes in the size and composition of equity and financial liabilities, as well as transactions between the parent and non-dominant interests which do not represent a change of control. Additionally, the cash payment of the financial liability for lease is included.

q) Environmental impact

The Group is committed, through its Sustainability Policy and Environmental Policy, approved in December 2018 (amended in November 2020 and February 2022) and February 2021, respectively, to support the fight against climate change through the effective management of resources and taking into consideration the potential risks arising from them, as well as through the monitoring and assessment of the environmental impact that its activity may generate. It includes the Group's commitment to compliance with applicable environmental legislation, the development of continuous improvement actions, environmental awareness when undertaking its activities and those of its business partners, customers and suppliers. In this regard, during 2024 the Group launched an Environmental Management Plan, has responded for the first time to the CDP (Carbon Disclosure Project) questionnaire on climate change, as well as registering its "near term and net zero" emissions reduction plan within the SBTi (Science Based Targets) initiative. All these actions are part of the Sustainability Master Plan 2022-2025 approved by the Board of Directors of PRISA.

The Group's activities have no direct impact on biodiversity or protected areas. In its activity, the precautionary principle prevails, always trying to minimize risks in order to prevent damage from occurring.

The evaluation of these commitments indicates that the Group does not have any environmental liability, expenses, assets, provisions or contingencies that might be material with respect to its equity, financial position or results.

(5) PROPERTY, PLANT, AND EQUIPMENT

2024-

The changes in 2024 in "Property, plant and equipment" in the consolidated balance sheet were as follows:

	Thousands of euros							
	Balance at 12/31/2023	Monetary adjustment	Translation adjustment	Changes in scope of consolidation	Additions	Disposals	Transfers	Balance at 12/13/2024
Cost:								
Land and buildings	40,833	1	(41)	417	93	(13,250)	18	28,071
Technical facilities and machinery	95,669	1,228	(2,211)	46	1,477	(777)	519	95,951
Other items of property, plant and equipment	78,592	11,528	(6,586)	41	6,976	(1,692)	(120)	88,739
Advances and equipment in the course	267	-	(7)	-	634	(21)	(417)	456
Total cost	**215,361**	**12,757**	**(8,845)**	**504**	**9,180**	**(15,740)**	**-**	**213,217**
Accumulated depreciation:								
Buildings	(13,938)	(1)	(373)	(46)	(454)	5,434	-	(9,378)
Technical facilities and machinery	(84,749)	(1,125)	1,894	(26)	(2,592)	749	(29)	(85,878)
Other items of property, plant and equipment	(69,665)	(10,622)	5,913	(29)	(5,900)	1,585	508	(78,210)
Total accumulated depreciation	**(168,352)**	**(11,748)**	**7,434**	**(101)**	**(8,946)**	**7,768**	**479**	**(173,466)**
Impairment losses:								
Land and buildings	(7,217)	-	-	(68)	(276)	5,674	-	(1,887)
Technical facilities and machinery	(104)	-	-	-	-	-	-	(104)
Other items of property, plant and equipment	(483)	-	158	-	(341)	163	-	(503)
Total impairment losses	**(7,804)**	**-**	**158**	**(68)**	**(617)**	**5,837**	**-**	**(2,494)**
Net property, plant and equip.	**39,205**	**1,009**	**(1,253)**	**335**	**(383)**	**(2,135)**	**479**	**37,257**
Cost of property, plant and equipment in lease:								
Land and buildings	86,916	-	(4,013)	-	10,055	(6,995)	(9)	85,954
Other items of property, plant and equipment	38,958	-	(5,870)	-	4,373	(4,807)	9	32,663
Total cost of property, plant and equipment in lease	**125,874**	**-**	**(9,883)**	**-**	**14,428**	**(11,802)**	**-**	**118,617**
Accumulated depreciation of property, plant and equipment in lease:								
Land and buildings	(45,246)	-	2,528	-	(15,452)	6,460	(8)	(51,718)
Other items of property, plant and equipment	(25,369)	-	4,763	-	(6,581)	4,772	(471)	(22,886)
Total accumulated depreciation of property, plant and equipment in lease	**(70,615)**	**-**	**7,291**	**-**	**(22,033)**	**11,232**	**(479)**	**(74,604)**
Net property, plant and equipment in lease	**55,259**	**-**	**(2,592)**	**-**	**(7,605)**	**(570)**	**(479)**	**44,013**
TOTAL NET PROPERTY, PLANT AND EQUIPMENT	**94,464**	**1,009**	**(3,845)**	**335**	**(7,988)**	**(2,705)**	**-**	**81,270**

2023-

The changes in 2023 in “Property, plant and equipment” in the consolidated balance sheet were as follows:

	Thousands of euros							
	Balance at 12/31/2022	Monetary adjustment	Translation adjustment	Changes in scope of consolidation	Additions	Disposals	Transfers	Balance at 12/13/2023
Cost:								
Land and buildings	46,200	2,100	(900)	-	147	(1,389)	(5,325)	40,833
Technical facilities and machinery	92,709	3,469	(1,881)	-	1,176	(1,114)	1,310	95,669
Other items of property, plant and equipment	77,198	32,265	(33,441)	1	5,465	(2,915)	19	78,592
Advances and equipment in the course	1,076	-	2	-	841	(200)	(1,452)	267
Total cost	**217,183**	**37,834**	**(36,220)**	**1**	**7,629**	**(5,618)**	**(5,448)**	**215,361**
Accumulated depreciation:								
Buildings	(16,301)	(2,100)	2,127	-	(441)	300	2,477	(13,938)
Technical facilities and machinery	(82,154)	(3,166)	1,901	-	(2,483)	936	217	(84,749)
Other items of property, plant and equipment	(67,434)	(29,851)	31,472	(1)	(7,509)	2,737	921	(69,665)
Total accumulated depreciation	**(165,889)**	**(35,117)**	**35,500**	**(1)**	**(10,433)**	**3,973**	**3,615**	**(168,352)**
Impairment losses:								
Land and buildings	(7,293)	-	-	-	53	23	-	(7,217)
Technical facilities and machinery	(297)	-	-	-	-	193	-	(104)
Other items of property, plant and equipment	(535)	-	(43)	-	95	-	-	(483)
Total impairment losses	**(8,125)**	**-**	**(43)**	**-**	**148**	**216**	**-**	**(7,804)**
Net property, plant and equip.	**43,169**	**2,717**	**(763)**	**-**	**(2,656)**	**(1,429)**	**(1,833)**	**39,205**
Cost of property, plant and equipment in lease:								
Land and buildings	82,436	10,870	(10,409)	-	8,321	(4,302)	-	86,916
Other items of property, plant and equipment	35,354	-	2,364	-	6,095	(4,862)	7	38,958
Total cost of property, plant and equipment in lease	**117,790**	**10,870**	**(8,045)**	**-**	**14,416**	**(9,164)**	**(7)**	**125,874**
Accumulated depreciation of property, plant and equipment in lease:								
Land and buildings	(34,996)	(9,084)	10,409	-	(14,969)	3,474	(80)	(45,246)
Other items of property, plant and equipment	(22,669)	-	(1,121)	-	(4,999)	4,312	(892)	(25,369)
Total accumulated depreciation of property, plant and equipment in lease	**(57,665)**	**(9,084)**	**9,288**	**-**	**(19,968)**	**7,786**	**(972)**	**(70,615)**
Net property, plant and equipment in lease	**60,125**	**1,786**	**1,243**	**-**	**(5,552)**	**(1,378)**	**(965)**	**55,259**
TOTAL NET PROPERTY, PLANT AND EQUIPMENT	**103,294**	**4,503**	**480**	**-**	**(8,208)**	**(2,807)**	**(2,798)**	**94,464**

Monetary adjustment and translation adjustment-

The column "*Monetary adjustment*" includes the effect of hyperinflation in Argentina in 2024 and 2023. Furthermore, the column "*Translation adjustment*" includes the impact of exchange rates variation in Latin America, mainly highlighting the contribution in 2024 of the negative effect of Brazil and Mexico due to the devaluation of their currencies (negative contribution from Argentina and to a lesser extent the positive effect of Colombia, Brazil and Mexico in 2023).

Additions-

The most significant additions in 2024 were as follows:

– "*Technical facilities and machinery*", in the amount of EUR 1,477 thousand (EUR 1,176 thousand in 2023).

– "*Other items of property, plant and equipment*" (including property, plant and equipment in lease) amounting to EUR 11,349 thousand (EUR 11,560 thousand in 2023), mainly for investments made by Santillana in digital equipment's and learning systems (EUR 5,066 thousand) and the acquisition of computers to the Group, amounting to EUR 3,158 thousand.

– "*Land and buildings for lease*" amounting to EUR 10,055 thousand (EUR 8,321 thousand euros in 2023), mainly due to the initial activation or renewal of lease contracts for buildings and offices where the Group carries out its activity.

Disposals-

In fiscal year 2024 the withdrawals of "*Land and buildings*" are mainly due to the sale of a building in Dos Hermanas (Seville) and other properties owned by the Group (Media segment), both in Spain and Colombia (*see note 13*). Withdrawals of leased buildings mainly include the derecognition of leases that have terminated.

In 2023 the retirements of leased buildings mainly included the derecognition of leases that had expired. On the other hand, the withdrawals in fixed assets in property were primarily due to the removal of totally depreciated assets.

Transfers-

In the 2024 fiscal year no significant transfers have occurred.

In 2023 the net book value of a warehouse in Santillana México, for an amount of EUR 2,977 thousand transferred to the heading of non-current assets held for sale as it was in the process of being sold at December 31, 2023, and it was executed in 2024 (*see note 13*).

In addition, in 2024 and 2023, property, plant and equipment under construction has been transferred to their respective accounts, according to their nature, as they are in working condition.

Impairment losses-

During 2024 and 2023 no significant impairments were recognized in property, plant and equipment.

Others matters-

The balance in the property, plant and equipment in lease, mainly corresponds with the activation of the contract leases of offices and warehouses of the Group for a net amount of EUR 34,236 thousand as of December 31, 2024 (EUR 41,670 thousand as of December 31, 2023). In addition, Education includes technological equipment in lease for use in the classroom by students and teachers integrated into teaching systems for a net amount of EUR 7,092 thousand in the heading "*Other items of property, plant and equipment*" (EUR 9,404 thousand as of December 31, 2023).

The property, plant and equipment amortization expense recorded in 2024 totalled EUR 30,979 thousand (EUR 30,401 thousand in 2023) of which EUR 22,033 thousand corresponding to the amortization of property, plant and equipment held under leases (EUR 19,968 thousand in 2023).

There are no restrictions on holding title to the property, plant, and equipment.

There are no significant future property, plant, and equipment purchase commitments.

At December 31, 2024, the PRISA Group´s assets included fully amortized property, plant, and equipment amounting to EUR 133,745 thousand (December 31, 2023: EUR 132,933 thousand).

The Group companies take out insurance policies to cover the potential risks to which the various items of property, plant, and equipment are exposed. At December 31, 2024 and at December 31, 2023, the insurance policies taken out sufficiently covered the related risks.

(6) GOODWILL

2024-

The detail of the Group´s goodwill relating to fully consolidated companies and of the changes therein in 2024 is as follows:

	Thousand of euros			
	Balance a 12/31/2023	Translation adjustment	Additions	Balance at 12/31/2024
Editora Moderna, Ltda.	15,227	(2,521)	-	12,706
Santillana Educaçao, Ltda.	25,992	(4,302)	-	21,690
Grupo Latino de Radiodifusión Chile, Ltda.	26,803	(1,404)	-	25,399
Propulsora Montañesa, S.A.	8,608	-	-	8,608
Sociedad Española de Radiodifusión, S.L.U.	27,217	-	-	27,217
Other companies	13,807	(29)	689	14,467
Total	**117,654**	**(8,256)**	**689**	**110,087**

The addition recorded in "*Other companies*" is due the recognition of goodwill for an amount of EUR 689 thousand arising from the acquisition of 64% of Radio Jaén S.L.U. *(see note 3)*.

The detail, by business segment, of the Group´s goodwill relating to fully consolidated companies and of the changes therein in 2024 is as follows:

	Thousand of euros			
	Balance a 12/31/2023	Translation adjustment	Additions	Balance at 12/31/2024
Media	74,715	(1,404)	689	74,000
Education	42,939	(6,852)	-	36,087
Total	**117,654**	**(8,256)**	**689**	**110,087**

2023-

The detail of the Group´s goodwill relating to fully consolidated companies and of the changes therein in 2023 was as follows:

	Thousand of euros				
	Balance a 12/31/2022	Translation adjustment	Additions	Impairment	Balance at 12/31/2023
Editora Moderna, Ltda.	14,394	833	-	-	15,227
Santillana Educaçao, Ltda.	24,571	1,421	-	-	25,992
Grupo Latino de Radiodifusión Chile, Ltda.	28,633	(1,830)	-	-	26,803
Propulsora Montañesa, S.A.	8,608	-	-	-	8,608
Sociedad Española de Radiodifusión, S.L.U.	27,217	-	-	-	27,217
Other companies	13,797	10	155	(155)	13,807
Total	**117,220**	**434**	**155**	**(155)**	**117,654**

The detail, by business segment, of the Group´s goodwill relating to fully consolidated companies and of the changes therein in 2023 is as follows:

	Thousand of euros				
	Balance a 12/31/2022	Translation adjustment	Additions	Impairment	Balance at 12/31/2023
Media	76,545	(1,830)	155	(155)	74,715
Education	40,675	2,264	-	-	42,939
Total	**117,220**	**434**	**155**	**(155)**	**117,654**

Impairment tests

At the end of each reporting period, or whenever there are indications of impairment, the Group tests goodwill for impairment to determine whether it has suffered any permanent loss in value that reduces its recoverable amount of goodwill at an amount less than the net cost recorded.

To perform the above mentioned impairment test, the goodwill is allocated to one or more cash-generating units. The recoverable amount of each cash-generating unit is the higher of value in use and the net selling price that would be obtained from the assets associated with the mentioned cash-generating unit. In the case of the main cash-generating units to which goodwill has been allocated (Editora Moderna, Ltda., Santillana Educaçao, Ltda., Grupo Latino de Radiodifusión Chile, Ltda., Sociedad Española de Radiodifusión, S.L.U. and Propulsora Montañesa, S.A. (these last two subsidiaries belong to the same cash generating unit)), their recoverable value has been calculated based on their value in use.

Value in use was calculated on the basis of the estimated future cash flow, based on the business plans most recently elaborated by management of the Group. These business plans include the best estimates available of income and costs of the cash-generating units using industry projections and future expectations.

These projections cover the following five years and include a terminal value that is appropriate for each business, applying a constant expected growth rate ranging from 0% to 2.5%, as in 2023. The expected growth rates that have been used in the most relevant impairment tests are the following:

- Editora Moderna, Ltda.: between 0% and 0.75% in 2024 and 2023.
- Santillana Educaçao Ltda.: between 0% and 0.75% in 2024 and 2023.
- Grupo Latino de Radiodifusión Chile, Ltda.: between 0.75% and 1.5% in 2024 and 2023.
- Sociedad Española de Radiodifusión, S.L.U. and Propulsora Montañesa, S.A.: between 0% and 0.75% in 2024 and 2023.

These growth rates are reasonable and are in accordance with the country and market in which the Group operates, and do not exceed the long-term growth estimated with their projections, in due consideration of the maturity of the businesses concerned.

In order to calculate the present value of these flows, they are discounted at a rate that reflects the weighted average cost of capital employed adjusted for the country risk and business risk corresponding to each cash-generating unit. Therefore, in 2024 the rates used (excluding Argentina, without any goodwill) ranged from 8.0% y 27.0% (8.0% and 20.0% in 2023) depending on the business being analysed. The rates that have been used for the most relevant impairment tests are the following:

- Editora Moderna, Ltda.: between 18% and 19% in 2024 (between 19% and 20% adjusting the tax rate) and between 14% and 15% in 2023.
- Santillana Educaçao Ltda.: between 18% and 19% in 2024 (between 19% and 20% adjusting the tax rate) and between 14% and 15% in 2023.
- Grupo Latino de Radiodifusión Chile, Ltda.: between 8,5% and 9,5% in 2024 (between 9.5% and 10.5% adjusting the tax rate) and between 9% and 10% in 2023.
- Sociedad Española de Radiodifusión, S.L.U. and Propulsora Montañesa, S.A.: between 8% and 9% in 2024 (between 9% and 10% adjusting the tax rate) and 2023.

The discount rates as of December 31, 2024 remained in line with those of fiscal year 2023, except in the case of Education in Brazil, which increased, mainly due to the increase in the estimated cost of borrowing in that country, motivated by the evolution of the current macroeconomic environment.

Key hypothesis-

There follows a description of the main revenue levers for these businesses, as a key hypothesis for drawing up their projections, with the additional consideration that it is the variable with the largest component of judgment for the estimate:

- Editora Moderna Ltda.:

  Trend in public procurement cycles – Management has taken account of the historic trend in this variable, chiefly in relation to public procurement orders on Brazil's National Books and Teaching Material Programme – PNLD, which is affected by the aforementioned purchasing programmes each year.

  For informational purposes, the CAGR (compound annual growth rate) of the revenue due to book sales in the period considered in the forecasts of fiscal year 2024 is similar than those used in the impairment test for 2023. For this purpose, it must be considered that this business is affected by educational cycles.

- Santillana Educaçao, Ltda.:

  Trend in the private teaching market – Management adapts the projections for the education market to the circumstances of the macroeconomic environment in Brazil (mainly GDP and inflation) and the educational sector. As regards trends in the education sector, the private market continues to maintain a certain level of maturity with stable levels of enrolment and where schools seek to differentiate themselves. This means that hybrid educational services (print and digital) continue to grow at the expense of traditional textbooks. Overall, slight growth is estimated to be based mainly on the growth of education systems.

  For information purposes, the CAGR of revenues from sales of educational systems for the period considered in the projections for 2024 is three percentage points lower than those used in the deterioration test for 2023. For this purpose, it must be considered that this business is affected by the curricular innovations of education.

- Sociedad Española de Radiodifusión, S.L.U., Propulsora Montañesa, S.A and Grupo Latino de Radiodifusión Chile, Ltda:

  Trend in the advertising market – Management adapts its projections for the advertising market to the macroeconomic environment in Spain and Chile, and in the advertising sector in particular. In this regard, the market estimates drawn up by PwC in its "Global Entertainment & Media Outlook 2023-2027" report (they hardly differ from those in the 2024-2028 report) and i2P have been taken into account. Likewise, the Group has also taken its past experience in the radio sector into account and has also considered its positioning in terms of participation shares in the advertising market.

  Finally, for information purposes, the CAGR of advertising revenue of the period considered in the 2024 projections is similar than those used in the 2023 impairment test for Sociedad Española de Radiodifusión, S.L.U. In the case of Grupo Latino de Radiodifusión Chile, Ltda. the CAGR of the same income for the period considered in the 2024 projections is approximately one percentage point higher than those used in the impairment test for the previous year. In both cases, the macroeconomic environment and the latest market estimates have been considered.

Turning to the rest of the variables in the impairment tests, such as investment in working capital, fixed capital, lease payments and tax payments, the estimate is primarily based on historic and current experience or in correlation with other variables (earnings, results etc.).

Results of the impairment tests-

In accordance with the estimates and projections available to the Company's Directors, the expected future cash flows allocable to the cash-generating units to which goodwill are allocated indicate that the book value of each goodwill allocated as of December 31, 2024 may be recovered.

Sensitivity to changes in key assumptions, discount rate and the expected growth rate –

The Group has executed a sensitivity analysis for a 0.5 point increase in the discount rate and a 0.5 point decrease in the growth rate, which is considered reasonable, based on the past experience and considering that the adverse effects of the invasion of Ukraine and the macroeconomic environment are already included in the preparation of the financial projections. Likewise, a sensitivity analysis is included in the face of a 5% decrease in the main revenues of the businesses.

– Editora Moderna, Ltda.

  To determine the sensitivity of the calculation of value in use to changes in the basic assumptions, the discount rate has been increased by 0.5%. In this case, the recoverable value would exceed the book value by approximately EUR 94 million. In the event that the expected growth rate from the fifth year was reduced by 0.5%, the recoverable amount would exceed the book value by approximately EUR 95 million.

  Also, assuming a 5% reduction in estimates of growth in earnings from books and training, the recoverable value would exceed the book value at December 31, 2024 by approximately EUR 48 million.

– Santillana Educaçao, Ltda.

  To determine the sensitivity of the calculation of value in use to changes in the basic assumptions, the discount rate has been increased by 0.5%. In this case, the recoverable value would exceed the book value by approximately EUR 23 million. In the event that the expected growth rate from the fifth year was reduced by 0.5%, the recoverable amount would exceed the book value by approximately EUR 24 million.

  Also, assuming a 5% reduction in estimates of growth in earnings from books and training, the recoverable value would be lower than the book value at December 31, 2024 by approximately EUR 4 million.

- Grupo Latino de Radiodifusión Chile, Ltda.

  To determine the sensitivity of the calculation of value in use to changes in the basic assumptions, the discount rate has been increased by 0.5%. In this case, the recoverable value would be lower than the book value by approximately EUR 1 million. In the event that the expected growth rate from the fifth year was reduced by 0.5%, the recoverable amount would be lower than the book value by approximately EUR 0.5 million.

  Also, assuming a 5% reduction in estimates of growth in earnings from advertising, the recoverable value would be lower than the book value by approximately EUR 12 million at December 31, 2024.

- Sociedad Española de Radiodifusión, S.L.U. and Propulsora Montañesa, S.A.

  To determine the sensitivity of the calculation of value in use to changes in the basic assumptions, the discount rate has been increased by 0.5%. In this case, the recoverable value would exceed the book value by approximately EUR 280 million. In the event that the expected growth rate from the fifth year was reduced by 0.5%, the recoverable amount would exceed the book value by approximately EUR 285 million.

  Also, assuming a 5% reduction in estimates of growth in earnings from advertising, the recoverable value would exceed the book value by approximately EUR 210 million at December 31, 2024.

(7) INTANGIBLE ASSETS

2024-

The changes in 2024 in "*Intangible assets*" in the consolidated balance sheet were as follows:

	Thousand of euros						
	Balance at 12/31/2023	Monetary adjustment	Translation adjustment	Additions	Disposals	Transfers	Balance at 12/31/2024
Cost:							
Computer software	122,893	1,742	(3,004)	11,563	(3,883)	-	129,311
Prototypes	236,766	13,977	(27,519)	22,057	(14,270)	102	231,113
Advances on copyrights	1,705	22	(171)	321	(204)	-	1,673
Other intangible assets	42,693	180	(1,415)	320	(91)	-	41,687
Total cost	**404,057**	**15,921**	**(32,109)**	**34,261**	**(18,448)**	**102**	**403,784**
Accumulated amortization:							
Computer software	(92,614)	(1,618)	1,977	(13,207)	3,083	-	(102,379)
Prototypes	(193,964)	(14,026)	21,934	(18,753)	13,284	(102)	(191,627)
Advances on copyrights	(865)	-	119	(74)	128	-	(692)
Other intangible assets	(19,044)	(180)	826	(220)	91	-	(18,527)
Total accumulated amortization	**(306,487)**	**(15,824)**	**24,856**	**(32,254)**	**16,586**	**(102)**	**(313,225)**
Impairment losses:							
Computer software	(829)	-	-	(16)	781	-	(64)
Prototypes	(3,409)	25	114	(1,912)	684	(684)	(5,182)
Advances on copyrights	(332)	1	27	(60)	14	-	(350)
Other intangible assets	(639)	-	10	(682)	-	684	(627)
Total impairment losses	**(5,209)**	**26**	**151**	**(2,670)**	**1,479**	**-**	**(6,223)**
Net intangible assets	**92,361**	**123**	**(7,102)**	**(663)**	**(383)**	**-**	**84,336**
Cost of intangible assets in lease:							
Other intangible assets	19,630	-	(766)	4,099	(592)	-	22,371
Total cost of intangible assets in lease	**19,630**	**-**	**(766)**	**4,099**	**(592)**	**-**	**22,371**
Accumulated amortization of intangible assets in lease:							
Other intangible assets	(7,972)	-	391	(4,049)	66	-	(11,564)
Total accumulated amortization of intangible assets in lease:	**(7,972)**	**-**	**391**	**(4,049)**	**66**	**-**	**(11,564)**
Net intangible assets in lease	**11,658**	**-**	**(375)**	**50**	**(526)**	**-**	**10,807**
TOTAL NET INTAGIBLE ASSETS	**104,019**	**123**	**(7,477)**	**(613)**	**(909)**	**-**	**95,143**

2023-

The changes in 2023 in "*Intangible assets*" in the consolidated balance sheet were as follows:

	Thousand of euros						
	Balance at 12/31/2022	Monetary adjustment	Translation adjustment	Additions	Disposals	Transfers	Balance at 12/31/2023
Cost:							
Computer software	111,408	5,103	(4,317)	11,952	(1,266)	13	122,893
Prototypes	230,413	42,790	(42,069)	19,169	(13,545)	8	236,766
Advances on copyrights	2,210	5	139	377	(327)	(699)	1,705
Other intangible assets	41,671	495	119	75	(30)	363	42,693
Total cost	**385,702**	**48,393**	**(46,128)**	**31,573**	**(15,168)**	**(315)**	**404,057**
Accumulated amortization:							
Computer software	(82,502)	(4,595)	4,356	(10,911)	1,038	-	(92,614)
Prototypes	(182,743)	(40,852)	42,717	(24,433)	11,346	1	(193,964)
Advances on copyrights	(1,204)	-	(519)	(465)	633	690	(865)
Other intangible assets	(18,903)	(495)	862	(173)	15	(350)	(19,044)
Total accumulated amortization	**(285,352)**	**(45,942)**	**47,416**	**(35,982)**	**13,032**	**341**	**(306,487)**
Impairment losses:							
Computer software	(855)	-	-	(49)	75	-	(829)
Prototypes	(3,687)	-	(18)	(1,348)	1,644	-	(3,409)
Advances on copyrights	(387)	(19)	(1)	69	6	-	(332)
Other intangible assets	(610)	-	(28)	(670)	669	-	(639)
Total impairment losses	**(5,539)**	**(19)**	**(47)**	**(1,998)**	**2,394**	**-**	**(5,209)**
Net intangible assets	**94,811**	**2,432**	**1,241**	**(6,407)**	**258**	**26**	**92,361**
Cost of intangible assets in lease:							
Other intangible assets	16,546	-	1,719	4,976	(3,611)	-	19,630
Total cost of intangible assets in lease	**16,546**	**-**	**1,719**	**4,976**	**(3,611)**	**-**	**19,630**
Accumulated amortization of intangible assets in lease:							
Other intangible assets	(6,414)	-	(1,083)	(3,899)	3,424	-	(7,972)
Total accumulated amortization of intangible assets in lease:	**(6,414)**	**-**	**(1,083)**	**(3,899)**	**3,424**	**-**	**(7,972)**
Net intangible assets in lease	**10,132**	**-**	**636**	**1,077**	**(187)**	**-**	**11,658**
TOTAL NET INTAGIBLE ASSETS	**104,943**	**2,432**	**1,877**	**(5,330)**	**71**	**26**	**104,019**

Monetary adjustment and translation adjustment-

The column "*Monetary adjustment*" includes the effect of hyperinflation in Argentina in 2024 and 2023. Furthermore, the column "*Translation adjustment*" includes the impact of exchange rates variation in Latin America, mainly highlighting the contribution in 2024 of the negative effect of Brazil and Mexico due to the devaluation of its currency (negative effect of Argentina, and to a lesser extent the positive effect of Colombia, Brazil and Mexico in 2023).

Additions-

The most significant additions in 2024 were as follows:

- "*Prototypes,*" amounting to EUR 22,057 thousand (EUR 19,619 thousand in 2023), relating to new prototypes for the publication of books at Grupo Santillana, mainly in Brazil and Mexico.

- "*Computer software,*" amounting to EUR 11,563 thousand (EUR 11,952 thousand in 2023), relating to the computer software acquired and/or developed by third parties for Group companies.

- "*Other intangible assets in lease*" amounting to EUR 4,099 thousand (EUR 4,979 thousand in 2023), mainly due to the initial activation or renewal of lease contracts for administrative concessions.

Disposals-

Grupo Santillana derecognized in 2024 EUR 13,284 thousand of fully depreciated prototypes (December 31, 2023: EUR 11,346 thousand) as well as other already deteriorated prototypes.

Additionally, in 2024 and 2023 the different business segments derecognized fully depreciated or impairment computer software.

Withdrawal of other intangible assets on lease in fiscal year 2023 corresponds, primarily, to the termination of radio frequency lease contracts that had expired and were completely amortized.

Impairment losses-

In 2024 and 2023 impairments of book prototypes were recorded, mainly in Santillana Brazil, for an amount of EUR 1,912 thousand and EUR 1,348 thousand, respectively.

Others matters-

The net amount of the leases of administrative concessions of Radio amounting to EUR 10,807 thousand at December 31, 2024 (EUR 11,658 thousand in 2023).

The intangible asset amortization expense recorded in 2024 totalled EUR 36,303 thousand (EUR 39,881 thousand in 2023), of which EUR 4,049 thousand corresponding to the amortization of intangible assets held under leases (EUR 3,899 thousand in 2023).

"Other intangible assets" include administrative concessions acquired whose net book value amounts to EUR 21,161 thousand in 2024 (EUR 21,880 thousand in 2023), which are considered to be intangible assets with indefinite useful lives because it is highly probable that they will be renewed, and the related costs are not material. These concessions are mainly correspond to Sociedad Española de Radiodifusión, S.L.U. and Grupo Latino de Radiodifusión Chile, Ltda. At the end of each reporting period, the residual useful life of these concessions is analyzed in order to ensure that it continues to be indefinite; if this is not the case, the concessions are amortized. At least annually, the existence of signs of impairment in these assets is analyzed, as described in note 4 f).

At December 31, 2024, the PRISA Group's assets included fully amortized intangible assets amounting to EUR 230,865 thousand (December 31, 2023: EUR 228,548 thousand).

There are no restrictions on holding title to the intangible assets.

There are no future relevant intangible asset purchase commitments other than those indicated in note 23.

(8) INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

2024-

The changes in 2024 in "*Investments accounted for using the equity method*" in the consolidated balance sheet were as follows:

	Thousand of euros					
	Balance at 12/31/2023	Translation adjustment	Changes in scope of consolidation	Dividends	Share of results	Balance at 12/31/2024
Sistema Radiópolis, S.A. de C.V.	44,409	(6,244)	-	(745)	2,898	40,318
Other companies	652	(2)	(124)	(291)	281	516
Total	**45,061**	**(6,246)**	**(124)**	**(1,036)**	**3,179**	**40,834**

During 2024, changes in "*Investments accounted for using the equity method*" in the accompanying consolidated balance sheet are mainly due to the results participation in Sistema Radiópolis, S.A. de C.V. for an amount of EUR 2,898, reduced by the effect of the dividend distributed by Radiopolis for an amount of EUR 745 thousand and the negative effect of the exchange rate.

The stake in Radiópolis as of December 31, 2024 includes EUR 23,112 thousand of investment that the PRISA Group records above the value on the Group's participation in the consolidated equity of Radiópolis.

2023-

The changes in 2023 in "*Investments accounted for using the equity method*" in the consolidated balance sheet were as follows:

	Thousand of euros					
	Balance at 12/31/2022	Translation adjustment	Changes in scope of consolidation	Dividends	Share of results/ Reversion	Balance at 12/31/2023
Sistema Radiópolis, S.A. de C.V.	32,406	3,678	-	(4,937)	13,262	44,409
Other companies	717	5	(219)	(248)	397	652
Total	**33,123**	**3,683**	**(219)**	**(5,185)**	**13,659**	**45,061**

During 2023, changes in "*Investments accounted for using the equity method*" in the accompanying consolidated balance sheet was mainly due to the results participation in Sistema Radiopolis, S.A. de C.V. for an amount of EUR 3,387 thousand, the reversal of the impairment recorded in previous years for an amount of EUR 9,875 thousand and the positive effect of the exchange rate, reduced by the effect of the dividend distributed by said company in 2023 for an amount of EUR 4,937 thousand.

The stake in Radiópolis as of December 31, 2023 included EUR 26,602 thousand of investment that the PRISA Group records above the Group's participation in the consolidated equity of Radiópolis.

The impairment test of net investment in Sistema Radiópolis, S.A. de C.V. obtains the recoverable value of this investment, which value in use has been calculated based on the forecasts of the next 5 years, including a terminal value in which a rate of constant expected growth of between 0.5% and 1.5% (between 0.5% and 1.5% in 2023). In order to calculate the present value of these flows, they are discounted at a rate that reflects the weighted average cost of capital employed adjusted for the country's risk and business risk. Therefore, in 2024 the rate used ranged from 11% to 12% (between 12% to 13% in 2023).

In the case of Radiópolis, cash flow projections are based on a business plan updated to the year 2024. In this respect, advertising revenue is the main source of earnings for Radiópolis. There follows a description of the main revenue lever for this business, as a key hypothesis for drawing up the projections, with the additional consideration that it is the variable with the largest component of judgment for the estimate:

- Trend in the advertising market – Management has adjusted its projections for the advertising market to the macroeconomic environment in Mexico, and in the sector in particular. In this regard, in due consideration of the market estimates drawn up by PwC in its "Global Entertainment & Media Outlook 2023-2027" report (they hardly differ from those in the 2024-2028 report). Likewise, the Group has also taken its past experience in the radio sector into account and has also considered its positioning in terms of participation shares in the advertising market.

  For information purposes, the CAGR of advertising revenue of the period considered in 2024 projections is approximately 2 percentage points lower than that used in the impairment test of Radiópolis for the year 2023.

The result of the aforamentioned test has not revealed the existence of any impairment in this asset as of December 31, 2024. In this regard, the recoverable value of the Group's investment in Radiópolis on said date is similar to the book value.

Additionally, for information purposes, there follows a sensitivity analysis on the recovery of the Group's investment in Radiópolis at December 31, 2024:

- Assuming a 0.5% increase in the discount rate, the recoverable value would be approximately EUR 1 million less than the book value.
- Assuming a 0.5% decrease in the perpetual growth rate, the recoverable value would be approximately EUR 0.5 million less than the book value.
- Assuming a 5% reduction in estimates of growth in earnings from advertising, the recoverable value would be approximately EUR 10 million less than the book value at December 31, 2024.

In relation to the stake in Sistema Radiópolis, S.A. de C.V., there are no significant restrictions on the transfer of funds.

The main financial figures of companies accounted for using the equity method are detailed in Appendix II of this Consolidated Report.

(9) CURRENT ASSETS AND LIABILITIES

a) Inventories

The detail of "*Inventories,*" in thousands of euros, at December 31, 2024 and at December 31, 2023, is as follows:

	12/31/2024			12/31/2023		
	Cost	Write-downs	**Carrying amount**	Cost	Write-downs	**Carrying amount**
Finished goods	55,973	(19,983)	**35,990**	68,632	(19,324)	**49,308**
Work in progress goods	1,720	-	**1,720**	2,121	-	**2,121**
Raw materials and other supplies	11,792	(180)	**11,612**	12,474	(204)	**12,270**
Total	**69,485**	**(20,163)**	**49,322**	**83,227**	**(19,528)**	**63,699**

At December 31, 2024, the *"Finished goods"* account contains publishing products for a net amount of EUR 35,990 thousand (EUR 49,308 thousand in 2023). On the other hand, the *"Work in progress goods"* account also contains publishing goods and audiovisual productions pending completion for an amount of EUR 469 thousand and EUR 1,251 thousand, respectively (EUR 882 thousand in publishing goods and EUR 1,239 thousand in audiovisual programmes in 2023). Lastly, the *"Raw materials and other supplies"* account includes mostly paper.

The inventories detailed in the previous table are estimated to be consumed in the next twelve months, this is in the short term.

The detail of the changes in 2024 and 2023 in "*Inventories- Write-downs*" is as follows:

Thousands of euros				
Balance at 12/31/2023	Translation adjustment	Charge for the year/Excess	Amounts used	Balance at 12/31/2024
(19,528)	(53)	(2,663)	2,081	(20,163)

Thousands of euros				
Balance at 12/31/2022	Translation adjustment	Charge for the year/Excess	Amounts used	Balance at 12/31/2023
(24,447)	896	1,634	2,389	(19,528)

b) Trade and other receivables

The detail of the changes in 2024 and 2023 in "*Trade and other receivables- asset value corrections*" is as follows:

Thousand of euros				
Balance at 12/31/2023	Translation adjustment	Charge for the year/Excess	Amounts used	Balance at 12/31/2024
(63,113)	2,373	(2,557)	2,788	(60,509)

Thousand of euros				
Balance at 12/31/2022	Translation adjustment	Charge for the year/Excess	Amounts used	Balance at 12/31/2023
(59,490)	(1,253)	(3,625)	1,255	(63,113)

The impact of IFRS 9 involves recording a value correction for expected losses at the time of revenue recognition, for which a historical default ratio has been determined by business and type of customer, which is applied to the amount of the sale by type of customer. The most significant value correction for expected losses is associated with the heading *"Customers for sales and provision of services"*, the amount of which as of December 31, 2024 amounts to EUR 45,048 thousand (EUR 48,022 thousand as of December 31, 2023).

The most significant heading included in "*Trade and other receivables*" is "*Trade receivables for sale and services*" amounting to EUR 244,630 thousand, net of the aforementioned value correction at December 31, 2024 (EUR 252,005 at December 31, 2023). The details of the aging of this amount is as follows:

	Thousands of euros	
	Balance at 12/31/2024	Balance at 12/31/2023
0-3 months	231,263	217,969
3-6 months	6,841	16,428
6 months - 1 year	6,063	14,513
1 year- 3 years	463	3,087
More than 3 years	-	8
Total	**244,630**	**252,005**

Additionally, section *"Trade debts and other accounts receivable - Other debts"* includes, as of December 31, 2024, EUR 11,717 thousand (EUR 9,790 thousand as of December 31, 2023) of adjustments due to accrual corresponding to invoices pending allocation as expenses in the consolidated results statement of future periods according to accrual criteria.

c) Cash and cash equivalents

The balance of the heading "*Cash and cash equivalents*" in the accompanying consolidated balance sheet to December 31, 2024 amounts to EUR 156,008 thousand (EUR 176,610 thousand at December 31, 2023). This amount included approximately EUR 85,975 thousand belonging to the companies in the Media and Education segments located outside of Spain (EUR 98,029 thousand at December 31, 2023).

At December 31, 2023, cash and cash equivalents also included EUR 10,000 thousand received by the Company under the escrow agreement associated with the Vertix sale agreement by Cofina in 2019. This amount had been under dispute with Cofina since the breach of the aforementioned sale agreement by Cofina in March 2020, so the company could not have access to this sum until the dispute was resolved. That was the reason the Company maintained accounted a liability as of December 31, 2023 in the heading "*Other non-trade payables*" of the consolidated balance sheet for the same amount *(see note 9d)*. This non-compliance meant that the aforementioned sale of Vertix to Cofina did not materialize.

On February 22, 2024 the Portuguese Arbitral Tribunal (which had to resolve the dispute between both parties) ordered Cofina to pay PRISA the amount deposited in the escrow account (EUR 10,000 thousand) (plus accrued interest), obliging Cofina to take all necessary actions to make this amount available to the Company. On March 1, 2024 the amount deposited in the escrow account transferred to another bank account in the name of the Company, being therefore available. This has resulted in a negative adjustment for the aforementioned amount in the "Other adjustments to results" line of the consolidated cash flow statement for the year 2024 to adjust the income recognised in the consolidated income statement (*see notes 13 and 15*).

The breakdown of cash and other cash equivalents is as follows:

	Thousands of euros	
	Balance at 12/31/2024	Balance at 12/31/2023
Cash	76,274	76,552
Other cash equivalents	79,734	100,058
Cash and cash equivalents	**156,008**	**176,610**

The decrease in other cash equivalent is due to lower very short-term treasury placements (maximum term of 3 months or even weekly periods) in Santillana in Latam, as a result of the cash variation during the year. These deposits accrue a market interest rate in accordance with the conditions existing at any given time *(see note 15)*.

d) Other non-trade payables

The heading "*Other non-trade payables*" of the accompanying consolidated balance sheet on December 31, 2024 amounts to EUR 35,368 thousand (EUR 46,995 thousand at December 31, 2023) and mainly include remuneration payable. As of December 31, 2023, it also included the financial liability related to the escrow account mentioned in section c above, which has been written off in the 2024 financial year with a credit to the "*Other income*" heading of the consolidated income statement, as a result of the award issued by the Portuguese Arbitration Court (*see note 13)*.

e) Other current liabilities

The heading "*Other current liabilities*" of the accompanying consolidated balance sheet at December 31, 2024 amounts to EUR 44,052 thousand (EUR 46,888 thousand at December 31, 2023) and includes accrual adjustments generated by unfulfilled obligations, generated both in the Education segment and in the Media segment.

The detail of the changes in 2024 in accrual adjustments is as follows:

Thousand of euros				
Balance at 12/31/2023	Translation adjustment	Additions/ Disposals	Amounts used	Balance at 12/31/2024
46,888	(3,563)	73,504	(72,777)	44,052

As of December 31, 2024 the execution obligations pending to be paid amounted to EUR 44,052 thousand, which will mainly be paid and transferred to the consolidated income statement during the year 2025 and correspond, mainly, to recorded collections or invoices issued in 2024 whose income will be accrued, for the most part, over the following year, as the performance obligations associated with the contracts are executed.

The detail of the changes in 2023 in accrual adjustments is as follows:

Thousand of euros					
Balance at 12/31/2022	Monetary adjustment	Translation adjustment	Additions/ Disposals	Amounts used	Balance at 12/31/2023
41,503	1,649	1,109	72,547	(69,920)	46,888

As of December 31, 2023, the execution obligations pending payment amounted to EUR 46,888 thousand, which were mainly paid and transferred to the consolidated income statement during the year 2024 and corresponded, mainly, to recorded collections or invoices issued in 2023 whose income were accrued, for the most part, throughout the year 2024, as the performance obligations associated with the contracts were executed.

(10) EQUITY

a) Share capital

As of January 1, 2024, the share capital of PRISA amounts to EUR 100,827 thousand and is represented by 1,008,271,193 ordinary shares, all of which belong to the same class and series, each with a par value of 0.10 euros, and have been fully paid up and with the same rights.

Within the framework of the issuance of subordinated notes necessarily convertible into newly issued ordinary shares of the Company which was carried out in February 2023 and in April 2024 *(see note 1b)*, during 2024 the share capital of PRISA has been increased in the amounts indicated below *(see following section "Other net equity instrument")*, to attend to the early conversion of Convertible Notes of 2023 and Convertible Notes of 2024:

i. Regarding Convertible Notes of 2023, on January 30, 2024, the Board of Directors of PRISA agreed to open an extraordinary conversion period upon the announcement of the issuance of Convertible Notes of 2024. Thus, to attend the conversion of 20,287 Convertible Notes of 2023, in February 2024 the share capital was increased for a total nominal amount of EUR 2,029 thousand, through the issuance of 20,287,000 ordinary shares.

ii. In May 2024, in accordance with the planned ordinary conversion schedule:

- to attend the conversion of 155 Convertible Notes of 2023, the share capital was increased for a total nominal amount of EUR 15 thousand, through the issuance of 155,000 ordinary shares.

- to attend the conversion of 57,654 Convertible Notes of 2024, the share capital was increased for a total nominal amount of EUR 5,765 thousand, through the issuance of 57,654,000 ordinary shares.

iii. In November 2024, in accordance with the planned ordinary conversion schedule:

- to attend the conversion of 1 Convertible Notes of 2023, the share capital was increased for a total nominal amount of EUR 0.1 thousand, through the issuance of 1,000 ordinary shares.

- to attend the conversion of 12 Convertible Notes of 2024, the share capital was increased for a total nominal amount of EUR 1.2 thousand, through the issuance of 12,000 ordinary shares.

Consequently, as of December 31, 2024, the share capital of PRISA amounts to EUR 108,638 thousand and is represented by 1,086,380,193 ordinary shares, all of which belong to the same class and series, each with a par value of 0.10 euros, fully paid up and with the same rights.

On December 31, 2024, the significant shareholders of PRISA, according to information published on the website of the Comisión Nacional del Mercado de Valores ("CNMV") and in some cases, information that has been provided by the shareholders to the Company, are the following:

Shareholder's Name	Number of Direct Voting Rights	Number of Indirect Voting Rights	Total % of Voting Rights (1)
JOSEPH OUGHOURLIAN (2)	-	322,831,497	29.72%
VIVENDI, S.E.	128,913,336	-	11.87%
GLOBAL ALCONABA, S.L.	82,943,058	-	7.63%
RUCANDIO, S.A.	-	79,471,328	7.32%
CONTROL EMPRESARIAL DE CAPITALES, S.A. DE CV	70,719,171	-	6.51%
JUAN ADOLFO UTOR MARTÍNEZ (3)	-	58,820,900	5.41%
KHALID BIN THANI BIN ABDULLAH AL-THANI	36,422,971	-	3.35%
ROBERTO LÁZARO ALCANTARA ROJAS (4)	18,565	35,570,206	3.28%
BANCO SANTANDER, S.A. (5)	17,239,369	17,017,746	3.15%
DIEGO PRIETO MARTAGON	-	33,893,000	3.12%

(1) The percentages of voting rights have been calculated on the total voting rights in PRISA at December 31, 2024 (i.e 1,086,380,193 rights).

(2) Mr. Joseph Oughourlian, external director representing significant shareholdings, controls Amber Capital UK, LLP, acting as investment manager to Oviedo Holdings Sarl and Amber Capital Investment Management ICAV - Amber Global Opportunities Fund.

(3) Mr. Juan Adolfo Utor controls Consignaciones y Amarras, S.A. and this, in turn, controls Gestión Naviera, S.L.

(4) Mr Roberto Lázaro Alcántara Rojas controls 85% of Consorcio Transportista Occher S.A. de CV.

(5) According to the information available to the Company, as of December 18, 2020, date of holding of the last PRISA Shareholders' Meeting attended by Banco Santander, S.A., it was the owner, directly and indirectly, of the voting rights that are reflected in the above tables. Currently, and according to the information communicated by Banco Santander, S.A. to the Company, its indirect participation is held through Cántabro Catalana de Inversiones, S.A. and Suleyado 2003, S.L.

The aforementioned indirect shareholding is held as follows:

Indirect Shareholder's Name	Direct Shareholder's Name	Number of Direct Voting Rights	Total % of Voting Rights
JOSEPH OUGHOURLIAN	OVIEDO HOLDINGS, S.A.R.L	253,891,670	23.37%
JOSEPH OUGHOURLIAN	AMBER CAPITAL INVESTMENT MANAGEMENT ICAV - AMBER GLOBAL OPPORTUNITIES FUND	68,939,827	6.35%
RUCANDIO, S.A.	RUCANDIO INVERSIONES, SICAV, S.A.	90,456	0.01%
RUCANDIO, S.A.	PROMOTORA DE PUBLICACIONES, S.L.	125,949	0.01%
RUCANDIO, S.A.	AHERLOW INVERSIONES, S.L.	79,254,923	7.30%
JUAN ADOLFO UTOR MARTÍNEZ	GESTIÓN NAVIERA, S.L.	58,820,900	5.41%
ROBERTO LÁZARO ALCANTARA ROJAS	CONSORCIO TRANSPORTISTA OCCHER, S.A. DE CV	35,570,206	3.27%
BANCO SANTANDER, S.A.	SULEYADO 2003, S.L.	5,627,382	0.51%
BANCO SANTANDER, S.A.	CANTABRO CATALANA DE INVERSIONES, S.A.	11,390,364	1.05%
DIEGO PRIETO MARTAGON	HOPLITAS INVERSIONES, SICAV, S.A.	33,893,000	3.12%

b) Share premium

The Recast Text of the Capital Companies Act no specific restriction whatever regarding the availability of the balance of this reserve.

As of January 1, 2024, the share premium of PRISA amounts to EUR 89,346 thousand.

As a consequence of the conversions of the Convertible Notes of 2023 made in the extraordinary conversion period of February 2024 and in the ordinary conversion periods of May and November 2024 mentioned in the previous section, the Company's share premium has increased by EUR 5,519 thousand (0.27 euros per converted notes).

Likewise, as a consequence of the early conversion of the Convertible Notes of 2024 made in the ordinary conversion periods of May and November 2024, the Company's share premium has increased by EUR 15,570 thousand (0.27 euros per converted notes).

Consequently, the share premium has been set at EUR 110,435 thousand on December 31, 2024.

c) Other net equity instruments

As of January 1, 2024, the other net equity instruments of PRISA amounted to EUR 30,027 thousand.

The 2024 Issuance of the second note mandatorily convertible into shares described in note 1b has been treated and recorded in 2024 as a compound financial instrument, because it is including both liability and equity components. Therefore, its accounting treatment has been analogous to the 2023 Issue *(see note 4g)*.

Thus, an equity component has been recorded after deducting all of its liabilities, since the note is mandatorily convertible into a fixed number of shares and does not include any contractual obligation to hand over cash or any other financial asset other than the payment of the coupons aforementioned in note 1b. Therefore, as a result of recording the transaction at the fair value of the equity instruments being issued, an initial equity instrument amounting to EUR 97,187 thousand has been accounted, resulting from the difference between the cash received for the issue of the convertible note and the liability described in the following paragraph, thereby increasing the net consolidated equity by this amount. The conversion price of the convertible notes does not substantially differ from the listed value of the PRISA shares during the subscription period of the convertible note.

Additionally, a liability has been recorded under the heading "*Non-current financial liabilities*" calculated as the present value of the cash coupons payable, considering that the mandatory conversion of the note takes place at the end of the note's life, without considering early conversions, insofar as early conversions are out of the Company's control. As a result, an initial financial liability of EUR 2,813 thousand was recorded. The difference between the amount of this liability and the face value of the coupons will be recorded and posted in the consolidated income statement during the life of the aforementioned instrument using the effective interest method *(see note 15)*.

The transaction costs for an approximate amount of EUR 1.1 million have mainly been recorded as a decrease in the consolidated net profit, since almost all of the convertible note has been recorded as an equity instrument.

As mentioned above, in February, May and November 2024 there have been an early conversions and redemptions of 20,443 subordinated notes of 2023 Issuance and 57,666 of 2024 Issuance. This has resulted in the reversal of the financial liabilities associated with the aforementioned converted notes for the portion corresponding to the coupon that the Company is no longer obliged to pay, insofar as PRISA has only had to pay the accrued coupon corresponding to such notes from the time of their issues (in February 2023 and April 2024) until their early conversions in the months said before and for an insignificant amount. Therefore, the amount reversed at December 31, 2024 with a credit to the Group's consolidated net equity amounted to EUR 770 thousand.

The aforementioned early conversions of the Convertible Notes of 2023 have led to a reclassification within consolidated net equity between the heading "*Other equity instruments*" (where the equity component of the converted notes was recorded) and share capital and share premium for a total amount of EUR 7,564 thousand. For its part, the early conversion of the Convertible Notes of 2024 has led to an analogous reclassification for a total amount of EUR 21,336 thousand.

Consequently, the other net equity instruments has been set at EUR 99,147 thousand on December 31, 2024.

d) Reserves of parent company

Legal reserve-

Under the Consolidated Text of the Corporate Enterprises Act, 10% of net profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of the share capital.

The legal reserve can be used to increase capital by the amount exceeding 10% of the new capital after the increase.

Except as indicated above, until the legal reserve exceeds 20% of share capital, it can only be used to offset losses, provided that sufficient other reserves are not available for this purpose.

The balance of this account at December 31, 2024 amounts to EUR 12,646 thousand (EUR 12,646 thousand at December 31, 2023).

Reserve for treasury shares-

Under Article 142 of the Consolidated Text of the Corporate Enterprises Act states that when a company acquires treasury shares, it must record on the equity side of the balance sheet a restricted reserve equal to the carrying amount of the treasury shares. This reserve must be maintained until the shares are sold or cancelled.

The balance of this account at December 31, 2024 amounts to EUR 953 thousand (EUR 1,449 thousand at December 31, 2023).

e) Reserves for first-time application of IFRS

As a result of the first-time application of IFRSs to the Group's consolidated financial statements, certain assets and liabilities arose at January 1, 2004, the effect on equity of which is included in this account.

f) Accumulated results – from prior years

These reserves include the results by the companies that form part of the consolidated group, minus the dividend distributed to the parent Company.

g) Treasury shares

The changes in "*Treasury shares*" in 2024 and 2023 were as follows:

	2024		2023	
	Number of shares	Amount (Thousands of euros)	Number of shares	Amount (Thousands of euros)
At beginning of year	**4,997,108**	**1,449**	**1,425,317**	**401**
Deliveries	(2,011,865)	(811)	(748,677)	(1,600)
Purchases	803,549	270	5,047,753	1,899
Sales	(621,416)	(205)	(727,285)	(249)
Value correction for treasury shares	-	250	-	998
At end of year	**3,167,376**	**953**	**4,997,108**	**1,449**

On December 31, 2024, Promotora de Informaciones, S.A. held a total of 3,167,376 treasury shares, representing 0.292% of its share capital on said date.

Treasury shares are valued at market price on December 31, 2024, 0.30 euros per share. The market value of the treasury shares ad December 31, 2024 amounts to EUR 953 thousand.

On December 31, 2024 and 2023 the Company did not hold any shares on loan.

In July 2019 the Company signed an annual liquidity contract, which is solely intended to encourage liquidity and regularity in the Company's share price, within the limits established by the Company's General Meeting and by the applicable regulations, in particular Circular 1/2017. Aforementioned contract has been renewed annually, the last renewal being in July 2024, valid until July 2025. This contract was temporarily suspended between March 29, 2023 and September 29, 2023 and is suspended from November 19, 2024 until the closing date, due to the Buyback programmes mentioned in the next two paragraphs. Under this agreement, the Company has executed in fiscal year 2024 total purchases of 598,947 shares and total sales of 621,416 shares, and therefore net sales amounted to 22,469 shares and EUR 5 thousand.

On March 28, 2023 the Board of Directors of the Company agreed to a share buyback programme under the authorisation granted by the Ordinary General Shareholders' Meeting of June 28, 2022, with the sole purpose of providing the Company's treasury stock with a sufficient number of shares to cover the settlements of the remuneration plans currently in force for the executive directors and executives of the PRISA Group (*see note 14*). It began on March 29, 2023 and ended on September 29, 2023 after the six-month deadline for implementation. Within the framework of this programme, the Company acquired a total of 4,421,714 shares at a cost of EUR 1,689 thousand.

On November 18, 2024 the Board of Directors of the Company agreed to a new Share Buyback Programme under the authorisation granted by the Ordinary General Meeting of Shareholders on June 26, 2024, for the same purpose as mentioned above, for a maximum of 1,400,000 shares or EUR 500 thousand. It began on November 19, 2024 and will remain in force, in principle, until April 30, 2025, unless the aforementioned maximums are reached earlier. Within the framework of this programme, the Company acquired a total of 204,602 shares at a cost of EUR 70 thousand.

During 2024, the delivery of treasury shares derived from the 2022-2025 Incentive Plan has been carried out for both CFO of PRISA, the executive presidents of Santillana and Media and the management team *(see notes 14, 20 and 21)*. In the framework of this contract, the Company has delivered a total of 2,011,865 shares net of applicable taxes, that were valued at a cost of EUR 811 thousand in the consolidated balance sheet.

In 2023 and in the framework of the same 2022-2025 Incentive Plan and contract, the Company delivered a total of 748,677 shares net of applicable taxes, that were valued at a cost of EUR 1,600 thousand in the consolidated balance sheet.

h) Translation differences

The difference between the value of the equity translated at historical exchange rates and the net equity position resulting from the translation of the balance sheet items using the closing rate and the income statement items at the average exchange rate is recognized under "*Equity–Translation differences*" in the accompanying consolidated balance sheet (*see note 2d*).

The translation differences are included in the Consolidated Statement of Comprehensive Income under the heading "*Translation differences*".

Translation differences on December 31, 2024 are negative and amounted to EUR 74,124 thousand (December 31, 2023: exchange loss of EUR 70,729 thousand). In 2024, the most significant translation differences are generated in Brazil, Chile and Colombia by the evolution of exchange rates.

The detail, by currencies, of the translation differences is as follows (in thousands of euros):

	12/31/2024	12/31/2023
Mexican peso	2,487	3,435
Colombian peso	(17,926)	(13,882)
Brazilian real	(31,452)	(34,235)
Chilean peso	(27,247)	(23,610)
Other currencies	14	(2,437)
Total	**(74,124)**	**(70,729)**

i) Translation differences in accumulated resut from prior years

The accumulated result from prior years includes the effect of the exchange rate on the eliminations of the consolidation process of companies in which their functional currency is different from the euro. These differences are included in the Consolidated Statement of Comprehensive Income under the heading "*Translation differences.*"

The detail, by currencies, of these translation differences is as follows:

	Thousand of euros	
	12/31/2024	12/31/2023
Venezuelan Bolivar/ dolar	(49,487)	(49,487)
Mexican peso	(28,840)	(18,844)
Argentine peso	(39,292)	(36,608)
Colombian peso	5,920	4,601
Brazilian real	(25,557)	(4,213)
Chilean peso	(1,427)	(2,044)
Others	380	(623)
Total	**(138,303)**	**(107,218)**

j) Non-dominant interest

Non-dominant interest is the stake of the minority interests in the equity and income of the Group companies that are fully consolidated. The changes in this line-item in 2024 and 2023 were as follows:

	Thousands of euros					
	Balance at 12/31/2023	Translation adjustment	Participation in results	Dividends paid/ received	Other	Balance at 12/31/2024
Caracol, S.A.	4,262	(256)	(423)	-	(57)	3,526
Diario As, S.L.	5,238	-	26	(800)	(19)	4,445
Spanish subsidiaries of Prisa Radio, S.A.U.	4,075	-	970	(707)	(65)	4,273
Other companies	1,044	(131)	429	-	50	1,392
Total	**14,619**	**(387)**	**1,002**	**(1,507)**	**(91)**	**13,636**

	Thousands of euros						
	Balance at 12/31/2022	Translation adjustment	Participation in results	Changes in scope of consolidation /Change in percentage	Dividends paid/ received	Other	Balance at 12/31/2023
Caracol, S.A.	3,509	671	96	-	-	(14)	4,262
Diario As, S.L.	6,007	-	(508)	-	(49)	(212)	5,238
Spanish subsidiaries of Prisa Radio, S.A.U.	3,832	-	854	-	(592)	(19)	4,075
Other companies	727	123	465	116	(385)	(2)	1,044
Total	**14,075**	**794**	**907**	**116**	**(1,026)**	**(247)**	**14,619**

Below are the main financial figures of the most relevant companies in which the Group does not have a 100% stake of them but are consolidated through fully consolidation:

	Thousand of euros							
	Caracol, S.A.		Diario As, S.L.		Radio Zaragoza, S.A.		Ediciones LM, S.L.	
	2024	2023	2024	2023	2024	2023	2024	2023
Non-current assets	25,188	29,145	5,913	6,086	2,054	1,949	981	671
Current assets	21,286	23,745	22,989	24,869	6,173	6,362	2,515	2,411
Non-current liabilities	10,109	12,341	1,130	1,558	239	203	339	116
Current liabilities	20,664	21,619	8,373	7,488	1,554	1,887	752	634
Operating income	49,740	48,085	39,230	36,864	7,037	7,016	2,441	2,568
Result for the year	(1,841)	418	691	(146)	1,027	1,051	460	421

k) Capital management policy

The principal objective of the Group'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.

In this way, during last year and in the present the Administrators of PRISA took a number of measures to strengthen the Group's financial and equity structure, such as capital increases or issuance of notes mandatorily convertible into shares and refinancing of its debt, focusing on profitable growth and value generation as described below.

On April 19, 2022, the amendment of the Group's syndicated financial debt entered into force which considered, among other aspects, the extension of the maturity of the financial debt to 2026 and 2027, the division of the syndicated loan into two differentiated tranches (one of Senior debt and one of Junior debt) and the flexibilization of the contractual commitments of the debt that allowed, among other improvements, to increase PRISA's operating flexibility and soften the financial ratios required by the previous contracts. Likewise, terms of the Super Senior contract debt of the Company were modified, that among other terms, supposed an extension of the maturity of the debt to June 2026.

In January 2023, the Board of Directors of PRISA unanimously agreed to carry out the 2023 Issuance, as described above. In February 2023, Convertible Notes of 2023 amounting to a total of EUR 130 million were subscribed, i.e. the full amount of the offer, of which EUR 110 million were earmarked for partial early repayment of the Company's Junior debt tranche.

In May and November 2023 and 2024 and in accordance with the conversion schedule established in the issuance of the aforementioned subordinated bonds, 267,777 Convertible Notes of 2023 were converted, which has led to the issuance of 267,777,000 newly issued ordinary shares of the Company, according to the conversion price established. Likewise, in the extraordinary conversion period of Convertible Notes of 2023 that opened following the announcement of the 2024 Issuance, in February 2024, 20,287 Convertible Notes of 2023 were converted, which led to the issuance of 20,287,000 newly issued ordinary shares of the Company, according to the conversion price established.

Also, in January 2024, the Board of Directors of PRISA unanimously agreed to carry out the 2024 Issuance. In April 2024, Convertible Notes of 2024 amounting to a total of EUR 100 million were subscribed, i.e. the full amount of the offer, of which EUR 50 million was earmarked for partial early repayment of the Company's Junior debt tranche.

In May and November 2024 and in accordance with the conversion schedule established in the 2024 Issuance, 57,666 Convertible Notes of 2024 were converted, which has led to the issuance of 57,666,000 newly issued ordinary shares of the Company, according to the conversion price established.

These issuances have improved the equity position of the Group insofar as the aforementioned instruments have been deemed as compound financial instruments, in which virtually the entire amount of the cash received from said issuances have been registered as net equity, given that the stock of debentures is necessarily converted into new shares of the Company at a fixed exchange rate (*see note 1b*).

After the aforementioned conversions, the share capital of PRISA, is set at EUR 108,638 thousand and is represented by 1,086,380,193 ordinary shares, all of which belong to the same class and series, each with a par value of 0.10 euros.

As of December 31, 2024, and 2023 the equity of the parent Company is greater than two thirds of total share capital, which is why it was in a situation of equity balance at those dates.

(11) FINANCIAL ASSETS AND FINANCIAL LIABILITIES

a) Financial investments

The breakdown by category of financial investments of the Group on December 31, 2024 and 2023 is as follows:

2024 –

	Thousand of euros			
	Financial investments at fair value with changes in results	Financial assets at amortized cost		
		Credits	Other financial assets at amortized cost	**Total**
Other financial assets	-	1,280	4,526	5,806
Non-current financial investments	**-**	**1,280**	**4,526**	**5,806**
Other financial assets	-	38	875	913
Current financial investments	**-**	**38**	**875**	**913**
Current derivated instruments	**908**	**-**	**-**	**-**
Total	**908**	**1,318**	**5,401**	**6,719**

2023 –

	Thousand of euros			
	Financial investments at fair value with changes in results	Financial assets at amortized cost		
		Credits	Other financial assets at amortized cost	**Total**
Derivated instruments	5,145	-	-	-
Other financial assets	-	1,158	4,850	6,008
Non-current financial investments	**5,145**	**1,158**	**4,850**	**6,008**
Other financial assets	-	2,540	1,625	4,165
Current financial investments	**-**	**2,540**	**1,625**	**4,165**
Total	**5,145**	**3,698**	**6,475**	**10,173**

Non-current financial assets

The changes in *"Non-current financial assets"* in the consolidated balance sheet in 2024 by type of transaction are as follows:

	Thousand of euros				
	Balance at 12/31/2023	Translation adjustment	Additions / allowance	Disposals / Transfers	Balance at 12/31/2024
Financial assets at amortized cost	**6,008**	**(134)**	**410**	**(478)**	**5,806**
Credits	*1,158*	*(91)*	*63*	*150*	*1,280*
-Long-term credits to third parties	1,198	(91)	63	110	1,280
- Value correction for impairment	(40)			40	-
Other financial assets at amortized cost	*4,850*	*(43)*	*347*	*(628)*	*4,526*
- Other financial assets at amortized cost	6,875	(79)	347	(631)	6,512
- Value correction for impairment	(2,025)	36	-	3	(1,986)
Financial investments at fair value with changes in results	**5,145**	**-**	**-**	**(5,145)**	**-**
Derivated instruments	*5,145*	-	-	*(5,145)*	-
Total	**11,153**	**(134)**	**410**	**(5,623)**	**5,806**

In 2024, the decrease in "*Financial investments at fair value with changes in results*" is mainly due to changes in the fair value during the year 2024 of the interest rates hedges contracted in 2022 and 2023 (as described later) (*see section Market risk - interest rate*). In this regard, the expense recorded in 2024 for this item amounts to EUR 4,237 thousand and is shown in the disposal and transfers column of the table above (*see note 15*), together with the amount transferred to current assets (EUR 908 thousand) *(see next section)*, that is pending to be charged to the consolidated income statement during the term of the same (until June 2025).

The changes in *"Non-current financial assets"* in the consolidated balance sheet in 2023 by type of transaction were as follows:

	Thousand of euros				
	Balance at 12/31/2022	Translation / monetary adjustment	Additions / allowance	Disposals / Transfers	Balance at 12/31/2023
Financial assets at amortized cost	**8,386**	**(20)**	**1,068**	**(3,426)**	**6,008**
Credits	*3,310*	-	*320*	*(2,472)*	*1,158*
-Credits to associates	200	-	-	(200)	-
-Long-term credits to third parties	3,110	-	360	(2,272)	1,198
-Value correction for impairment	-	-	(40)	-	(40)
Other financial assets at amortized cost	*5,076*	*(20)*	*748*	*(954)*	*4,850*
- Other financial assets at amortized cost	7,087	(6)	748	(954)	6,875
- Value correction for impairment	(2,011)	(14)			(2,025)
Financial investments at fair value with changes in results	**3,977**	**-**	**3,660**	**(2,492)**	**5,145**
Derivated instruments	*3,977*	-	*3,660*	*(2,492)*	*5,145*
Total	**12,363**	**(20)**	**4,728**	**(5,918)**	**11,153**

In 2023, the decrease in *"credits"* was mainly due to the advance collection of some of the registered loans and the transfer to the short term of those that mature in 2024.

The additions in 2023 in "*Financial investments at fair value with changes in results*" was mainly due to the recording of two interest rate hedges contracted by PRISA, the first, in January 2023, on a nominal amount of EUR 150 million which limited the impact of any rise in the three-month Euribor ("cap") above 2.5% and the second, in March 2023, on a nominal amount of EUR 100 million that limited Euribor increases to three months above 3% and up to a maximum of 5%. In accordance with applicable accounting regulations, and based on the Company's analysis, it was considered that the products contracted didn´t 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 was taken to the consolidated income statement for each period. Therefore, the amount recognized at December 31, 2023 corresponded to the fair value of these instruments at that date, or, 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 December 31, 2023, and which are therefore pending to be taken to the consolidated income statement during the term of the hedges. In this regard, the expense recorded in 2023 totaled EUR 2,492 thousand and it is shown in the column of disposals and transfers of the previous table *(see note 15)*.

The carrying amount of the financial assets at amortized cost does not vary significantly from their fair value.

Current financial assets and derivates

The changes in *"Current financial assets"* in the consolidated balance sheet in 2024 by type of transaction are as follows:

	Thousands of euros				
	Balance at 12/31/2023	Translation / monetary adjustment	Additions / allowance	Disposals / Transfers	Balance at 12/31/2024
Financial assets at amortized cost	**4,165**	**(72)**	**665**	**(3,845)**	**913**
Credits	*2,540*	*(73)*	-	*(2,429)*	*38*
-Short-term credits to third parties	2,540	(73)	-	(2,429)	38
Other financial assets at amortized cost	*1,625*	*1*	*665*	*(1,416)*	*875*
- Minority equity investments	39	-	20	(32)	27
- Other financial assets at amortized cost	1,586	1	645	(1,384)	848
Financial investments at fair value with changes in results	**-**	**-**	**-**	**908**	**908**
Derivated instruments	-	-	-	*908*	*908*
Total	**4,165**	**(72)**	**665**	**(2,937)**	**1,821**

The decrease in *"Credits"* as of December 31, 2024 is due to their collection.

Also, in 2024, the variation in "*Other financial assets at amortised cost*" is mainly due to the collection of interest rate hedges that was accrued and pending collection as of December 31, 2023 by financial entities, offset with the record of interests accrued in favor of PRISA for the same concept pending settlement as of December 31, 2024.

The changes in *"Current financial assets"* in the consolidated balance sheet in 2023 by type of transaction were as follows:

	Thousands of euros				
	Balance at 12/31/2022	Translation / monetary adjustment	Additions / allowance	Disposals / Transfers	Balance at 12/31/2023
Financial assets at amortized cost	**1,528**	**132**	**3,053**	**(548)**	**4,165**
Credits	*1,112*	*129*	*1,485*	*(186)*	*2,540*
-Short-term credits to third parties	1,112	129	1,485	(186)	2,540
Other financial assets at amortized cost	*416*	*3*	*1,568*	*(362)*	*1,625*
- Minority equity investments	50	(1)	-	(10)	39
- Other financial assets at amortized cost	366	4	1,568	(352)	1,586
Total	**1,528**	**132**	**3,053**	**(548)**	**4,165**

In 2023, the increase in "*Other financial assets at amortised cost*" was mainly due to the recognition of accrued and deferred interest payable to PRISA arising from interest rate hedges (described above) pending settlement by financial institutions amounting to EUR 1,185 thousand.

b) Financial liabilities

The Group's financial liabilities are valued at the end of each period at amortized cost. The breakdown by category of financial liabilities at December 31, 2024 and 2023 is as follows:

	Thousands of euros	
	12/31/2024	12/31/2023
Bank borrowings	801,163	885,351
Financial liabilities for leases	43,222	49,216
Other financial liabilities	3,621	1,026
Non-current financial liabilities	**848,006**	**935,593**
Bank borrowings	26,570	37,578
Financial liabilities for leases	17,569	16,062
Other financial liabilities	230	1,830
Current financial liabilities	**44,369**	**55,470**
Total	**892,375**	**991,063**

Bank borrowings

The detail, in thousands of euros, of the bank borrowings at December 31, 2024, of the credit limits and of the scheduled maturities is as follows:

	Maturity	Limit	Drawn-down amount maturing at short term	Drawn-down amount maturing at long term
Junior Syndicated Loan (*)	2027	39,667	-	39,667
Senior Syndicated Loan	2026	575,105	-	575,105
Super Senior debt	2026	240,000	-	200,000
Credit facilities, loans, leases and other	2025-2027	40,784	12,436	1,622
Interests	2025	-	14,134	-
Fair value of debt/ Loan arrangement costs	2027	-	-	(15,231)
Total		**895,556**	**26,570**	**801,163**

(*) The long-term amount drawn down includes capitalized interests as of December 31, 2024 (EUR 13,907 thousand).

The detail, in thousands of euros, of the bank borrowings on December 31, 2023, of the credit limits and of the scheduled maturities was as follows:

	Maturity	Limit	Drawn-down amount maturing at short term	Drawn-down amount maturing at long term
Junior Syndicated Loan (*)	2027	86,967	-	86,967
Senior Syndicated Loan	2026	575,105	-	575,105
Super Senior debt	2026	240,000	-	240,000
Credit facilities, loans, leases and other	2024-2027	47,287	21,072	7,096
Interests	2024	-	16,506	-
Fair value of debt/ Loan arrangement costs	2027	-	-	(23,817)
Total		**949,359**	**37,578**	**885,351**

(*) The long-term amount drawn down includes capitalized interests as of December 31, 2023 (EUR 11,207 thousand).

The changes in bank borrowings in 2024 and 2023 were as follows:

	Thousands of euros	
	12/31/2024	12/31/2023
Bank borrowings at beginning of year	**922,929**	**1,011,672**
Amortization / debt disposition (*)	(101,607)	(111,401)
Fair/Present value in financial instruments	8,586	11,982
Change in unpaid accrued interest	(3,241)	4,564
Capitalizable fixed cost (PIK)	2,700	4,954
Effect of foreign exchange rate changes in debt	(1,837)	909
Others	203	249
Bank borrowings at end of year	**827,733**	**922,929**

(*) Movement that generates cash flow.

Of the total bank borrowings on December 31, 2024, 98.62% were denominated in euros (97.59% at December 31, 2023) and the remainder in foreign currencies.

The nominal average interest rates on the Group's bank borrowings were 8.93% in 2024 and 8.71% in 2023. This is a “alternative performance measure” and it is defined 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. The reconciliation of the average interest rate of the Group’s bank borrowings for 2024 and 2023 are presented below (thousands of euros):

	12/31/2024	12/31/2023
Interest expense on bank borrowings (based on 360 basis) (1)	79,115	82,427
Bank borrowing (2)	885,793	946,635
Average interest in bank debt	**8.93%**	**8.71%**

(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.

(2) Calculated as the average of the average monthly balances drawn with credit institutions (gross) plus undrawn Super Senior debt (that generates financial cost). Therefore, the amounts do not coincide with the balance at the end of each year. The bank borrowings drawn down are from the Group’s internal accounts. In its calculations, the Company has followed the same accounting policies as those applied in the financial statements prepared in accordance with the applicable financial reporting framework.

Of the total bank borrowings on December 31, 2024, 99.21% were linked to floating interest rates and the rest to fixed ones (96.32% to floating interest on December 31, 2023).

In accordance with IFRS 13 to determine the theoretical calculation of the fair value of the financial debt we used the listed value of the debt on the secondary market as reported by an independent third party (level 1 variable: estimates using prices listed in active markets) has been used. The fair value of the Junior and Senior Syndicated Loan, the drawn Super Senior debt and of the accrued interest pending to be paid on December 31, 2024, according to this calculation, would amount to EUR 816,135 thousand considering a 1.45% average discount over the real principal payment obligation and accrued interests to the creditor entities.

Refinancing-

In February 2022 the Board of Directors of PRISA approved, by unanimity, the signing of a lock-up agreement (the "Lock-Up Agreement") that incorporated a term sheet with the basic conditions for the amendment of the Group's syndicated financial debt (the “Refinancing"). On April 19, 2022, the Refinancing entered into force, once the agreements reached with all of its creditors were concluded. This refinancing is valid as of December 31, 2024.

Therefore, in the context of the Refinancing of its financial debt, PRISA agreed on the novation of its syndicated loan ("2013 Override Agreement") for a total amount of EUR 751,114 thousand, which was structured in two tranches with the following characteristics:

- The amount of the Senior debt was set at EUR 575,105 thousand, included EUR 5,633 thousand of refinancing expenses with the lenders which was incorporated as an increased financial liability, and the maturity was extended to December 31, 2026.
- The amount of the Junior debt was initially set at EUR 185,349 thousand, included EUR 3,707 thousand of refinancing expenses with the lenders which was incorporated as an increased financial liability, and the maturity of was extended to June 30, 2027.
- The cost of the Senior debt is benchmarked at Euribor + 5.25% payable in cash, while the cost of the Junior debt is benchmarked at Euribor + 8%, payable partly in cash and partially capitalised. This is the 1, 3 or 6-month Euribor, depending on the interest settlement window chosen by the Company at each maturity.

- Partial amendment of the package of debt guarantees.
- The flexibilization of the contractual commitments of the current debt that allowed, among other improvements, to increase PRISA's operating flexibility and soften the financial ratios required by its current contracts.
- A refinancing, structuring and insurance commission was agreed, which the Company could pay in cash or by issuing shares. The Company chose to pay the aforementioned commission through the issuance of shares, for which it proceeded to issue 32 million new shares of the Company, which granted to the creditor entities and those that acted as structurers and/or insurers of the Refinancing, and who have the subscription right. The new shares, which represented 4.3% of the share capital after the increase, allowed the Company's interests to be aligned with those of the new creditors, in turn increasing the liquidity of the value on the Stock Market.

The agreed Refinancing made the Company's financial debt more flexible and provided in that date a financial structure allowing the Company to comply with its financial commitments, ensuring the Company's stability in the short and medium term.

Likewise, the Refinancing agreement 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 PRISA.

The decrease in the Junior syndicated loan in 2024 is due to the partial and early amortization of EUR 50,000 thousand in April 2024, with the funds from the 2024 Issuance of convertible bonds *(see note 1b)* offset by the increase for the accrual of the PIK (capitalizable interest) of the said loan and the effect of fair value *(see note 15)*.

Compliance with certain quarterly financial ratios (financial leverage and debt service) is established in the financial agreements for the PRISA Group, which application began on June 30, 2022 and applicable at December 31, 2024. These contracts also include provisions on cross-default, which could cause, if the breach exceeds certain amounts, the early maturity and resolution of the contract in question. Since the Refinancing come into force no such breaches have occurred, nor are foreseen in the next twelve months.

The Refinancing agreement also includes causes for early termination as is customary in this kind of agreement, including the acquisition of control of PRISA, acquisition being understood by one or several persons together, with more than 30% of the capital with voting rights (excluding for such purposes the current significant shareholders of the Company).

Finally, within the Refinancing agreement, and in relation to the distribution of dividends of the Company, these are subject to the limitations and commitments acquired with the financial creditors.

Other aspects of debt-

The guarantee structure for the syndicated financial debt is as follows:

Personal guarantees

The Senior and Junior Debt, as it was refinanced in April 2022, was jointly and severally guaranteed by Promotora de Informaciones, S.A. and the companies Prisa Activos Educativos, S.A.U., Diario El País, S.L.U., Grupo Santillana Educación Global, S.L.U., Santillana Latam, S.L.U., Prisa Media, S.A.U. and Prisa Gestión Financiera, S.L.U.

Guarantees

As a result of the Refinancing, PRISA 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.

Part of PRISA's investment in Prisa Radio, S.A.U. (80% share capital) and the 100% of the investments (100% share capital) in 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 insuring syndicated debt. Similarly, given its significance in the group, a real guarantee was constituted over 100% of the shares of Editora Moderna Ltda. (Brazil).

Accounting aspects of Refinancing in 2022

The Company carried out an analysis of the terms agreed in the framework of the Refinancing, concluding that they constituted a substantial modification of the previous terms from a qualitative point of view. This meant that the original financial liability was cancelled, and a new liability from the Refinancing was recognised. The initial recognition of the financial liability was at fair value, which led to the recognition of financial income in 2022 in the amount of EUR 38,285 thousand in the heading "*Value variation of financial instruments*" of the consolidated income statements, for the difference between the nominal value of the refinanced debt and its fair value on the date of initial recognition. Thereafter, the said difference of value has been expensed in the consolidated income statement using the effective interest method during the validity of the Refinancing.

In addition, all expenses and fees related to the Refinancing were recognised in the heading *"Loan arrangement costs"* in the consolidated income statement of the fiscal year 2022 as, including, among others, the form of upfront discounting ("OID"), consent fees and other fees for an amount of EUR 23,505 thousand. Additionally, a financial expense of EUR 20,288 thousand was recognized in concept of refinancing, structuring and underwriting fee which the Company chose to pay through the issue of shares, as discussed above.

Finally, a positive impact was accounted in 2022 under the heading "*Value variation of financial instruments*" of the financial result for an amount of EUR 23,434 thousand, associated with the derecognition of the original financial liability for interest accrued in previous periods (which accrues at effective interest rate ("TIE")) that, finally, did not have to be paid.

Super senior loan –

In addition to the above Senior and Junior loans, the Company signed on April 8, 2022 a Super Senior Term & Revolving Facilities Agreement for a maximum amount of up to EUR 240,000 thousand, that modified the Super Senior debt of 2018. This agreement implied an extension of its maturity until June 30, 2026, with a cost indexed to Euribor + 5% payable in cash. This is the 1, 3 or 6-month Euribor, depending on the interest settlement window chosen by the Company at each maturity. In addition, the amendment of the agreement led to a change of lender.

Out of the total amount of super senior debt, EUR 160,000 thousand was for the new Super Senior Term Loan Facility, drawn down at the time of the Refinancing and used to fully cancel the previous Super Senior debt, for the amount on April 19, 2022, and EUR 80,000 thousand were for a renewable credit facility, the Super Senior revolving facility, used to meet operational needs.

In 2024, EUR 40,000 thousand of the said Revolving Facility have been returned in order to reduce the Company's financial cost, related with that debt, so as of December 31, 2024, the Company has drawn down EUR 200,000 thousand of the Super Senior loan (EUR 240,000 thousand as of December 31, 2023).

The collateral structure of this Super Senior debt is the same as that referred to above in respect of the Company'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, the costs related to cancelling the Super Senior Debt with the previous lender recorded in the heading "*Other financial costs*" of the consolidated income statement as a financial expense in 2022. The costs associated with arranging the debt with the new lender capitalized and are taken to the income statement over the life of the loan using the effective interest method.

Credit facilities-

Under this heading are included mainly the amounts drawn down against credit lines used to finance the PRISA Group companies' operating requirements. Borrowing facilities are recognized under *"Bank borrowings"* on the consolidated balance sheet. The interest rate applicable to these credit facilities is Euribor plus a market spread.

Nature and risks of financial instruments

Credit risk

In relation to credit risk, the Group assesses the age of the trade receivables (*see note 9b*) and constantly monitors the management of the receivables and payables associated with all its activities, as well as the maturities of financial and commercial debt and repeatedly analyses other financing methods in the aim of covering planned cash requirements in the short, medium and long-term.

Liquidity risk

Businesses which 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. Likewise, the nature of the Education business means that there are concentrated periods of collections around certain dates, mainly during the final months of each year. The aforementioned creates seasonality in Santillana's cash flow. While the seasonality of the Group's cash flow is not significant, so far as the flows coming from the various business units largely compensate each other and thereby mitigating the seasonality effect, the aforementioned could lead to certain cash tensions during the periods in which the collections are structurally lower.

The management of liquidity risk includes 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 in the short, medium and long term. In this respect, the Group has a Super Senior loan to meet operational needs and other subsidiaries of the Group have credit facilities for that purpose.

The table below details the liquidity analysis of the PRISA Group as of December 31, 2024 in relation to its bank borrowings, which represent substantially all the financial liabilities. The table has been prepared using the cash outflows of the contractually stipulated maturities and considering the early amortization of the Junior debt made in April 2024 for an amount of EUR 50 million and the returning of the Super Senior Debt for an amount of EUR 40 million. The flows include both the expected repayments and interest payments. When the settlement is not fixed, the amount was determined using the underlings calculated based on the most recent available interest rate curve:

Maturity	Thousands of euros	Floating euro rates
Within 3 months	21,224	2.74%
From 3 to 12 months	55,960	2.12%
From 1 to 3 years	877,669	2.03%
From 3 to 5 years	6	2.21%
Total	**954,859**	

The Group's main financial liabilities as of December 31, 2024 are the Junior and Senior debt and the Super Senior Debt, which are linked to the Euribor. An increase in the Euribor would directly impact interest paid, as a result of multiplying said increase by the nominal of said loans, except for a debt nominal covered by the following interest rate hedges: the first contracted in September 2022 for a nominal amount of EUR 150 million, that limit the increase of the Euribor in 3 months to 2.25%, the second, contracted in January 2023, for a nominal amount of EUR 150 million and a 2.5% cap (3-month Euribor) and the third contracted in March 2023 for a nominal of EUR 100 million which limits Euribor increases to three months above 3% and up to a maximum of 5% (all of them valid until June 2025). In summary, the notional value of the debt covered by previous coverages amounts to EUR 400 million. Therefore, each increase in the Euribor by one point would mean a higher annual interest payment of approximately EUR 4 million (over the notional non-covered) and EUR 8 million on the total of the aforementioned debt, once the aforementioned hedges expire.

Market risk - exchange rate

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

The impact on the Group's operating income and operating profit for the year 2024 in the event of a change of +/-10% in the exchange rate of the main currencies is presented below:

	Millions of euros			
	10%		**-10%**	
	Impact on operating income	Impact on operating profit	Impact on operating income	Impact on operating profit
Brazilian real vs EUR	(17.9)	(3.2)	17.9	3.2
Mexican peso vs EUR	(10.5)	(1.5)	10.5	1.5
Colombian peso vs EUR	(9.0)	(0.9)	9.0	0.9
Chilean peso vs EUR	(3.9)	(1.1)	3.9	1.1
Argentine peso vs EUR	(2.1)	(0.1)	2.1	0.1
	(43.4)	**(6.8)**	**43.4**	**6.8**

In this context, and in the aim of mitigating this risk, if there are credit lines available the Group adheres to the practice of formalizing hedge contracts for exchange rate variations (mainly forex insurance, '*forwards*' and options on currencies) based on its monthly analyzed forecasts and budgets, in order to reduce the volatility of cash flows in the distribution of dividends from subsidiaries that operate in currencies other than the euro.

Market risk - interest rate

The Group is exposed to changes in interest rates as around 99.21% of its bank borrowings bear interest at floating rates.

In this regard, the Group assesses the need to execute interest rate coverage contracts based on its forecasts. At the end of 2024 and within the scope of the debt associated to Refinancing, the Company have a contracted the interest rate hedges described in the previous section. Should the Euribor drop below what was contracted for the coverage, the aforementioned hedges would not apply.

The previous section of *"Liquidity risk"* contains an analysis of risk for the payment of interest tied to floating interest rates.

Derivative financial instruments

The PRISA Group arranges derivative financial instruments with Spanish and international banks with high credit ratings.

The PRISA Group's derivatives are classified as level 2 derivatives.

Interest rate derivatives

The Group maintains interest rate insurance on the Company's financial debt, as described in section a) above.

Foreign currency derivatives-

In 2024, the Group arranged foreign currency hedges in order to mitigate exposure to exchange rate fluctuations.

In order to determine the fair value of the derivatives, the PRISA Group uses valuation methodologies in which the significant variables are based on data provided by an independent expert.

The detail of the foreign currency hedges as of December 31, 2024 is as follows:

Company	Instrument	Expiry	Local currency	Hedge currency	Thousands of euros Nominal value	Thousands of euros Fair value
Editora Moderna, LTDA. (Brasil)	NDF	Apr 25 - May 25	BRL	USD	752	84
					752	**84**

Analysis of sensitivity to exchange rates

The changes in the fair value of the foreign currency hedges arranged by the PRISA Group depend on fluctuations in the USD/BRL exchange rates.

Following is a detail, in thousands of euros, of the sensitivity of the foreign currency hedges:

Sensitivity (before tax)	12/31/2024
+10% (increase in USD exchange rate)	8
-10% (decrease in USD exchange rate)	(9)

The sensitivity analysis shows that the exchange rate derivatives show decreases in their fair value, in the event of increases in exchange rates, while in the event of decreases in exchange rates, the fair value of these derivatives would increase.

Financial liabilities for leases

The application of IFRS 16 Leases implies the registered of financial liabilities associated with the leases, amounting on December 31, 2024, to EUR 43,222 thousand in the long term and EUR 17,569 thousand in the short term (EUR 49,216 thousand in the long term and EUR 16,062 thousand in the short term at December 31, 2023).

The detail of the maturities of the nominal amount of the financial liabilities for lease as of December 31, 2024 is as follows:

Maturity	Thousands of euros
Within 6 months	10,679
From 6 to 12 months	10,187
From 1 to 3 years	33,540
From 3 to 5 years	10,274
After 5 years	6,686
Total	**71,366**

In 2024, the payment associated with financial liabilities for leases (under IFRS 16) for all the Group amounts to EUR 26.0 million, included in "*Payment for leases (IFRS 16)*" of the consolidated statement of cash flow (EUR 23.8 million in 2023).

(12) LONG-TERM PROVISIONS

The changes in 2024 in "*Long-term provisions"* are as follows:

	Thousands of euros						
	Balance at 12/31/2023	Translation adjustment	Changes in scope of consolida-tion	Charge/ excess for the year	Amounts used	Transfers	Balance at 12/31/2024
For taxes	750	8	-	19	(371)	-	406
For indemnities	4,445	(245)	-	1,066	(1,299)	(1,107)	2,860
For third-party liability and other	5,863	(402)	22	1,294	(1,551)	(3)	5,223
Total	**11,058**	**(639)**	**22**	**2,379**	**(3,221)**	**(1,110)**	**8,489**

The changes in 2023 in "*Long-term provisions"* were as follows:

	Thousands of euros						
	Balance at 12/31/2022	Translation adjustment	Changes in scope of consolida-tion	Charge/ excess for the year	Amounts used	Transfers	Balance at 12/31/2023
For taxes	698	(2)	-	124	(70)	-	750
For indemnities	6,243	66	-	633	(1,272)	(1,225)	4,445
For third-party liability and other	8,367	491	(624)	1,126	(3,497)	-	5,863
Total	**15,308**	**555**	**(624)**	**1,883**	**(4,839)**	**(1,225)**	**11,058**

The *"Provision for taxes"* relates to the estimated amount of tax debts arising from the tax audits carried out at various Group companies.

The *"Provision for indemnities"* includes the provision booked in the last years to record the probable or certain responsibilities arising from workers' compensation to terminate their labor relations which are payable in future years, but for which a valid expectation has been created among the affected employees in the year in which they are endowed *(see note 14)*.

During 2024 the Group has accounted a provision for this item amounting to EUR 1,066 thousand (633 thousand during fiscal year 2023), has applied EUR 1,299 thousand (EUR 1,272 thousand in fiscal year 2023) mainly due to the payment of indemnities (prior to the scheduled date) and has transferred EUR 1,107 thousand to short-term that is estimated to be paid in 2025. The Group expects to apply this provision over the next five years.

The *"Provision for third-party liability and other"* relates to the estimated amount required to meet probable claims and litigation brought against Group companies and other future obligations to employees.

In view of the nature of the contingencies covered by these provisions, it is not possible to determine a reasonable payment schedule, if indeed there is one, or their financial effect. However, the PRISA Group's legal advisers and directors consider that the outcome of these procedures and claims will not have a significant effect on the consolidated annual accounts for the years in which they come to an end additional to the amount provisioned in the accounting records.

(13) OPERATING INCOME

The breakdown of income from the Group’s main business lines is as follows:

	Thousands of euros	
	2024	2023
Advertising sales	334,036	325,109
Education sales	458,460	511,916
Circulation	57,650	55,551
Sales of add-ons and collections	180	1,410
Sales of audiovisual right and programmes	7,769	10,657
Intermediation services	8,636	9,770
Other services	13,880	15,027
Revenue	**880,611**	**929,440**
Income from non-current assets	5,082	1,761
Other income	33,849	16,209
Other income	**38,931**	**17,970**
Total operating income	**919,542**	**947,410**

The most significant exchange transactions occur under *“Advertising sales”* in the segment of Media, whose exchanges with third parties amounted to EUR 2,282 thousand in 2024 (December 31, 2023: EUR 2,653 thousand).

Within the Group's operating income there are performance obligations that are met over time, corresponding mainly to the provision of educational services associated with Santillana's teaching systems for an amount of EUR 31,946 thousand 2024 financial.

In 2024, the heading *“Income from non-current assets”* mainly includes the result of the sale and leaseback operation of a warehouse in Mexico, belonging to Editorial Santillana, S.A. of C.V., for an amount of EUR 3,492 thousand (calculated in accordance with IFRS 16) with an cash inflow in 2024 of EUR 6,477 thousand. This has led to the derecognition of an asset for a net balance of accumulated depreciation of EUR 3,110 thousand (mainly land and buildings) that was accounted in the heading *“Non-current assets held for sale”* of the consolidated balance sheet until the moment of selling (additionally, an asset for right of use and a financial liability for lease have been recognized, associated with the subsequent lease contract of the aforementioned warehouse). Likewise, this heading includes the results of the assets (“lands and buildings”) sold during the current year *(see note 5).*

In 2024, the heading *“Other income”* includes the income derived from the award issued by the Centro de Arbitragem Comercial da Câmara do Comércio e Indústria Portuguesa (“Arbitral Tribunal”) on February 22, 2024 in favor of the Company, by which it declares that Cofina breached its obligations under the share purchase agreement signed between PRISA and Cofina in September 2019, regarding the sale of all the shares from Vertix SGPS, S.A. (owner of Media Capital) and, therefore, that agreement was therefore automatically terminated on March 11, 2020. It is on this date when Cofina voluntarily waived to continue with the share capital increase approved by Cofina’s shareholders on January 29, 2020 to finance part of the purchase price, which implied a breach of the share purchase agreement (as ratified by the aforementioned award) and its termination.

In accordance with the award issued, PRISA has had entitled to receive the down payment made by Cofina in an escrow account (as a guarantee for the transaction and the advance payment of the agreed price) in the amount of EUR 10,000 thousand, obliging Cofina to take all necessary actions to make this amount available to the Company. On March 1, 2024 the amount deposited in the escrow account was transferred to another bank account in the name of the Company, being therefore available.

The above has had a positive impact on the Group's consolidated income statement of 2024 in the amount of EUR 10,000 thousand (derecognising the liability recorded under "*Other non-trade payables*" (*see note 9d*) reduced by arbitration and similar costs, to the extent that following said resolution, and not before, the realisation of the income has been virtually certain and is no longer contingent. This resolution and the availability in favour of PRISA of the amount that was deposited in the escrow account is independent of the Media Capital sale process that was executed after March 11, 2020.

Furthermore, the Arbitration Court has ordered Cofina to pay PRISA the interest accrued from March 11, 2020 until the final date of payment of the amount deposited in the escrow account (*see note 15*).

The following table shows the breakdown of the Group's incomes in accordance with the geographical distribution of the entities that generated them (thousands of euros):

	Advertising sales		**Education sales**		**Circulation**		**Others**		**Total operating income**	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Europe	**260,524**	**248,248**	**-**	**75**	**57,650**	**55,551**	**53,904**	**45,619**	**372,078**	**349,493**
Spain	260,524	248,248	-	-	57,650	55,551	53,904	45,611	372,078	349,410
Rest of Europe	-	-	-	75	-	-	-	8	-	83
America	**73,512**	**76,861**	**458,460**	**511,841**	**-**	**-**	**15,492**	**9,215**	**547,464**	**597,917**
Colombia	46,506	47,556	41,344	34,553	-	-	2,005	791	89,855	82,900
Brazil	-	-	176,465	218,271	-	-	2,882	1,196	179,347	219,467
Mexico	3,018	2,441	98,041	100,759	-	-	4,271	755	105,330	103,955
Chile	20,875	22,327	16,689	18,235	-	-	1,442	756	39,006	41,318
Argentina	-	-	21,071	38,390	-	-	79	153	21,150	38,543
Rest of America	3,113	4,537	104,850	101,633	-	-	4,813	5,564	112,776	111,734
Total	**334,036**	**325,109**	**458,460**	**511,916**	**57,650**	**55,551**	**69,396**	**54,834**	**919,542**	**947,410**

The following table shows the breakdown of the Group's incomes by type of client (thousands of euros):

	2024	2023
Advertising sales	**334,036**	**325,109**
Digital	80,713	80,871
Non digital	253,323	244,238
Education sales	**458,460**	**511,916**
Private market	***329,749***	***329,512***
Learning system	225,688	209,305
Didactic sales	104,061	120,207
Brazil Public market	***104,984***	***140,664***
Other markets	***23,727***	***41,740***
Circulation	**57,650**	**55,551**
Digital	22,305	18,281
Non digital	35,345	37,270
Others	**69,396**	**54,834**
Total	**919,542**	**947,410**

The breakdown of the balances from Group contracts affected by IFRS 15 is as follows:

	Thousands of euros	
	2024	2023
Trade and other receivables (*see note 9b)*	289,678	300,027
Value corrections for impairment (Trade and other receivables) (*see note 9b*)	(45,048)	(48,022)
Other current liabilities- performance obligations pending to satisfied (*see note 9e*)	(44,052)	(46,888)
Provisions for returns	(10,019)	(9,869)

(14) OPERATING EXPENSES

Costs and materials used

The detail of materials used is as follows:

	Thousands of euros	
	2024	2023
Paper and printing	36,503	53,389
Audiovisual right	4,695	6,452
Books	59,604	76,602
Changes in inventories	730	(39)
Other consumption	9,127	9,911
Total	**110,659**	**146,315**

In 2024, the decrease in expenses under the "Paper and Printing" and "Books" headings is primarily related to lower sales in the Education segment, which are affected by educational cycles and curricular innovations. Furthermore, extraordinary institutional sales were recorded at Santillana Argentina in fiscal year 2023, which were not repeated in 2024. On the other hand, the decrease in "Paper and Printing" expenses in the current fiscal year is explained by the lower circulation of physical newspapers and the lower cost of paper in the Media segment.

Staff costs

The detail of staff costs is as follows:

	Thousands of euros	
	2024	2023
Wages and salaries	248,793	243,955
Severances	53,478	51,363
Termination benefits	5,682	8,262
Other employee benefit costs	16,006	16,131
Total	**323,959**	**319,711**

Transactions with payments based on equity instruments-

Medium Term Incentive Plans 2022-2025 (IMPs):

As of December 31, 2024, the following plans were in force and are linked to the achievement of certain quantitative financial targets in fiscal years 2022, 2023, 2024 and 2025 and are payable in PRISA´s shares. If any of the objectives are met in those years, the shares will be delivered to the beneficiaries in three thirds, in the years 2024, 2025, 2026, 2027 and 2028, in accordance as established. These are the following:

i. PRISA CFO´s Incentive Plan 2022-2025 (executive director of PRISA) *(see note 21)*.

ii. Executive Chairman of Santillana´s Incentive Plan 2022-2025 (executive director of PRISA) *(see note 21)*.

iii. Executive Chairman of PRISA Media´s Incentive Plan 2022-2025 (executive director of PRISA). It is noted that on February 26, 2025, the executive director Mr. Carlos Núñez has ceased as a director of PRISA and as Executive President of PRISA Media *(see note 21)*.

iv. Management Team´s Incentive Plan 2022-2025 (PRISA Media, Santillana and PRISA):

At its meeting held on April 26, 2022, PRISA's Board of Directors approved a medium-term incentive plan benefiting some PRISA Media, Santillana and PRISA executives. At the close of 2024, no member of the senior management team is a beneficiary of this Plan. The Plan is linked to the fulfillment of the following quantitative financial objectives, in the years 2022, 2023, 2024 and 2025: i) in the case of PRISA Media, the objectives are linked to EBITDA, Cash Flow and digital income of its budget; ii) in the case of Santillana are linked to the EBIT and Cash Flow of its budget and iii) in the case of PRISA are linked to the adjusted Cash Flow of Grupo PRISA, of its budget.

Each management group in PRISA Media and Santillana has been assigned a number of theoretical shares equivalent to EUR 700 thousand gross for each year the Plan is in effect, and the management group in PRISA has been assigned a number of theoretical shares equivalent to EUR 125 thousand gross for each year the Plan is in effect, which will serve as a reference for determining the final number of shares to be awarded. The calculation of the theoretical shares has been made considering the average stock market value of PRISA shares during the last quarter of 2021.

In 2024 an expense of EUR 646 thousand has been recorded for this Plan (considering the degree of achievement of the objectives corresponding to fiscal years 2024, 2023 and 2022 and valuing the shares at PRISA's trading price on the measurement date).

<u>Achievement objectives.</u>

Achievement of the objectives each year is verified after the year-end closing and the corresponding financial statements have been prepared. The resulting incentive will be paid in thirds, during the three following years, on the date determined by the Board of Directors within sixty (60) calendar days after the date on which the Company's Board prepares the financial statements of the previous year.

i. Achievement of 2022 objectives:

In 2023, PRISA Board of Directors verified achievement of the objectives corresponding to the 2022 financial year and, at the proposal of the Nominations, Compensation and Corporate Governance Committee ("CNRGC") determined the incentive resulting from the 2022 financial year with the consequent number of shares to be delivered to each of the beneficiaries, in accordance with the following detail:

Achievement of 2022 objectives				
	Total number of gross shares to be delivered (compliance with 2022 incentive)	**No. gross shares settled in 2023 (1/3)**	**No. gross shares to be settled in 2024 (2/3)**	**No. gross shares to be settled in 2025 (3/3)**
CFO PRISA	**748,031**	249,344	249,344	249,343
Executive Chairman PRISA Media	**339,538**	113,179	113,179	113,180
Executive Chairman Santillana	**992,294**	330,765	330,765	330,764
Management Team	**1,926,679**	653,249	636,711	501,711

The annual accounts for the 2022 and 2023 financial years were prepared on March 28, 2023 and on March 12, 2024, respectively.

The first and second third of the incentive resulting from fiscal year 2022 were settled in May 2023 and in May 2024, respectively, in accordance with the following detail:

Settlement and delivery of shares. Targets 2022				
	No. of gross shares settled in 2023 (1/3)	**No. of net shares delivered in 2023 (1/3)**	**No. of gross shares settled in 2024 (2/3)**	**No. of net shares delivered in 2024 (2/3)**
CFO PRISA	249,344	139,234	249,344	137,214
Executive Chairman PRISA Media	113,179	63,132	113,179	62,079
Executive Chairman Santillana	330,765	182,153	330,765	181,722
Management Team	653,249	364,158	636,711	456,334

In 2025, within 60 calendar days after the preparation of the 2024 accounts, the remaining third of the 2022 incentive will be awarded if the rest of the conditions set forth in the Plan Regulation are met.

It is noted that the Board of Directors, at the proposal of the Nominating, Compensation and Corporate Governance Committee, has agreed that Mr. Carlos Núñez (director of PRISA and Executive Chairman of PRISA Media until February 26, 2025) may receive the shares that were to be liquidated in his favor in fiscal year 2025, for the fulfillment of the objectives corresponding to the last third of fiscal year 2022.

ii. Achievement of 2023 objectives:

In 2024, PRISA Board of Directors has verified achivement of the objectives corresponding to the 2023 financial year and, at the proposal of the CNRGC, has determined the incentive resulting from the 2023 financial year with the consequent number of shares to be delivered to each of the beneficiaries, in accordance with the following detail:

Achievement of 2023 objectives				
	Total number of gross shares to be delivered	**No. gross shares settled in 2024 (1/3)**	**No. gross shares settled in 2025 (2/3)**	**No. gross shares settled in 2026 (3/3)**
CFO PRISA	**831,146**	277,049	277,049	277,048
Executive Chairman PRISA Media	**1,045,245**	348,415	348,415	348,415 (*)
Executive Chairman Santillana	**1,024,671**	341,557	341,557	341,557
Management Team	**3,080,251**	1,026,753	847,977	847,977

(*) As a consequence of his departure from the Company, Mr. Núñez will not receive the 348,415 shares corresponding to the last third, which was payable in 2026

The annual accounts for 2023 financial year were prepared on March 12, 2023 and the first third of the incentive resulting from fiscal year 2023 was settled on May 2024, in accordance with the following detail:

Settlement and delivery of shares. Targets 2023		
	No. of gross shares settled in 2024 (1/3)	**No. of net shares delivered in 2024 (1/3)**
CFO PRISA	277,049	152,461
Executive Chairman PRISA Media	348,415	191,106
Executive Chairman Santillana	341,557	187,652
Management Team	1,026,753	643,297

In 2025 and 2026, within 60 calendar days after the preparation of 2024 and 2025 accounts, respectively, the remaining two thirds of the 2023 incentive will be awarded if the rest of the conditions set forth in the Plan Regulation are met.

It is noted that the Board of Directors, at the proposal of the Nominating, Compensation and Corporate Governance Committee, has agreed that Mr. Carlos Núñez (director of PRISA and Executive Chairman of PRISA Media until February 26, 2025) may receive the shares that were to be liquidated in his favor in fiscal year 2025, for the fulfillment of the objectives corresponding to the second third of fiscal year 2023.

iii. Achievement of 2024 and 2025 objectives:

If any of the objectives are met in the years 2024 and 2025, the shares will be delivered to the beneficiaries in three thirds, in the years 2025, 2026, 2027 and 2028, in accordance with what was explained above.

It is noted that the Board of Directors, at the proposal of the Nominating, Compensation and Corporate Governance Committee, has agreed that Mr. Carlos Núñez (director of PRISA and Executive Chairman of PRISA Media until February 26, 2025) may receive the shares that were to be liquidated in his favor in fiscal year 2025, for the fulfillment of the objectives corresponding to the first third of fiscal year 2024.

Number of employees

The average number of employees of the Group and the final number of employees as of December 31, 2024 and 2023, by professional categories, is as follows:

	2024		2023	
	Average	Final	Average	Final
Executives	277	277	269	274
Middle management	938	945	921	914
Qualified Technical staff	4,731	4,832	4,586	4,677
Other employees	1,269	1,241	1,390	1,287
Total	**7,215**	**7,295**	**7,166**	**7,152**

The breakdown of the average number of employees, by gender, is as follows:

	2024		2023	
	Women	Men	Women	Men
Executives	104	173	101	168
Middle management	405	533	396	525
Qualified Technical staff	2,355	2,376	2,316	2,270
Other employees	636	633	666	724
Total	**3,500**	**3,715**	**3,479**	**3,687**

The breakdown of the number of employees, by gender, was as follows:

	2024		2023	
	Women	Men	Women	Men
Executives	105	172	102	172
Middle management	409	536	395	519
Qualified Technical staff	2,395	2,437	2,347	2,330
Other employees	619	622	612	675
Total	**3,528**	**3,767**	**3,456**	**3,696**

During 2024 the average number of employees with a disability greater than or equal to 33% was 33 (28 during 2023).

Outside services

The detail of outside services in 2024 and 2023 is as follows:

	Thousands of euros	
	2024	2023
Independent professional services	70,891	68,495
Leases and fees	12,346	12,820
Advertising	30,034	29,965
Intellectual property	23,372	25,839
Transport	20,429	23,446
Other outside services	131,740	129,319
Total	**288,812**	**289,884**

The heading "*Other external services*" includes an expense of EUR 305 thousand corresponding to the liability insurance of executives and directors (EUR 393 thousand in 2023).

The heading *"Leases and fees"* mainly includes those leases of low value assets, as well, other fees (canon) of Santillana.

Fees paid to auditors

The fees for financial audit services relating to the 2024 financial statements of the various companies composing the PRISA Group and subsidiaries provided by KPMG Auditores, S.L. and by other entities related to the auditor amounted to EUR 1,581 thousand (EUR 1,545 thousand in 2023 provided by the previous auditor Ernst & Young, S.L.), of which EUR 313 thousand relate to PRISA (2023: EUR 355 thousand provided by the previous auditor Ernst &

Young, S.L.). Furthermore, the fees relating to other auditors involved in the 2024 audit of the various Group companies amounted to EUR 37 thousand (2023: EUR 9 thousand).

In addition, the fees for other professional services provided to the various Group companies by the principal auditor, KPMG Auditores, S.L. in 2024 (Ernst & Young, S.L. in 2023) and by other entities related to the auditor and fees paid in this connection to other auditors are as follows (in thousands of euros):

	2024		2023	
	Principal auditor and related entities	Other audit firms	Principal auditor and related entities	Other audit firms
Other audit-related services	-	-	53	-
Other verification services	263	279	309	125
Tax advisory services	1	312	-	222
Other services	-	444	1	632
Total other professional services	**264**	**1,035**	**363**	**979**

The amount collected in other verification services of the main auditor corresponds, mainly, to the fees for the limited review of the interim condensed financial statements of first half 2024 and the reasonable assurance report of the Internal Control System for Financial Information (SCIIF) of PRISA Group.

Change in value correction

The detail of the change in value correction is as follows:

	Thousands of euros	
	2024	2023
Change in operating value correction	4,128	5,573
Change in inventory write-downs	6,353	5,170
Change in value correction for sales returns	417	(372)
Total	**10,898**	**10,371**

(15) FINANCIAL RESULT

The detail of financial loss in the consolidated income statements is as follows:

	Thousands of euros	
	2024	2023
Income from current financial assets	3,596	3,734
Financial income from hedging operations	4,802	3,091
Other finance income	6,248	2,109
Finance income	**14,646**	**8,934**
Interest of debt	(82,564)	(86,622)
Adjustments for inflation	(6,185)	(11,993)
Loan arrangement costs	(8)	314
Other finance costs	(10,964)	(14,795)
Finance costs	**(99,721)**	**(113,096)**
Exchange gains	31,687	57,177
Exchange losses	(32,663)	(56,483)
Exchange differences (net)	**(976)**	**694**
Value variation of financial instruments	**(12,486)**	**(14,813)**
Financial loss	**(98,537)**	**(118,281)**

The heading "*Income from current financial assets*" mainly includes interest income associated with short-term deposits made with cash surpluses in the Education and Others business.

The heading *"Financial income from hedging operations"* includes the gain associated with the interest savings due to the periodic settlement of the contracted interest rate hedges by the Company *(see note 11a).*

In 2024, the heading *"Other financial income"* includes EUR 3,175 thousand for the interest accrued and collected from March 11, 2020 to March 1, 2024 (date on which the amount deposited in the escrow account for EUR 10,000 thousand has become available to the Company), as a consequence of the favorable resolution of the award with Cofina *(see note 13).*

The decrease in *"Interest on debt"* is mainly explained by the decrease in interest expense of the Education business due to the lower level of debt and lower financial expense in PRISA. The latter is explained because the increase in the expense related to the increase in the Euribor on the cost of the Company's financial debt has been offset by the lower financial expense for having amortized EUR 50,000 thousand of Junior debt in April 2024 and the lower drawdown of EUR 40,000 thousand of Super Senior Debt *(see note 1b and 11b).*

As of December 31, 2024, the heading *"Other financial costs"* includes EUR 5,695 thousand for the effect of updating the financial liability associated with the lease agreements (EUR 6,416 thousand as of December 31, 2023).

On December 31, 2024, the heading *"Value variation of financial instruments"* includes EUR 8,586 thousand (EUR 11,982 thousand as of December 31, 2023) for the expense charged in the consolidated income statement using the effective interest method for the difference arising in 2022 between the nominal value of the Refinancing debt and its fair value on the initial registration date, which led to an income in that year. This amount includes approximately EUR 1.9 million of financial expense associated with the portion of the Junior debt that have been partially and early repaid in April 2024 in the amount of EUR 50 million, which to date was pending to be charged to the consolidated income statement during the period of the said Refinancing. In 2023 it includes the expense amounted to EUR 5.5 million related to the portion of the Junior debt that was partially and early repaid in February 2023 for an amount of EUR 110 million *(see notes 1a and 11b).*

In addition, in 2024 and 2023 this last heading also includes the financial income from the change in fair value of the interest rate hedges contracted in 2022 and in 2023 *(see note 11a).*

(16) BUSINESS SEGMENTS

Segment reporting is structured on a primary basis by business segment of the Group and on a secondary basis by geographical segment.

At December 31, 2024, PRISA's operations are divided into two main segments each of which has a person in charge:

- Education, which includes primarily the sale of educational books and the services and materials related to the education systems;

- Media, includes Radio and News (Press) businesses and its main source of revenue is advertising, as well as the sale of newspapers and magazines, digital subscriptions and, additionally, the organization and management of events and audiovisual production.

The column *"Others"* includes PRISA, Promotora de Actividades América 2010, S.L., Promotora de Actividades América 2010 México, S.A. de C.V., Prisa Participadas, S.L., Vertix, SGPS, S.A. (until November 2024), Promotora de Actividades Audiovisuales de Colombia, Ltda., Prisa Activos Educativos, S.A.U., Prisa Gestión Financiera, S.L.U., Productora Audiovisual de Badajoz, S.A. (until January 2023) and Productora Extremeña de Televisión, S.A.

PRISA is the holding 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. Prisa Gestión Financiera, S.L. is the entity that centralizes the Group's treasury in Spain and the rest are companies without significant activity.

Segment information about these businesses for 2024 and 2023 is presented below. The column *"Eliminations and adjustments"* mainly includes transactions between group companies:

	EDUCATION		MEDIA		OTHERS		ELIMINATIONS AND ADJUSTMENTS		PRISA GROUP	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Operating income	**467,020**	**515,223**	**443,359**	**431,558**	**14,574**	**6,605**	**(5,411)**	**(5,976)**	**919,542**	**947,410**
- External sales	**466,986**	**515,212**	**442,323**	**430,437**	**10,034**	**1,760**	**199**	**1**	**919,542**	**947,410**
- Advertising	0	0	334,036	325,109	0	0	0	0	334,036	325,109
- Education sales	458,460	511,916	0	0	0	0	0	0	458,460	511,916
- Circulation	0	0	57,650	55,551	0	0	0	0	57,650	55,551
- Other	8,526	3,296	50,637	49,777	10,034	1,760	199	1	69,396	54,834
- Intersegment sales	**34**	**11**	**1,036**	**1,121**	**4,540**	**4,845**	**(5,610)**	**(5,977)**	**0**	**0**
- Advertising	0	0	0	2	0	0	0	(2)	0	0
- Education sales	0	0	0	0	0	0	0	0	0	0
- Circulation	0	0	0	0	0	0	0	0	0	0
- Other	34	11	1,036	1,119	4,540	4,845	(5,610)	(5,975)	0	0
Operating expenses	**(384,399)**	**(427,143)**	**(414,224)**	**(406,071)**	**(11,901)**	**(11,363)**	**5,600**	**5,977**	**(804,924)**	**(838,600)**
- Cost of materials used	(80,469)	(110,763)	(30,190)	(35,552)	0	0	0	0	(110,659)	(146,315)
- Staff costs	(121,057)	(121,431)	(197,429)	(192,855)	(5,466)	(5,425)	(7)	0	(323,959)	(319,711)
- Depreciations and amortisation charge	(39,208)	(44,811)	(27,527)	(24,928)	(547)	(543)	0	0	(67,282)	(70,282)
- Outside services	(131,736)	(139,576)	(156,795)	(150,889)	(5,886)	(5,402)	5,605	5,983	(288,812)	(289,884)
- Change in value corrections	(8,918)	(8,659)	(1,980)	(1,712)	0	0	0	0	(10,898)	(10,371)
- Changes in value corrections to Group companies	0	0	0	0	(2)	7	2	(7)	0	0
- Impairment of goodwill/assets	(3,011)	(1,903)	(303)	(135)	0	0	0	1	(3,314)	(2,037)
Result from operations	**82,621**	**88,080**	**29,135**	**25,487**	**2,673**	**(4,758)**	**189**	**1**	**114,618**	**108,810**
Finance income	**10,349**	**7,999**	**7,273**	**5,354**	**84,904**	**24,698**	**(87,880)**	**(29,117)**	**14,646**	**8,934**
- Interest income	6,151	4,157	5,898	4,786	25,620	20,189	(37,541)	(29,117)	128	15
- Other financial income	4,198	3,842	1,375	568	59,284	4,509	(50,339)	0	14,518	8,919
Finance costs	**(17,708)**	**(27,863)**	**(18,405)**	**(18,482)**	**(101,478)**	**(95,868)**	**37,870**	**29,117**	**(99,721)**	**(113,096)**
- Interest expenses	(4,650)	(7,075)	(14,128)	(12,583)	(101,318)	(96,081)	37,532	29,117	(82,564)	(86,622)
- Other financial expenses	(13,058)	(20,788)	(4,277)	(5,899)	(160)	213	338	0	(17,157)	(26,474)
Change in value of financial instruments	**338**	**(338)**	**0**	**(2)**	**(12,824)**	**(14,473)**	**0**	**0**	**(12,486)**	**(14,813)**
Exchange differences (net)	**54**	**725**	**(1,032)**	**(28)**	**2**	**(3)**	**0**	**0**	**(976)**	**694**
Financial result	**(6,967)**	**(19,477)**	**(12,164)**	**(13,158)**	**(29,396)**	**(85,646)**	**(50,010)**	**0**	**(98,537)**	**(118,281)**
Result of companies accounted for using the equity method	0	0	3,273	13,661	0	(2)	(94)	0	3,179	13,659
Result before tax from continuing operations	**75,654**	**68,603**	**20,244**	**25,990**	**(26,723)**	**(90,406)**	**(49,915)**	**1**	**19,260**	**4,188**
Expense tax	(32,520)	(28,420)	(10,186)	(10,553)	12,535	3,552	(1)	0	(30,172)	(35,421)
Result from continuing operations	**43,134**	**40,183**	**10,058**	**15,437**	**(14,188)**	**(86,854)**	**(49,916)**	**1**	**(10,912)**	**(31,233)**
Result after tax from discontinued operations	0	0	0	0	341	(365)	0	0	341	(365)
Consolidated result for the year	**43,134**	**40,183**	**10,058**	**15,437**	**(13,847)**	**(87,219)**	**(49,916)**	**1**	**(10,571)**	**(31,598)**
Non-controling interests	37	(22)	(1,059)	(892)	0	0	20	7	(1,002)	(907)
Result atributable to the Parent	**43,171**	**40,161**	**8,999**	**14,545**	**(13,847)**	**(87,219)**	**(49,896)**	**8**	**(11,573)**	**(32,505)**

	EDUCATION		MEDIA		OTHERS		ELIMINATIONS AND ADJUSTMENTS		PRISA GROUP	
	12.31.2024	**12.31.2023**	**12.31.2024**	**12.31.2023**	**12.31.2024**	**12.31.2023**	**12.31.2024**	**12.31.2023**	**12.31.2024**	**12.31.2023**
Assets	**515,203**	**572,821**	**491,680**	**489,349**	**2,500,290**	**2,441,905**	**(2,627,106)**	**(2,529,308)**	**880,067**	**974,767**
- Non-current (except accounted for using the equity method)	152,345	170,483	201,289	215,897	1,969,140	1,975,103	(1,975,238)	(1,975,858)	347,536	385,625
- Investments accounted for using the equity method	0	0	40,834	44,968	0	0	0	93	40,834	45,061
- Current	362,858	399,361	249,444	228,320	531,150	466,717	(651,868)	(553,788)	491,584	540,610
- Assets classified as held for sale	0	2,977	113	164	0	85	0	245	113	3,471
Equity and liabilities	**515,203**	**572,821**	**491,680**	**489,349**	**2,500,290**	**2,441,905**	**(2,627,106)**	**(2,529,308)**	**880,067**	**974,767**
- Equity	250,236	272,477	66,729	68,390	1,286,831	1,203,872	(1,972,275)	(1,972,889)	(368,479)	(428,150)
- Non-current	27,781	30,528	48,496	59,625	806,691	888,699	(2,420)	(7,422)	880,548	971,430
- Current	237,186	269,816	376,451	361,326	406,768	349,334	(652,411)	(549,212)	367,994	431,264
- Liabilities classified as held for sale	0	0	4	8	0	0	0	215	4	223

The main adjustments and eliminations in the consolidated income statement relate to inter-segment sales and service transactions as well as interest income and expenses associated with intercompany financing. With regard to the consolidated balance sheet, the nature of the adjustments and eliminations is mainly due to the elimination of long-term investments in Group companies as well as short-term financial and tax balances.

Revenues from the Group's top 10 customers represent approximately 25% of the Group's total operating revenues, corresponding to the Education (institutional campaigns in Brazil) and Media (mainly advertising agencies) segments.

The next table breaks down the cash flow statement for the continuing operations by segment in 2024 (in thousands of euros):

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Effect of foreign exchange rate changes	Change in cash flows in the year
Education	85,708	(24,921)	(52,298)	(7,949)	**540**
Media	44,138	(4,126)	(26,046)	(312)	**13,654**
Others	(2,440)	4,332	(36,688)	-	**(34,796)**
Total	**127,406**	**(24,715)**	**(115,032)**	**(8,261)**	**(20,602)**

The next table breaks down the cash flow statement for the continuing operations by segment in 2023 (in thousands of euros):

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Effect of foreign exchange rate changes	Change in cash flows in the year
Education	92,542	(29,020)	(16,716)	2,226	**49,032**
Media	33,648	(2,451)	(41,136)	(194)	**(10,133)**
Others	197	1,389	(53,371)	0	**(51,785)**
Total	**126,387**	**(30,082)**	**(111,223)**	**2,032**	**(12,886)**

The detail of investments of intangibles assets and property, plant and equipment for the continuing operations in 2024 and 2023 by business segment is as follows (in thousands of euros):

	2024			2023		
	Property, plant and equipment	**Intangible assets**	**Total**	**Property, plant and equipment**	**Intangible assets**	**Total**
Education	7,268	27,645	34,913	7,970	25,151	33,121
Media	4,487	6,521	11,008	3,896	6,404	10,300
Other	7	95	102	12	18	30
Total	**11,762**	**34,261**	**46,023**	**11,878**	**31,573**	**43,451**

The Group's activities are located in Europe and America. Operations in Europe are carried out mainly in Spain. The activity in America develops in more than 20 countries mainly in Brazil, Mexico, Chile, Colombia and Argentina.

The following table shows the breakdown of income and the result before minority interests and taxes of the Group according to the geographical distribution of the entities that originate them:

	Thousands of euros					
	Revenue		**Other income**		**Profit before tax from continuing operations**	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**
Europe	**344,020**	**335,287**	**28,058**	**14,206**	**(67,606)**	**(94,951)**
Spain	344,020	335,213	28,058	14,197	(67,655)	(94,612)
Rest of Europe	-	74	-	9	49	(339)
America	**536,591**	**594,153**	**10,873**	**3,764**	**86,866**	**99,139**
Colombia	87,882	82,124	1,973	776	7,623	7,023
Brazil	176,483	218,414	2,864	1,053	24,670	28,015
Mexico	101,073	103,214	4,257	741	19,963	20,689
Chile	37,788	40,893	1,218	425	9,682	7,917
Argentina	21,150	38,534	-	9	(3,895)	6,394
Rest of America	112,215	110,974	561	760	28,823	29,101
Total	**880,611**	**929,440**	**38,931**	**17,970**	**19,260**	**4,188**

The following table shows the breakdown of assets of the Group according to the geographical distribution of the entities that originate them:

	Thousands of euros			
	Non- current assets (*)		**Total assets**	
	12/31/2024	**12/31/2023**	**12/31/2024**	**12/31/2023**
Europe	**128,296**	**136,391**	**316,524**	**333,684**
Spain	128,296	136,391	316,524	333,355
Rest of Europe	-	-	-	329
America	**199,051**	**224,822**	**563,543**	**641,083**
Colombia	25,659	30,584	79,446	82,621
Brazil	62,742	78,987	193,581	244,967
Mexico	60,492	66,577	110,266	134,732
Chile	34,593	36,975	67,894	75,179
Argentina	3,002	917	15,234	10,750
Rest of America	12,563	10,782	97,122	92,834
Total	**327,347**	**361,213**	**880,067**	**974,767**

(*) Include property, plant and equipment, goodwill, intangible assets, investments accounted for using the equity method and other non-current assets.

(17) TAX MATTERS

In Spain, Promotora de Informaciones, S.A. is subject to the special tax consolidation regime, in accordance with the Corporate Tax Law, which is the dominant entity of the Group identified as number 2/91 and composed of all those subsidiaries (*see Annexe I*) which meet the requirements for this status by the regulations governing the taxation of consolidated profits of the Groups of Companies.

The other Group subsidiaries file individual tax returns, in accordance with the tax legislation prevailing in each country.

In the financial year 2024, as in prior years, certain Group companies performed or participated in corporate restructuring operations under the special tax neutrality regime. The disclosures required by the tax legislation that arises from the application of the aforementioned transactions are included in the notes to the annual accounts of the related Group companies for the year in which these transactions were carried out.

Also, in prior years, several tax group companies availed themselves of tax credits for the reinvestment of extraordinary income under Article 21 of the repealed Spanish Corporation Tax Law 43/1995. The disclosures required by this Law are made in the notes to the annual accounts of the corresponding companies.

a) Reconciliation of the accounting profit to the taxable profit

The following table shows reconciliation, in thousands of euros, of the result of applying the current standard tax rate in Spain to the consolidated profit before tax of continuing operations, calculated under IFRS-EU and the consolidated Group's income tax expense for 2024 and 2023 corresponding to the accounting consolidation group.

	Income statement (*)	
	2024	**2023**
CONSOLIDATED PROFIT UNDER IFRS-EU BEFORE TAX FROM CONTINUED OPERATIONS	**19,260**	**4,188**
Tax charge at 25%	4,815	1,047
Consolidation adjustments	1,137	(3,537)
Temporary differences	(665)	(828)
Permanent differences (1)	(121,984)	9,212
Tax loss carry forwards	(708)	(569)
Deductions and bonuses	(444)	59
Non-activation effect of tax income (2)	137,733	14,295
Effect of applying different tax rates (3)	1,648	4,900
Current income tax expense	**21,532**	**24,579**
Deferred tax expense for temporary differences	**665**	**828**
Previous income tax	**22,197**	**25,407**
Adjustment of prior years' tax (4)	769	3,457
Foreign tax expense (5)	3,736	2,947
Employee profit sharing and other expense concepts (6)	2,784	2,949
Adjustments to consolidated tax	686	661
TOTAL INCOME TAX	**30,172**	**35,421**

(*) Parentheses indicate income for the different components of the calculation of the fiscal income tax

(1) The permanent differences mainly arise from (i) the different accounting and tax recording criteria of the expenses derived from certain provisions, (ii) non-deductible expenses and non-computable income for tax purposes, (iii) the negative adjustment that can be accounted for by the merger tax difference, attributable to 2018, arising from the merger of the companies Promotora de Informaciones, S.A. and PRISA Televisión, S.A.U. (absorption merger described in Note 17 of the Report of Promotora de Informaciones, S.A. for the year 2013), and applying the requirements of the then current article 89.3 of the Tax Law to grant it a tax effect, (iv) of the 5% taxation of dividends , (v) a negative adjustment resulting from the recovery for tax purposes of one tenth of the amount adjusted in previous years as a result of the limitation of the deductibility of amortization expense, (vi) from limitation of the deductibility of financial expenses outlined in article 16 of the Spanish Income Tax Law, (vii) of adjustments derived from the monetary correction in taxable shareholders' equity and tax investments in Radio Chile companies and (viii) of the tax loss generated by the liquidation of the Portuguese entity Vertix.

(2) This relates to the effect of companies that have not recognised a deferred tax asset although they accrued losses in the year.

(3) This relates to the effect of taxation of profits from American subsidiaries at different rates than 25%.

(4) It refers to the effect on the income statement arising from the regularization of Corporate Income Tax for previous years.

(5) This relates to the expense for taxes paid abroad, which arose from withholdings at source on the income from exports of services provided by the Group's Spanish companies abroad and dividends.

(6) The P.T.U. is one more component of the Income Tax expense in some countries such as Mexico, Ecuador and Peru.

b) Deferred tax assets and liabilities

Deferred tax assets

2024-

The following table shows the origin and amount of the deferred tax assets recognized at year-end 2024 (in thousands of euros):

DEFERRED TAX ASSETS ARISING FROM:	Balance at 12/31/2023	Translation / monetary adjustment	Additions	Disposals	Balance at 12/31/2024
Tax loss carry forwards	13,727	(1,557)	4,544	(3,293)	13,421
Non-deductible provisions, impairments and depreciations	34,642	(3,551)	2,685	(2,432)	31,344
Other temporary differences	9,951	(736)	2,373	(1,136)	10,452
Total	**58,320**	**(5,844)**	**9,602**	**(6,861)**	**55,217**

In 2024, the net decrease in "*Deferred Tax Assets*" of EUR 3,103 thousand mainly reflects the effect of the application of tax credits capitalised in previous years and the exchange rate variations, partially offset by the increase derived from the temporary different accounting and the capitalisation of tax credits resulting from losses generated during the year in some companies in the Santillana and Radio business in Latin America.

The most significant activated amounts have been generated mainly by the Latam companies.

2023-

The following table shows the origin and amount of the deferred tax assets recognized at year-end 2023 (in thousands of euros):

DEFERRED TAX ASSETS ARISING FROM:	Balance at 12/31/2022	Translation / monetary adjustment	Additions	Disposals	Balance at 12/31/2023
Tax loss carry forwards	13,614	841	2,969	(3,697)	13,727
Other temporary differences	41,365	935	7,760	(5,467)	44,593
Total	**54,979**	**1,776**	**10,729**	**(9,164)**	**58,320**

In the fiscal year 2023, the net increase of EUR 3,341 thousand in *"Deferred tax assets"* was a consequence from the recording of tax credits for tax losses generated in some Santillana companies in Latin America, temporary differences accounted and exchange rate fluctuations.

Analysis of the recovery of tax credits

Following the analysis of the recovery of tax credits in December 2024, in accordance with the criteria established by accounting regulations, there are no tax credits for tax deductions or negative tax bases activated in the consolidated balance sheet related with the Spanish tax perimeter.

The tax credit recovery analysis is based on business plans and the tax treatment of operations. The business plans consider the operating performance of the companies, the development of the Group's medium and long-term strategy and the macroeconomic and industry forecasts affecting the Group's various businesses. Forecasts and studies carried out by third parties have been taken into account when preparing the business plans.

Regarding the macroeconomic outlook, the overall environment for the financial year 2024 remained volatile, uncertain and complex throughout the year, impacted by elements of uncertainty and unpredictability as a result of issues such as tensions over the Russia-Ukraine and Middle East conflicts, as well as geopolitical tensions. The outlook according to the most recent World Bank reports indicates that the global economy is settling into low growth rates. During the fiscal year 2024, inflation rates moderated and interest rates fell. Macroeconomic forecasts of GDP and inflation have been taken into account in the preparation of the business plans.

For the advertising revenue forecasts of the Group's businesses (Media), the projections of the latest published industry reports, such as the PwC Media Outlook 2023-2027 or the i2P advertising report, have been taken into account.

As a whole, Radio forecasts advertising growth based on sector forecasts and market share improvement based on the leading position of the brands. In addition, projections foresee growth associated with the boost of digital audio through the development of podcasting, and associated with the growth in the realization of events.

Additionally, in News, projections see a more digital business model and leveraging the growth of digital subscriptions and the development of digital businesses especially related to Artificial Intelligence.

In addition, costs are expected to remain stable in the medium to long term, despite the inflation.

In Santillana Latin America, the expansion of learning systems is expected to continue, with subscriptions increasing steadily and increasing prices in line with the growth of inflation. Regarding didactic sales, they are expected to remain stable in the coming years with slight growth. In relation to institutional sales, the projections are based on the historical evolution of institutional sales in each country and a business-as-usual development has been considered for the future, considering that they are affected by the educational cycles of teaching, especially in Brazil, where the business is more cyclical.

The evolution of Media and Santillana's businesses in Latin America impacts the dividends that those subsidiaries can distribute to the Group in Spain, affected in turn by their cash needs.

Finally, corporate services will continue to reduce their costs over the projection period.

Deferred tax liabilities

2024-

The following table shows the origin and amount of the deferred tax liabilities recognized at year-end 2024 (in thousands of euros):

DEFERRED TAX LIABILITIES ARISING FROM:	Balance at 12/31/2023	Translation /monetary adjustment	Additions	Disposals	Transfers	Balance at 12/31/2024
Deferral for reinvestment of extraordinary income	930	-	-	(38)	-	892
Different accounting and tax amortization/depreciation criteria	3,215	(254)	822	(290)	5,886	9,379
Different accounting and tax recognition criteria for income and expenses	8,598	(449)	277	-	(5,886)	2,540
Other	9,394	(64)	1,212	(633)	-	9,909
Total	**22,137**	**(767)**	**2,311**	**(961)**	**-**	**22,720**

In 2024, The net increase of EUR 583 thousand in "Deferred tax liabilities" mainly reflects the different accounting and tax allocation criteria for certain provisions and intangible amortisation expenses and certain institutional sales in Brazil.

2023-

The following table shows the origin and amount of the deferred tax liabilities recognized at year-end 2023 (in thousands of euros):

DEFERRED TAX LIABILITIES ARISING FROM:	Balance at 12/31/2022	Translation / monetary adjustment	Additions	Disposals	Balance at 12/31/2023
Deferral for reinvestment of extraordinary income	968	-	-	(38)	930
Accelerated amortization	2,422	543	338	(88)	3,215
Different accounting and tax recognition criteria for income and expenses	5,511	21	3,066	-	8,598
Other	10,993	(1,333)	270	(536)	9,394
Total	**19,894**	**(769)**	**3,674**	**(662)**	**22,137**

In 2023, the net increase of EUR 2,243 thousand in "*Deferred tax liabilities*" mainly reflected the different accounting and tax allocation criteria for certain intangible amortisation expenses and certain institutional sales in Brazil.

Other aspects

In 2024, the Group did not record any deferred tax liabilities in relation to the 5% taxation of dividends that would be received from 2024 onwards by Spanish companies as no tax liability was expected would arise in this regard based on the best estimate of the taxable profit.

The tax assets and liabilities on the consolidated balance sheet at year-end 2024 are recognized at their estimated recoverable or cancellable amount.

There are no significant amounts arising from temporary differences associated with retained earnings of subsidiaries in jurisdictions where different tax rates are applied and, therefore, no deferred tax liabilities were recognized in this connection.

Included below is the breakdown, in thousands of euros, of the prior years' tax losses of Spanish companies available for offset against future profits, showing the year in which they were incurred.

At December 31, 2024	
Year incurred	**Amount not recognized**
1999	84
2000	1,200
2001	744
2002	890
2003	1,435
2004	1,676
2005	752
2006	1,306
2007	71
2008	524
2009	212
2010	58
2011	137,503
2012	249,690
2013	44,216
2014	36,823
2015	626,769
2016	100
2017	155,874
2018	42,957
2019	31,965
2020	60,293
2021	65,584
2022	41,670
2023	3,536
2023 (AD 19ITL)	43,093
2024	245,612
2024 (AD 19ITL)	302,692
Total	**2,097,329**

The 19th Additional Provision (DA in Spanish) of the Corporate Income Tax Law (LIS in Spanish), in the wording given by Law 7/2024, lays down that with effect in 2023, 2024 and 2025, the taxable income of the tax group will be determined by adding the taxable income and 50 per cent of the individual tax losses. The amount of individual tax losses not included in the taxable income of the tax group as a result of the application of this Provision will be included in the taxable income of the Group in equal parts in each of the first ten tax periods beginning on or after January 1, 2024, 2025 y 2026, respectively.

The breakdown by country of the tax loss carryforwards of the Group's foreign companies is shown below, in thousands of euros:

Year incurred	Argentina	Brazil	Chile	Colombia	Ecuador	Guatemala	Mexico	Dominican Republic	USA	TOTAL
2004	-	-	-	-	-	-	-	-	555	**555**
2005	-	-	339	-	-	-	-	-	1,740	**2,079**
2006	-	-	1	-	-	-	-	-	6,742	**6,743**
2007	-	-	21	-	-	-	-	-	5,336	**5,357**
2008	-	-	28	-	-	-	-	-	3,897	**3,925**
2009	-	-	21	-	-	-	-	-	3,963	**3,984**
2010	-	-	179	-	-	-	-	-	2,053	**2,232**
2011	-	-	775	-	-	-	-	-	1,652	**2,427**
2012	-	3	433	-	-	-	-	-	2,475	**2,911**
2013	-	527	445	-	-	-	-	-	3,175	**4,147**
2014	-	2,178	610	-	-	-	-	-	3,321	**6,109**
2015	-	13	676	117	-	-	1,298	-	3,809	**5,913**
2016	-	35	495	80	-	-	1,858	-	2,376	**4,844**
2017	-	153	567	416	-	-	2,211	-	2,073	**5,420**
2018	-	77	1,211	545	-	-	2,968	-	4,984	**9,785**
2019	8	-	435	211	-	-	6,009	-	1,968	**8,631**
2020	16	204	2,494	5,159	1,364	-	7,017	36	1,334	**17,624**
2021	28	-	1,426	86	-	-	221	-	664	**2,425**
2022	13	2,352	2,482	113	-	-	24	-	-	**4,984**
2023	-	10,776	1,679	384	-	-	295	-	-	**13,134**
2024	2,236	4,876	523	3,239	-	78	-		181	**11,133**
Total	**2,301**	**21,194**	**14,840**	**10,350**	**1,364**	**78**	**21,901**	**36**	**52,298**	**124,362**
Recognized	1,518	15,540	8,922	8,627	1,364	-	6,153	36	-	**42,160**
Not Recognized	783	5,654	5,918	1,723	-	78	15,748	-	52,298	**82,202**
Period for offset	5 years	Unlimited	Unlimited	12 years	5 years	5 years	10 years	5 years	20 years /unlimited	

c) Current public authorities

The short-term balances maintained by the Group with the Public Authorities as of December 31, 2024 are the following:

	Thousands of euros	
	Receivable from Public Authorities	**Payable to Public Authorities**
For consumption taxes	13,553	10,726
For corporate tax	7,571	14,942
By social security organizations	-	3,710
Due to withholdings on the worker's income	125	4,507
Other concepts	7,680	5,871
Total	**28,929**	**39,756**

d) Years open for review by the tax authorities

The fiscal years open for review by the tax authorities for the main taxes vary from one consolidated company to another, although they generally include the last four fiscal years.

In 2019, the 2012 and 2013 Corporate Income Tax inspections for the Group 194/09 of which Prisa Radio, S.A. was the dominant company, and the Corporate Income Tax inspection for 2012 to 2015 for the Fiscal Consolidation Group 2/91, of which Promotora de Informaciones, S.A. is the dominant company, were completed, with the signing of two economic-administrative appeals from which no payable fee has been derived, and whose main effect has been a redistribution in tax credits from one category to another. The companies filed the corresponding administrative appeal to the Central Economic-Administrative Tribunal (TEAC) and then filed administrative appeals before the Audiencia Nacional (National High Court). In 2024 a ruling has been handed down approving the appeal filed against the inspection procedure relating to Tax Consolidation Group 194/09. The appeal relating to Tax Consolidation Group 2/91 is pending resolution before the National High Court.

In the 2021 financial year, the inspection actions relating to the Value Added Tax for periods 2016-2018 of VAT Group 105/08 were completed, with the signing of (i) a Conformity Report corresponding to the 2017 and 2018 financial years from which no amount was derived and (ii) a Settlement Agreement relating to the 2016 financial year for an amount of EUR 147 thousand, which was paid by the Company. During 2024, a resolution was handed down by the Central Economic Administrative Court rejecting the appeal. This will now be the subject of an administrative appeal before the National High Court, which is pending resolution.

During 2024, partial tax inspections were completed. These actions are limited to the verification of the double taxation tax credit regulated in article 31 of the Corporate Income Tax Law generated in 2019, as well as the adjustments to the positive and negative accounting results associated with the aforementioned tax credit, for both PRISA and certain subsidiaries. As a result, the negative taxable bases to be offset by companies that currently form part of the tax group have increased by EUR 839 thousand and the amount of the deduction for international double taxation pending use corresponding to the 2019 financial year has been reduced by EUR 1,072 thousand.

In 2024, the Company was notified of the launch of audit procedures relating to the Tax on Certain Digital Services corresponding to the 2021 to 2023 period. This inspection is not expected to have a significant negative impact on the Group's equity.

In 2023, the subsidiary Grupo Latino Radiodifusión, SpA (Chile) received a rejection ruling from the Chilean Supreme Court for assessments in which the Chilean Internal Revenue Service denied the deduction of certain expenses corresponding to tax years 2012 and 2013/2016 and 2017. The Group therefore made a provision of EUR 3.7 million in the consolidated income statement for the 2023 financial year, mainly associated with the payment made in 2024 arising from this resolution.

The provision for taxes *(see note 12)* includes an amount of EUR 406 thousand to cover, mainly, the impact of probable unfavorable rulings upheld during the various tax proceedings described above.

It is not expected that there will be accrued liabilities of consideration, in addition to those already registered, as a result of these procedures or of a future and possible inspection.

e) Complementary Tax to guarantee a minimum global level of taxation - the new international taxation rule (Pillar Two)

On December 21, 2024, Law 7/2024, of December 20 establishing a Complementary Tax to guarantee a minimum global level of taxation for multinational groups and large national groups, a Tax on the interest and commission margin of certain financial institutions and a Tax on liquids for electronic cigarettes and other tobacco-related products and amending other tax regulations (hereinafter, "Law 7/2024") was published in the Official State Gazette.

Law 7/2024 implements Pillar Two in Spain, establishing, with retroactive effect for fiscal years beginning on December 31, 2023, a Complementary Tax, which guarantees that large multinational groups pay taxes at a minimum effective rate of 15% wherever they operate, so the PRISA Group, as a large multinational group, is subject to said Complementary Tax.

To this end, the Group has performed an analysis of the impacts that may arise from the application of said tax in 2024, considering the application of the Safe Harbours provided for in Transitional Provision Four of Law 7/2024 and the full calculation, where applicable. This analysis shows that the PRISA Group has experienced no significant impact on its current tax expenses in relation to the Pillar Two regulations.

(18) ALLOCATION OF RESULTS

The proposal for the allocation of the result of Promotora de Informaciones, S.A. for 2024 (under the Spanish General Accounting Plan) approved by its Directors is as follows (in thousands of euros):

	Amount
Basis of appropriation Result for the year	(9,686)
Allocation- To negative results from previous years	(9,686)

During 2024, the Company has not distributed dividends to its shareholders.

(19) RESULT PER SHARE

Basic and diluted result per share has been calculated by dividing the result for the year attributable to shareholders of the dominant Company by the weighted average number of ordinary shares in circulation during the period.

The basic and diluted result per share attributed to shareholders of the dominant Company corresponding to continuing and discontinued operations in 2024 and 2023 is the following:

	Thousands of euros	
	12/31/2024	12/31/2023
Result for the year from continuing activities attributable to the Company	(11,914)	(32,140)
Result after tax from discontinued activities attributable to the Company	341	(365)
Result for the year attributable to the Company	(11,573)	(32,505)
Average number of ordinary shares outstanding (thousands of shares)	1,334,559	989,020
Basic and diluted result per share (euros)	**(0.01)**	**(0.03)**
Basic and diluted result per share from continuing activities (in euros)	**(0.01)**	**(0.03)**
Basic and diluted result per share from discontinuing activities (in euros)	**0.00**	**0.00**

In 2023, considering the same average number of ordinary shares outstanding as in 2024, the basic loss per share from continuing operations would be -0.02 euros.

For 2024 and 2023, the effect of the medium-term incentive (*see note 14*) has not been considered for the calculation of diluted earnings per share since it would have an anti-dilution effect by reducing losses per share.

Average number of ordinary shares outstanding in 2024 and 2023:

	Thousands of shares	
	2024	2023
Ordinary shares at December 31	1,008,271	740,650
Capital increase (weighted) *(see note 10a)*	54,050	167,855
Shares pending issuance associated with convertible notes	275,890	83,729
Weighted average of treasury shares	(3,652)	(3,214)
Average number of ordinary shares outstanding for basic earnings per share	**1,334,559**	**989,020**

(20) RELATED PARTY TRANSACTIONS

The detail of the balances receivable from and payable to associates and related parties in 2024 and 2023 is as follows (in thousands of euros):

	12/31/2024			12/31/2023		
	Directors and executives	Group employees, companies or entities and associated	Significant shareholders	Directors and executives	Group employees, companies or entities and associated	Significant shareholders
Trade receivables	-	3,410	6,381	-	3,420	9,015
Total receivables	**-**	**3,410**	**6,381**	**-**	**3,420**	**9,015**
Trade payables	4	582	808	66	895	537
Total payables	**4**	**582**	**808**	**66**	**895**	**537**

Balances with Directors and executives -

The amount of EUR 4 thousand corresponds to outstanding payables to the services of searching and coordination for artists provided by The Pool Guest, S.L. to Podium Podcast, S.L.U. during 2024, this company is owned by PRISA Director Mr. Andrés Varela Entrecanales (who is also Director and President of this company).

At December 31, 2023 EUR 66 thousand of outstanding payables to the law firm ECIJA were included and corresponded to non-current legal advisory services provided to PRISA during 2023. Mr. Pablo Jiménez de Parga (Secretary of the Board of Directors of PRISA and member of the Senior Management) is Executive Vice President of ECIJA.

Balance with Group employees, companies or entities and associated -

The amount of EUR 3,410 thousand, (EUR 3,420 thousand as of December 31, 2023) includes the amounts pending of collection with associated companies, mainly Wemass Media Audience Safe Solutions, S.L. for the sale of advertising, respectively.

The amount of EUR 582 thousand (EUR 895 thousand as of December 31, 2023) includes outstanding payables with affiliated companies, mainly with Wemass Media Audience Safe Solutions, S.L., for advertising commissions.

Balance with significant shareholders-

Vivendi became a significant shareholder of PRISA in financial year 2021 and has sat on the Board of Directors of PRISA (represented by proprietary director Carmen Fernández de Alarcón) since June 2021.

The aggregate amount of EUR 6,381 thousand (EUR 9,015 thousand as of December 31, 2023) includes the amounts pending of collection for advertising services of the PRISA Group companies to the Vivendi Group. In this regard, the balance shown reflects the accounting information recorded in the consolidated balance sheet of the PRISA Group. This amount derives practically entirely from contractual relationships prior to which Vivendi had a significant stake in PRISA's capital stock and was represented on PRISA's Board of Directors. Even so, the amounts of all transactions from 2024 have been included.

The aggregate amount of EUR 808 thousand (EUR 537 thousand as of December 31, 2023) includes the amounts pending of payable with companies of Vivendi Group for the purchase of advertising space and the receipt of strategy services, market research, creativity and identification of consumption habits and consumer product niches.

Transactions performed with related parties

The transactions performed with related parties in 2024 and 2023 were as follows (in thousands of euros):

	2024			2023		
	Directors and executives	Group employees, companies or entities and associated	Significant shareholders	Directors and executives	Group employees, companies or entities and associated	Significant shareholders
Services received	42	1,211	2,280	131	750	2,039
Finance expenses	-	-	-	-	13	-
Other expenses	5,288	2	-	5,497	4	-
Total expenses	**5,330**	**1,213**	**2,280**	**5,628**	**767**	**2,039**
Finance income	-	24	-	-	15	-
Dividends received	-	1,036	-	-	5,184	-
Provision of services	1	9,436	28,191	1	9,549	27,993
Other income	-	-	-	-	445	
Total revenues	**1**	**10,496**	**28,191**	**1**	**15,193**	**27,993**

All related party transactions have taken place under market conditions.

Transactions between with Directors and executives -

The aggregate amount of EUR 42 thousand (EUR 131 thousand as of December 31, 2023) corresponds to:

i. non-current legal advisory services provided by the law firm ECIJA to PRISA Group companies during 2024.

ii. services of searching and coordination for artists and directing work for TV programmes, provided to Lacoproductora, S.L. and to Podium Podcast, S.L.U. (PRISA Group companies) by The Pool Guest, S.L. and The Pool Talent Management S.L., companies owned by PRISA Director Mr. Andrés Varela Entrecanales (who is also Director and President of these companies).

The amount of EUR 5,288 thousand (EUR 5,497 thousand as of December 31, 2023) relates to the accrued salaries of Directors for an amount of EUR 3,843 thousand (EUR 3,905 thousand as of December 31, 2023) (*see note 21*) and Senior Managers for an amount of EUR 1,445 thousand (EUR 1,592 thousand as of December 31, 2023).

<u>Senior management compensation:</u>

The aggregate compensation of the senior managers is the accounting reflection of the overall compensation of members of senior management who are not executive directors of PRISA. In 2024 amounts to EUR 1,445 thousand and in 2023 amounted to EUR 1,592 thousand.

<u>Regarding 2024:</u>

i. As of December 31, 2024, is the compensation of the following managers: the Secretary to the Board of Directors Mr. Pablo Jiménez de Parga, the Head of Corporate and Institutional Relations Mr. Jorge Rivera, the Chief Sustainability Officer Ms. Rosa Junquera, the Head of Communication, Ms. Ana Ortas, the Corporate Head of People and Talent Mr. Jesús Torres (since joining this position in September 2024), the Head of People and Talent of PRISA Media Ms. Marta Bretos (until she ceased to be part of the senior management group in September 2024), and the Prisa's Director of Internal Audits Ms. Virginia Fernández.

   Mr. Jiménez de Parga has entered into a contract with the company for the provision of professional services in which his compensation for those services consists exclusively of a fixed monthly amount.

ii. The remuneration of the senior management includes, inter alia:

   - Salaries

   - Annual variable compensation (bonus): reflection of the amount corresponding to theoretical annual variable compensation of the executives if 2024 management objectives are achieved.

   - Recalculation of the 2023 bonus paid in 2024.

   - "2022-2025 Incentive Plan for PRISA Media, Santillana and PRISA´s executives": At its meeting held on April 26, 2022, PRISA's Board of Directors approved a medium-term incentive plan benefiting some PRISA Media, Santillana and PRISA executives. As of December 31, 2024, no member of the senior management is a beneficiary of this Plan.

- Health and life/accident insurance

iii. No other credits, advances or loans occurred, nor were pension obligations incurred, in respect of the Senior management during 2024.

<u>Regarding 2023:</u>

i. As of December 31, 2023, is the compensation of the following managers: the CFO Ms. Pilar Gil (only for January and February 2023), the Secretary to the Board of Directors Mr. Pablo Jiménez de Parga, the Head of Corporate and Institutional Relations Mr. Jorge Rivera, the Chief Sustainability Officer Ms. Rosa Junquera, the Head of Communication, Ms. Ana Ortas (since joining this position in April 2023), the former Head of Communication, Ms. Cristina Zoilo (until her cessation in April 2023), the Head of People and Talent of PRISA Media Ms. Marta Bretos, and the PRISA's Director of Internal Audits Ms. Virginia Fernández.

ii. The remuneration of the senior management includes, inter alia:

- Salaries
- Accounting reflection of the theoretical annual variable remuneration (bonus) of the Directors in compliance with the 2023 management objectives.
- Recalculation of the 2022 bonus paid in 2023.
- "2022-2025 Incentive Plan for PRISA Media, Santillana and PRISA´s executives": In 2023 and in relation to the only senior manager who is a beneficiary of this Plan, expenditure for this Plan has been recorded of EUR 22 thousand, considering the degree of achievement of the objectives and valuing the shares at the PRISA quotation price at the measurement date.
- An expense for the termination of the contractual relationship of Mrs Zoilo.
- Health and life/accident insurance

iii. No other credits, advances or loans occurred, nor were pension obligations incurred, in respect of the Senior management during 2023.

Transactions between Group employees, companies or entities and associated -

The aggregate amount of EUR 1,213 thousand (EUR 767 thousand as of December 31, 2023) is mainly includes the advertising commission expense with Wemass Media Audience Safe Solutions, S.L.

The amount of EUR 9,436 thousand (EUR 9,549 thousand as of December 31, 2023) mainly includes the income received for commercialization of advertising with Wemass Media Audience Safe Solutions, S.L.

Finally, the amount of EUR 1,036 thousand mainly includes the income dividends received by Sociedad Española de Radiodifusión, S.L.U. from its stake in Sistema Radiópolis, S.A. de C.V (EUR 5,184 thousand as of December 31, 2023).

Transactions between significant shareholders -

The aggregate amount of EUR 2,280 thousand consists, mainly, of the expense for the purchase of advertising space and the receipt of strategy services, market research, creativity and identification of consumption habits and consumer product niches with Vivendi Group companies (EUR 2,039 thousand as of December 31, 2023).

Meanwhile, the aggregate amount of EUR 28,191 thousand (EUR 27,993 thousand as of December 31, 2023) consists, mainly, of income of PRISA Group companies for advertising services with Vivendi Group companies. This amount derives practically entirely from contractual relationships prior to which Vivendi had a significant stake in PRISA's capital stock and was represented on PRISA's Board of Directors.

These transactions reflect the accounting information recorded in the consolidated income statement of the PRISA Group and are between Vivendi Group companies and PRISA Group companies.

Additional Information note

PRISA director Mr. Joseph Oughourlian holds a significant stake in the share capital of Indra Sistemas, S.A., through Amber Capital UK, LLP, from 2022.

In December 2022, the service contracts that Indra had been providing to PRISA Group companies since 2017 expired. Santillana and PRISA Media have contracted new IT services from Indra for the 2023-2025 period. Additionally, during 2024, Indra and PRISA Group companies have maintained other punctual commercial relationships in the normal course of their business. Although these transactions do not qualify as related party transactions under IAS 24 and are not included in the table above, for information purposes and for the sake of transparency, it is noted that the expense recorded in PRISA's consolidated income statement in 2024 amounts to approximately EUR 5 million (approximately EUR 5 million in 2023).

Other transactions

Finally, the detail of other transactions performed with related parties during 2024 and 2023 is as follows, in thousands of euros:

	12/31/2024		12/31/2023	
	Directors and executives	Significant shareholders	Directors and executives	Significant shareholders
Other transactions	180	69,611	190	74,553

Transactions with directors and executives

The amount of EUR 180 thousand corresponds to the non-current legal advisory services, linked to the issue of convertible notes provided by the law firm ECIJA to PRISA (EUR 190 thousand in 2023 for the same concept, linked to the 2023 Issuance).

Transactions with significant shareholders

The amount of EUR 69,611 thousand corresponds to the amount of convertible bonds subscribed by significant shareholders related to the 2024 Issuance (the amount of 2023 corresponds to the 2023 Issuance) *(see note 1b).*

(21) REMUNERATION AND OTHER BENEFITS OF BOARD OF DIRECTORS

In 2024 and 2023, the companies of the Group registered the following amounts in respect of remuneration to Group's Board members:

	Thousands of euros	
	2024	2023
Compensation for belonging to the Board and/ or Board Committees	1,205	1,164
Salaries	1,225	1,167
Variable compensation in cash	601	695
Compensation systems based on shares	784	849
Other	28	30
Total	**3,843**	**3,905**

General remarks:

The aggregated remuneration of Directors reflected in the table above corresponds to the accounting expenses accounted by PRISA and other companies of its Group and consequently corresponds to the accounting provisions registered in the consolidated income statement.

Therefore, the compensation included in table above do not match, in some respects, with the remuneration that will be included in the Annual Remuneration Report of the Directors 2024 and in the Annual Report on Corporate Governance 2024, in which it is followed the criteria required by the Circular 3/2021 of the CNMV (which amend the models for the annual corporate governance report and annual report on remuneration of directors of listed companies), which is not the accounting provision basis.

As of December 31, 2024, the Board of Directors constituted of 15 members, of which 7 were men and 8 were women.

On February 26, 2025, the executive director Mr. Carlos Núñez ceased as a director of PRISA and as Executive Chairman of PRISA Media.

Regarding 2024:

i. At the beginning of the COVID-19 crisis the Board of Directors resolved to put in place a contingency plan to adequate the cost structures of the businesses to the foreseeable circumstances, which gave rise to a series of cost containment measures in 2020 and 2021. Some of these measures continued to apply to non-executive directors of PRISA in the 2022 and 2023 financial years and will continue to apply during the 2024 financial year, as explained in the Director Remuneration Report sent to the CNMV on March 12, 2024 (registration number: 27403).

ii. Within the *"Compensation for belonging to the Board and/ or Board Committees"* it is included the remuneration corresponding to Mr. Miguel Barroso Ayats until the moment of his death in January 2024, as well as the remuneration corresponding to Ms. Sylvia Bigio since her appointment as a director on February 21, 2024.

iii. Within the *"Variable remuneration in cash"* are included the following items:

  - The reflection of the amount corresponding to theoretical annual variable compensation of the executive directors Ms. Pilar Gil (CFO), Mr. Francisco Cuadrado (executive Chairman of Santillana) and Mr. Carlos Nuñez (executive Chairman of PRISA Media) at the end of the 2024, if 2024 management objectives are achieved. In 2024, an expense of EUR 598 thousand was recorded for this item.

  - Regularization of the 2023 bonus of the executive directors at the end of the 2024 (Ms. Pilar Gil, Mr. Francisco Cuadrado and Mr. Carlos Nuñez), for an amount of EUR 3 thousand.

iv. In relation to " *Compensation systems based on shares"* it is stated the following:

  - "PRISA CFO´s incentive Plan 2022-2025":

    PRISA´s CFO Ms. Pilar Gil is the beneficiary of a medium-term incentive plan linked to the achievement of certain quantitative financial targets set out in PRISA's budget (linked to adjusted Cash Flow) in fiscal years 2022, 2023, 2024 and 2025, which is payable in shares. The plan was approved by the Board of Directors of PRISA on July 26, 2022, and was also approved at the Ordinary Shareholders Meeting held on June 27, 2023.

    Ms. Gil has been granted with a theoretical number of shares equivalent to EUR 300 thousand gross for each year of the plan's duration, which will serve as a reference to determine the final number of shares to be delivered (she has been assigned 554,097 theoretical shares for each year of the Plan, that is, a total of 2,216,388 theoretical shares). The calculation has been made considering the average stock market value of PRISA shares during the last quarter of 2021. In addition, the incentive may be increased depending on the evolution of PRISA's share price.

In 2024, an expense of EUR 254 thousand has been recorded for this Plan (considering the degree of achievement of the objectives for the years 2024, 2023 and 2022 and valuing the shares at the PRISA quotation price at the measurement dates).

- o “Santillana Executive Chairman´s incentive Plan 2022-2025”:

  The Executive Chairman of Santillana, Mr. Cuadrado is the beneficiary of a medium-term incentive plan linked to the achievement of certain quantitative financial targets set out in Santillana’s budget (linked to EBIT and Cash Flow) in fiscal years 2022, 2023, 2024 and 2025, which is payable in shares. The plan was approved by the Board of Directors of PRISA on May 24, 2022, and was also approved at the Ordinary Shareholders Meeting held on June 28, 2022.

  Mr. Cuadrado has been granted with a theoretical number of shares equivalent to EUR 500 thousand gross for each year of the plan’s duration, which will serve as a reference to determine the final number of shares to be delivered (he has been assigned 923,494 theoretical shares for each year of the Plan, that is, a total of 3,693,976 theoretical shares). The calculation has been made considering the average stock market value of PRISA shares during the last quarter of 2021. In addition, the incentive may be increased depending on the evolution of PRISA’s share price.

  In 2024, an expense of EUR 266 thousand has been recorded for this Plan (considering the degree of achievement of the objectives for the years 2024, 2023 and 2022 and valuing the shares at the PRISA quotation price at the measurement dates).

- o “PRISA Media Executive Chairman´s incentive Plan 2022-2025”:

  As mentioned above, it is noted that on February 26, 2025, the executive director Mr. Carlos Núñez has ceased as a director of PRISA and as Executive President of PRISA Media.

  As of December 31, 2024, Mr. Nuñez was 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 fiscal years 2022, 2023, 2024 and 2025, which is payable in shares. The plan was approved by the Board of Directors of PRISA on December 21, 2021 and was subsequently modified by the Board (to extend it until 2025 in line with the Company’s Strategic Plan) on April 26, 2022 and was also approved at the Ordinary Shareholders Meeting held on June 28, 2022. Since Mr. Núñez has left the Company, in February 2025, this Plan has terminated.

  Mr Nuñez had been granted with a theoretical number of shares equivalent to EUR 500 thousand gross for each year of the plan’s duration, which would serve as a reference to determine the final number of shares to be delivered (he had been assigned 923,494 theoretical shares for each year of the Plan, that is, a total of 3,693,976 theoretical shares). The calculation has been made considering the average stock market value of PRISA shares during the last quarter of 2021. In addition, the incentive could be increased depending on the evolution of PRISA’s share price.

In 2024, an expense of EUR 264 thousand has been recorded for this Plan (considering the degree of achievement of the objectives for the years 2024, 2023 and 2022 and valuing the shares at the PRISA quotation price at the measurement dates).

In addition, it is noted that in 2024 Ms. Gil, Mr. Cuadrado and Mr. Núñez have respectively received 289,675, 369,374 and 253,185 net shares, in settlement of the first third of the amount earned in 2023 and of the second third of the amount earned in 2022, in accordance with the terms of the Plans. These deliveries of shares have had no impact on the consolidated income statement for the year 2024.

v. *"Others"* includes health and life/accident insurance for the executive directors at the end of the 2024 (Ms. Pilar Gil, Mr. Carlos Nuñez and Mr. Francisco Cuadrado).

vi. No other credits, advances or loans occurred, nor were pension obligations incurred, in respect of the Board of Directors during 2024.

Regarding 2023:

i. The remuneration of the Executive Director Ms. Pilar Gil (CFO of the Company), who joined the Board of Directors in February 2023, has been reflected as follows: the remuneration for the period from 1 March to December 31, 2023, is included in the board members ´remuneration, while the remuneration for January and February 2023 is included in the senior management´s remuneration, except for its Incentive Plan, which has been fully included in the board members ´remuneration.

ii. Within the *"Compensation for belonging to the Board and/or Board Committees"* it is included the following:

- Remuneration for Ms. Maria Teresa Ballester, Amber Capital UK LLP, Mr. Rosauro Varo and Mr. Khalid Thani Abdullah Al Thani up to the time of their cessation as directors in June (for the first two), May and February 2023, respectively.

- The remuneration corresponding to the following directors, since joining the Board, on June 27, 2023: Mr. Miguel Barroso Ayats, Mr. Fernando Carrillo Flórez, Ms. Margarita Garijo-Bettencourt and Ms. Isabel Sánchez García.

iii. Within the *"Variable remuneration in cash"* are included the following items:

- The reflection of the amount corresponding to theoretical annual variable compensation of the executive directors Ms. Pilar Gil (CFO), Mr. Francisco Cuadrado (executive Chairman of Santillana) and Mr. Carlos Nuñez (executive Chairman of PRISA Media), in the achievement of 2023 management objectives. In 2023, an expense of EUR 682 thousand was recorded for this item.

- Regularization of the 2022 bonus of the executive directors, Ms. Pilar Gil, Mr. Francisco Cuadrado and Mr. Carlos Nuñez, for an amount of EUR 13 thousand.

iv. "*Compensation systems based on shares*": regarding the PRISA, Santillana and PRISA Media medium-term incentive Plans 2022-2025 whose beneficiaries are the CFO of PRISA, Ms Pilar Gil, the Executive Chairman of Santillana, Mr. Francisco Cuadrado and the Executive Chairman of PRISA Media, Mr. Carlos Nuñez, in 2023, an expense of EUR 849 thousand has been recorded for this Plan (EUR 270 thousand for Ms. Gil's Plan, EUR 360 thousand for Mr. Cuadrado's Plan and EUR 219 thousand for Mr. Núñez's Plan).

   In addition, it is noted that in 2023 the following deliveries of net shares were made, in settlement of one third of the incentive resulting from fiscal year 2022, in accordance with the conditions of the respective Plans: 139,234 shares to Ms. Gil, 182,153 shares to Mr. Cuadrado and 63,132 shares to Mr. Núñez. This delivery of shares has had no impact on the consolidated income statement for the year 2023.

v. *"Others"* includes health and life/accident insurance for the executive directors Ms. Pilar Gil, Mr. Carlos Nuñez and Mr. Francisco Cuadrado.

vi. No other credits, advances or loans occurred, nor were pension obligations incurred, in respect of the Board of Directors during 2023.

Information regarding conflict-of-interest situations of directors-

For purposes of article 229 of the Capital Companies Act it is noted that, as at the end of 2024, the Board of Directors had not been advised of direct or indirect conflict situations that directors or persons related thereto (in accordance with article 231 of the aforesaid Act) might have had with the interests of the Company.

Notwithstanding the foregoing, the Board of Directors has been informed by the Directors of the following activities carried out by them or by certain persons related thereto, in companies engaged in activities of the same or an analogous or complementary kind as the one constituting the purpose of the Company or the companies in its Group:

Director	Activity	Person related to the Director	Activity
Joseph Oughourlian	*See note below (*)*	-	-
Javier Santiso Guimaras	CEO and General Partner of Mundi Ventures, a Venture Capital firm focused on technology-based companies. *See note below (**)*	-	-

(*) Mr. Joseph Oughourlian controls Amber Capital, its affiliates and subsidiaries (together "Amber Capital"), which act as investment manager, general partners, managing members and managers to funds, accounts, and other investment vehicles (together, the "Amber Funds") that invest in public and private companies in Europe, North America and Latin America, which includes trading in entities with activities the same, similar or complementary to Prisa. Mr. Oughourlian also act as a managing partner to Amber Capital and as a portfolio manager to various Amber Funds.

(**)Mundi Ventures has investments in 70 technology companies, which are listed on the website www.mundiventures.com.

The companies in the Prisa Group are not included in this list. As already indicated in the Annual Corporate Governance Report of the Company, as of December 31, 2024, the directors Pilar Gil, Francisco Cuadrado, Carlos Nuñez, Manuel Polanco Moreno, Teresa Quirós and

Maria José Marín Rey Stolle, were members of management bodies of certain companies in the PRISA Group or indirectly participated by PRISA.

(22) GUARANTEE COMMITMENTS TO THIRD PARTIES

At December 31, 2024, PRISA Group had furnished personal guarantees (including counter-guarantees) amounting to EUR 1,792 thousand.

The Company's directors do not consider that significant impacts in the consolidated income statement of the Group will arise from the guarantees provided.

(23) FUTURE COMMITMENTS

The Group's main future commitment is the contract signed with Axion for the use of radio frequencies, which has been renegotiated in 2024 and ends in June 2031 for EUR 64 million. The remaining commitments are mainly contracts with technology service providers, the largest being the contract signed with Indra in 2023 for a three-year period and an approximate amount of EUR 12 million.

On December 31, 2024, the Group had payment obligations for an amount payable of approximately EUR 109,138 thousand. This amount does not include the payment commitments derived from the contract leases, which are detailed in note 11b. The amounts payable in relation to these obligations fall due as follows:

Year	Thousands of euros
2025	39,326
2026	21,121
2027	15,902
2028	9,340
2029	9,506
2030 and subsequent years	13,943
	109,138

The obligation to pay the amounts agreed upon in the purchase agreements arises only if suppliers fulfil all the contractually established terms and conditions.

These future payment obligations were estimated taking into account the agreements in force at December 31, 2024. As a result of the renegotiation of certain agreements, these obligations might differ from those initially estimated.

Past-due payments to suppliers-

The information required by the third additional provision of Law 15/2010, of July 5 (amended by the second final provision of Law 31/2014, of 3 December) and Law 18/2022 of September 28 approved in accordance with the resolution of ICAC (Spanish Accounting and Audit

Institute) of January 29, 2016, in relation to the average period of payment to suppliers in commercial operations, is as follows regarding to Spanish companies:

	12/31/2024	12/31/2023
	Days	
Average period of payment to suppliers	**68**	**71**
Ratio of settled transactions	71	72
Ratio of transactions pending payment	46	60
	%	
Ratio of operations paid in a period of less than 60 days	46%	42%
Ratio of invoices paid in less than 60 days	69%	64%
	Amount (thousand of euros)	
Total payments made	211,399	228,513
Total payments made within a period of less than 60 days	96,419	96,383
Total pending payments	30,702	26,262
	Number	
Total number of invoices paid	100,623	88,579
Total number of invoices paid in less than 60 days	69,363	56,756

To calculate the average period of payment to suppliers, the payments made in each period for commercial operations corresponding to the delivery of goods or service provisions are taken into account, as well as the amounts for these operations pending settlement at the end of each year that are included under *"Trade payables"* of the attached consolidated balance sheet, referring only to the Spanish entities included in the consolidated group.

"Average period of payment to suppliers" is understood to mean the period from the delivery of the goods or provision of the services by the supplier to the eventual payment of the transaction.

The maximum legal period of payment applicable in 2024 and 2023 under Law 3/2004, of December 29 and its modification by the Law 15/2010 of July 5, for combating late payment in commercial transactions, is by default 60 days. 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 2024, the average payment period to suppliers has been reduced by 3 days thanks to the measures adopted by the Group. However, this period exceeds 60 days, mainly due to agreements reached with technology providers and associated radio stations to extend the due date of invoices.

During the next financial year, the Directors will continue to take the appropriate measures to reduce, as far as possible, the average period of payment to suppliers to the levels permitted by Law, except in those cases in which there are specific agreements with suppliers that establish a longer term.

(24) ONGOING LITIGATIONS AND CLAIMS

A) CNMC - Santillana

On May 30, 2019, the National Markets and Competition Committee (CNMC), by Resolution declared that certain companies within Grupo Santillana -i.e. Grupo Santillana Educación Global, S.L., Santillana Educación, S.L., Ediciones Grazalema, S.L., Edicions Obradoiro, S.L., Edicions Voramar, S.A., Zubia Editoriala S.L. y Grup Promotor d'Ensenyament i Difusio en Catala, S.L. (collectively, the "Affected Companies") (as well as companies belonging to other editorial groups) allegedly committed two serious infringements to Article 1 of the 15/2007 Competition Defense Law and to Article 101 of the Treaty on the Functioning of the European Union; imposing an accumulated penalty of EUR 9,214 thousand, without prejudice to the breakdown of the penalties that the Resolution applies to each society.

On July 19, 2019, an administrative contentious appeal was lodged against said Resolution before Section Six of the National Court (Audiencia Nacional) and requested the suspension of the enforceability of the Resolution for the duration of the procedure. On September 4, 2019, the National Court (Audiencia Nacional) suspended the enforceability of the Resolution subject to the guarantee submission for the amount of the penalty imposed by the Resolution.

On November 4, 2019 a bank guarantee for the said amount was submitted before the National Court (Audiencia Nacional) and by Order of November 6, 2019, the Chamber agreed to consider complete in due time and form the imposed condition and therefore to suspend the enforceability of the Resolution.

On April 16, 2020, the Affected Companies filed the corresponding lawsuit before the National Court (Audiencia Nacional) requesting the complete nullity of the Resolution and, alternatively, the complete nullity of the sanction imposed or its significant reduction. The State Attorney submitted the corresponding statement of defence properly and on time, having held the hearing to take the expert evidence (ratification) on October 26, 2020. The Affected Companies and the State Attorney deposited their closing argument memorandum on November 27, 2020 and on December 22, 2020, respectively.

On December 31, 2020, Grupo Santillana Educación Global, S.L. sold Santillana Educación, S.L. and its subsidiaries (Edicions Obradoiro, S.L., Edicions Voramar, S.A., Zubia Editoriala S.L., Ediciones Grazalema, S.L. and Grup Promotor d'Ensenyament i Difusió en Catalá, S.L.) to Sanoma Pro Oy, so that such companies are not a part of the Group perimeter. However, and in accordance with the terms of the sale and purchase agreement entered into, Grupo Santillana Educación Global, S.L. granted an indemnity to Sanoma Pro Oy on the result of this process.

On January 3, 2022, Santillana submitted to the National Court (Audiencia Nacional), a document by virtue of which is added to the file a sentence recently issued by the Contentious Administrative Chamber of National Court (happened later to the date on which Santillana presented its conclusions) within an ordinary procedure against a resolution of the CNMC -substantially identical to that of Santillana-, by virtue of which the aforementioned Chamber admits the arguments that support the requested annulment and that likewise fully coincide with those presented by Santillana within the procedure.

On December 16, 2024, the National Court issued a ruling setting 8 January 2025 as the date for the vote and decision on the appeals filed by the Santillana Group companies. On 7 February 2025, the National Court issued a new ruling suspending the scheduled vote and decision. Without prejudging the potential outcome, it granted the parties involved in the proceedings a 10-day period to express their views on the expiration of the sanctioning procedure. On Monday, 24 February 2025, the companies of the Santillana group, within the stipulated period, complied with the procedure established by the resolution of 7 February 2025, requesting the expiration of the sanctioning procedure.

To date, the procedure is still pending scheduling for vote and ruling.

The Group’s Directors and internal and external advisors, do not consider that any relevant liabilities, not recorded by the Group, will arise from the resolution of this procedure.

B) CNMC - DTS

The Group maintains recorded a provision of EUR 3,320 thousand as of December 31, 2024 associated with an unfavorable ruling received by Telefónica and communicated to PRISA by the latter in January 2022, which was appealed by Telefonica, in relation to certain operations of Distribuidora de Televisión Digital, S.A. (“DTS”), a subsidiary that was sold to the aforementioned company in 2015. The agreement for the sale of DTS to Telefónica contemplated the assumption by PRISA of a percentage of the damages arising from these legal proceedings.

By final judgment of November 6, 2024, the Supreme Court has declared that there is no grounds for the appeal filed by Telefónica, so that, once the judicial procedure is over, Telefónica will liquidate and pay the damages arising from the litigation, after which PRISA will proceed to pay Telefónica the percentage of said damages.

C) Other litigations

In addition, the Group is involved in other litigations for smaller amounts. The Directors and internal and external advisors do not consider that any relevant liabilities will arise from such litigations.

(25) EVENTS AFTER THE BALANCE SHEET DATE

No significant events have occurred since December 31, 2024 until the date of authorized of these consolidated annual accounts.

(26) EXPLANATION ADDED FOR TRANSLATION TO ENGLISH

These consolidated financial statements are presented on the basis of IFRSs as adopted by the European Union. Certain accounting practices applied by the Group that conform to IFRSs may not conform to other generally accepted accounting principles.

COMPANIES INCLUDED IN THE SCOPE OF CONSOLIDATION: DECEMBER 2024

APPENDIX I

COMPANY	REGISTERED OFFICE	LINE OF BUSINESS	COMPANY HOLDING THE OWNERSHIP INTEREST	DECEMBER 2024	
				PERCENTAGE OF OWNERSHIP	TAX GROUP (*)
EDUCATION					
Full Consolidation					
Activa Educa, S.A. (Guatemala)	Avenida Reforma 03-83, zona 10, Ciudad de Guatemala	Publishing	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. Brasil	Publishing	Santillana Latam, S.L.U Grupo Santillana Educación Global, S.L.U.	99.99% 1 acción	
Distribuidora y Editora Richmond, S.A.S.	Edificio Punto 99, Carrera 11ª Nº98-50 Oficina 501. Bogotá. Colombia	Publishing	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	Publishing	Santillana Latam, S.L.U	100%	
Ediciones Santillana, S.A. (Argentina)	Dique Norte Cecilia Grierson 222, Buenos Aires, Argentina	Publishing	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	Publishing	Santillana Sistemas Educativos, S.L.U.	100%	
Editora Altea Ltda.	Avenida Papa João Paulo I, nº 2258, Galpão 1 Papa, Sala 02 São Paulo. Brasil	Publishing	Editora Moderna Ltda.	100%	
Editora Moderna Ltda.	Rua Padre Adelino, 758. Belezinho. Sao Paulo. Brasil	Publishing	Santillana Latam, S.L.U Grupo Santillana Educación Global, S.L.U.	100% 1 acción	
Editora Pitanguá Ltda.	Avenida Papa João Paulo I, nº 2258, Galpão 1 Papa, Sala 01, São Paulo. Brasil	Publishing	Editora Moderna Ltda.	100%	
Editorial Santillana, S.A. (Guatemala)	Avenida Reforma 03-83, zona 10, Ciudad de Guatemala	Publishing	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 Boulevar Suyapa, Metropolis Torre 20501, Tegucigalpa Honduras	Publishing	Santillana Sistemas Educativos, S.L.U. Grupo Santillana Educación Global, S.L.U.	99.00% 1.00%	
Editorial Santillana, S.A. (Rep. Dominicana)	Juan Sánchez Ramírez, 9. Gazcue. Santo Domingo. República Dominicana	Publishing	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	Publishing	Santillana Latam, S.L.U	100%	
Editorial Santillana, S.A. de C.V. (México)	Avenida Rio Mixcoac 274 Col Acacias. México DF. México	Publishing	Santillana Latam, S.L.U Educa Inventia, S.A. de C.V.	100% 1 acción	
Editorial Santillana, S.A. de C.V. (El Salvador)	3a. Calle Poniente Y 87 Avenida Norte, No. 311, colonia Escalon San Salvador	Publishing	Santillana Sistemas Educativos, S.L.U. Grupo Santillana Educación Global, S.L.U.	99.95% 0.05%	
Editorial Santillana, S.A.S (Colombia)	Edificio Punto 99, Carrera 11ª Nº98-50 Oficina 501. Bogotá. Colombia	Publishing	Santillana Sistemas Educativos, S.L.U Distribuidora y Editora Richmond, S.A.S Grupo Santillana Educación Global, S.L.U.	94.64% 3.31% 2.05%	
Educa Inventia, S.A. de C.V. (México)	Avenida Rio Mixcoac 274 Col Acacias. México DF. México	Publishing	Santillana Latam, S.L.U Editorial Santillana S.A. de C.V. México	99.99% 1 acción	
Educactiva Ediciones, S.A.S. (Colombia)	Edificio Punto 99, Carrera 11ª Nº98-50 Oficina 503. Bogotá. Colombia	Publishing	Santillana Sistemas Educativos, S.L.U.	100%	
Educactiva, S.A. (Chile)	Avenida Andrés Bello 2299 Oficina 1001 Providencia. Santiago Chile	Publishing	Santillana Educación Pacífico, S.L Santillana Sistemas Educativos, S.L.U.	93.52% 6.48%	
Educactiva, S.A.C. (Perú)	Avenida Primavera 2160 Santiago de Surco - Lima	Publishing	Santillana Educación Pacífico, S.L Santillana Sistemas Educativos, S.L.U.	39.877% 57.116%	
Educactiva, S.A.S. (Colombia)	Edificio Punto 99, Carrera 11ª Nº98-50 Oficina 503. Bogotá. Colombia	Publishing	Santillana Educación Pacífico, S.L Santillana Sistemas Educativos, S.L.U.	87.12% 12.88%	

(*) Consolidated tax Group Promotora de Informaciones, S.A.: 2/91

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APPENDIX I

COMPANY	REGISTERED OFFICE	LINE OF BUSINESS	COMPANY HOLDING THE OWNERSHIP INTEREST	DECEMBER 2024	
				PERCENTAGE OF OWNERSHIP	TAX GROUP (*)
Fundación Santillana Educación (Chile)	Comuna de Providencia, Región Metropolitana	Promotion of education and contribution to the improvement and extension of culture in the Territory of the Republic of Chile, through all relevant institutional channels	Santillana Educación Chile, SpA.	100%	
Grupo Santillana Educación Global, S.L.U.	Gran Vía, 32. Madrid	Publishing	Prisa Activos Educativos, S.A.U	100%	2/91
Improve Education Services, S.A.S. (Colombia)	Edificio Punto 99, Carrera 11ª Nº98-50 Oficina 504. Bogotá. Colombia	Publishing	Distribuidora y Editora Richmond, S.A.S. Educactiva Ediciones, S.A.S.	50.00% 50.00%	
Improve Learning, S.A.S. (Colombia)	Edificio Punto 99, Carrera 11ª Nº98-50 Oficina 504. Bogotá. Colombia	Publishing	Distribuidora y Editora Richmond, S.A.S. Educactiva Ediciones, S.A.S.	50.00% 50.00%	
Kapelusz Editora, S.A. (Argentina)	Dique Norte Cecilia Grierson 222, Buenos Aires, Argentina	Publishing	Santillana Educación Pacífico, S.L Santillana Sistemas Educativos, S.L.U.	99.90% 0.10%	
Pleno Internacional, SPA	Avenida Andres Bello N° 2299 Oficina 1001 Providencia - Santiago	Advice and consulting, development and sale of software	Santillana Educación Chile, SpA.	70.00%	
Programas de Innovación Educativa, S.A de C.V	Avenida Rio Mixcoac 274 Col Acacias. México DF. México	Publishing	Santillana Sistemas Educativos, S.L.U. Santillana Educación Pacífico, S.L Santillana Educación México, S.A. de C.V.	87.472% 12.513% 0.015%	
Richmond Educaçâo, Ltda.	Rua Padre Adelino, 758. Belezinho. Sao Paulo. Brasil	Publishing	Editora Moderna, Ltda. Grupo Santillana Educación Global, S.L.U.	100% 1 acción	
Salamandra Editorial, Ltda.	Rua Urbano Santos 755, Sao Paulo. Brasil	Publishing	Editora Moderna, Ltda. Grupo Santillana Educación Global, S.L.U.	100% 1 acción	
Santillana de Ediciones, S.A. (Bolivia)	Avenida Pedro Rivera Nº 3095. Santa Cruz. Bolivia	Publishing	Santillana Sistemas Educativos, S.L.U. Santillana Educación Pacífico, S.L Grupo Santillana Educación Global, S.L.U.	99.70% 0.15% 0.15%	
Santillana del Pacífico, S.A. de Ediciones.	Avenida Andres Bello 2299 Oficina 1001-1002 Providencia. Santiago Chile	Publishing	Santillana Latam, S.L.U Grupo Santillana Educación Global, S.L.U.	100% 1 acción	
Santillana Educacao, Ltda. (Brasil)	Rua Padre Adelino, 758. Belezinho. Sao Paulo. Brasil	Publishing	Santillana Sistemas Educativos, S.L.U. Grupo Santillana Educación Global, S.L.U.	100% 1 acción	
Santillana Educación Chile, SpA.	Avenida Andrés Bello 2299 1001 – 1002 Providencia, Santiago de Chile	Publishing	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. México DF. México	Publishing	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	Publishing	Santillana Sistemas Educativos, S.L.U. Grupo Santillana Educación Global, S.L.U.	99.996% 0.004%	2/91
Santillana Latam, S.L.U.	Gran Vía, 32. Madrid	Publishing	Grupo Santillana Educación Global, S.L.U.	100%	2/91
Santillana Sistemas Educativos, S.L.U.	Gran Vía, 32. Madrid	Publishing	Grupo Santillana Educación Global, S.L.U.	100%	2/91
Santillana, S.A. (Costa Rica)	La Uruca. 200 m Oeste de Aviación Civil. San José. Costa Rica	Publishing	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	Publishing	Santillana Sistemas Educativos, S.L.U. Grupo Santillana Educación Global, S.L.U.	100% 1 acción	
Santillana, S.A. (Paraguay)	Avenida Venezuela. 276. Asunción. Paraguay	Publishing	Santillana Sistemas Educativos, S.L.U. Ediciones Santillana, S.A. (Argentina)	99.89% 0.11%	
Santillana, S.A. (Perú)	Avenida de Primavera 2160 Santiago de Surco -Lima	Publishing	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.	Publishing	Santillana Sistemas Educativos, S.L.U Grupo Santillana Educación Global, S.L.U	100% 1 acción	
Soluçoes Moderna Editora e Serviços Educacionais, Ltda.	Rua Padre Adelino, 758. Sala Avalia, Quarta Parada, - Sao Paulo. Brasil	Publishing	Santillana Latam, S.L.U. Grupo Santillana Educación Global, S.L.U.	100% 1 acción	

(*) Consolidated tax Group Promotora de Informaciones, S.A.: 2/91

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APPENDIX I

COMPANY	REGISTERED OFFICE	LINE OF BUSINESS	COMPANY HOLDING THE OWNERSHIP INTEREST	DECEMBER 2024	
				PERCENTAGE OF OWNERSHIP	TAX GROUP (*)
MEDIA					
Full Consolidation					
Lacoproductora, S.L.U	Cardenal Cisneros, 74. Madrid	Production of feature films, short films, series, miniseries and television movies, as well as any other type of audiovisual works	Prisa Media, S.A.U	100%	
Mobvious Corp.	7742 N. Kendall Drive, 101 Miami Florida 33156-8550. EE.UU	Marketer's advertising in digital media.	Prisa Media USA, Inc.	60.00%	
Podium Podcast, S.L.U.	Gran Vía, 32. Madrid	Provision of music services	Prisa Media, S.A.U	100%	2/91
Prisa Media, S.A.U.	Gran Vía, 32. Madrid	The allowance, or self-employed, of any kind of services, directly or indirectly, related broadcasting. Advice and provision of services to media companies in the field of advertising, programming, administration, marketing and technical issues, computer and commercial and any other related activity. Production, operation and management-account or self-employed, by whatever means, of all kinds of programs and radio and audiovisual products.	Promotora de Informaciones, S.A.	100%	2/91
Prisa Media México, S.A. de C.V.	Avenida Paseo de la Reforma 231. Piso 6 Colonia Cuauthemoc. Ciudad de México 06500	Marketer's advertising in digital media.	Prisa Media USA, Inc.	99.99%	
			Prisa Media, S.A.U..	0.01%	
Prisa Media USA, Inc.	7742 N. Kendall Drive 101. Miami. Florida. 33156-8550. EE.UU.	Marketer of advertising in media.	Prisa Media, S.A.U.	100%	
Equity Method					
Wemass Media Audience Safe Solutions, S.L.	Calle Juan Ignacio Luca de Tena, nº7.	Hiring advertising in the media. Design, organization, management and marketing of all kinds of cultural, sports, promotional and leisure activities and events.	Prisa Media, S.A.U.	33.33%	
MEDIA- RADIO					
Radio in Spain					
Full Consolidation					
Antena 3 de Radio de León, S.A.	Gran Vía, 32. Madrid	Operation of radio broadcasting stations	Sociedad Española de Radiodifusión, S.L.U.	99.56%	2/91
Compañía Aragonesa de Radiodifusión, S.A.	Paseo de la Constitución, 21. Zaragoza	Operation of radio broadcasting stations	Sociedad Española de Radiodifusión, S.L.U.	97.03%	2/91
Ediciones LM, S.L.	Plaza de Cervantes, 6. Ciudad Real	Operation of radio broadcasting stations	Sociedad Española de Radiodifusión, S.L.U.	50.00%	
Iniciativas Radiofónicas de Castilla La Mancha, S.A.	Carreteros, 1. Toledo	Operation of radio broadcasting stations	Ediciones LM, S.L.	40.00%	
			Sociedad Española de Radiodifusión, S.L.U.	50.00%	
Ondas Galicia, S.A.	San Pedro de Mezonzo, 3. Santiago de Compostela	Operation of radio broadcasting stations	Sociedad Española de Radiodifusión, S.L.U.	51.14%	
Prisa Radio, S.A.U.	Gran Vía, 32. Madrid	Provision of business radio services	Prisa Media, S.A.U	100%	2/91
Propulsora Montañesa, S. A.	Pasaje de Peña. Nº 2. Interior. 39008. Santander	Operation of radio broadcasting stations	Sociedad Española de Radiodifusión, S.L.U.	99.94%	2/91

(*) Consolidated tax Group Promotora de Informaciones, S.A.: 2/91

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COMPANY	REGISTERED OFFICE	LINE OF BUSINESS	COMPANY HOLDING THE OWNERSHIP INTEREST	DECEMBER 2024	
				PERCENTAGE OF OWNERSHIP	TAX GROUP (*)
Radio Club Canarias, S.A.	Plaza Santa Cruz de la Sierra 2. Santa Cruz de Tenerife	Operation of radio broadcasting stations	Sociedad Española de Radiodifusión, S.L.U.	95,00%	2/91
Radio Jaén, S.L.U.	Obispo Aguilar, 1. Jaén	Operation of radio broadcasting stations	Sociedad Española de Radiodifusión, S.L.U.	100%	
Radio Lleida, S.L.	Calle Vila Antonia. Nº 5. Lleida	Operation of radio broadcasting stations	Sociedad Española de Radiodifusión, S.L.U.	66,50%	
Radio Murcia, S.A.	Radio Murcia, 4. Murcia	Operation of radio broadcasting stations	Sociedad Española de Radiodifusión, S.L.U.	83.33%	2/91
Radio Zaragoza, S.A.	Paseo de la Constitución, 21. Zaragoza	Operation of radio broadcasting stations	Compañía Aragonesa de Radiodifusión, S.A.	57.11%	2/91
			Sociedad Española de Radiodifusión, S.L.U.	20.77%	
Sociedad Española de Radiodifusión, S.L.U.	Gran Vía, 32. Madrid	Operation of radio broadcasting stations	Prisa Radio, S.A.U	100%	2/91
Sociedad Independiente Comunicación Castilla La Mancha, S.A.	Avenida de la Estación, 5 Bajo. Albacete	Operation of radio 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 radio broadcasting stations	Sociedad Española de Radiodifusión, S.L.U.	50,00%	
Teleser, S.A.	Gran Vía, 32. Madrid	Operation of radio broadcasting stations	Sociedad Española de Radiodifusión, S.L.U.	81.46%	2/91
			Radio Zaragoza,S.A.	0.65%	
Equity Method					
International Radio					
Full Consolidation					
Blaya y Vega, S.A.	Eliodoro Yáñez. Nº 1783. Comuna Providencia Santiago. Chile	Operation of radio broadcasting stations	Multimedios GLP Chile , SpA.	99.98%	
			Prisa Media Chile, S.A.	0.02%	
Caracol Estéreo, S.A.S	Calle 67 Nº 7-37 Piso 7 Bogotá. Colombia	Commercial radio broadcasting services	Sociedad Española de Radiodifusión, S.L.U.	77.04%	
			Prisa Radio, S.A.U.	2 acciones	
Caracol, S.A.	Calle 67 Nº 7-37 Piso 7 Bogotá. Colombia	Commercial radio broadcasting services	Sociedad Española de Radiodifusión, S.L.U.	77.05%	
			Prisa Radio, S.A.U.	2 acciones	
Compañía de Comunicaciones de Colombia,S.A.S	Calle 67 Nº 7-37 Piso 7 Bogotá. Colombia	Commercial radio broadcasting services	Caracol, S.A.	43.45%	
			Promotora de Publicidad Radial, S.A.S.	19.27%	
			Sociedad Española de Radiodifusión, S.L.U.	16.76%	
			Caracol Estéreo, S.A.S.	11.13%	
			Ecos de la Montaña Cadena Radial Andina, S.A.	4.42%	
Compañía de Radios, S.A.	Eliodoro Yáñez. Nº 1783. Comuna Providencia Santiago. Chile	Operation of radio broadcasting stations	Sociedad Radiodifusora del Norte, SpA.	44.32%	
			Iberoamerican Radio Holdings Chile, S.A.	40.88%	
			Prisa Media Chile, S.A.	14.80%	
Consorcio Radial de Panamá, S.A	Urbanización Obarrio, Calle 54 Edificio Caracol. Panamá	Consulting services and marketing of products and services	Sociedad Española de Radiodifusión, S.L.U.	100%	
Corporación Argentina de Radiodifusión, S.A.	Rivadavia 835. Ciudad de Buenos Aires. Argentina	Operation of radio broadcasting stations	GLR Services Inc.	76.20%	
			Sociedad Española de Radiodifusión, S.L.U.	23.80%	
Ecos de la Montaña Cadena Radial Andina, S.A.	Calle 67. Nº 7-37. Piso 7. Bogotá. Colombia	Commercial radio broadcasting services	Sociedad Española de Radiodifusión, S.L.U.	76.80%	
			Prisa Radio, S.A.U.	1 acción	
Emisora Mil Veinte, S.A.	Calle 67. Nº 7-37. Piso 7. Bogotá. Colombia	Commercial radio broadcasting services	Sociedad Española de Radiodifusión, S.L.U.	75.72%	
			Prisa Radio, S.A.U.	1 acción	
Fast Net Comunicaciones, S.A.	Eliodoro Yáñez. Nº 1783. Comuna Providencia Santiago. Chile	Operation of radio broadcasting stations	Prisa Media Chile, S.A.	99.86%	
			Compañias de Radio,S.A.	0.14%	
Grupo Latino de Radiodifusión Chile, SpA (**)	Eliodoro Yáñez. Nº 1783. Comuna Providencia Santiago. Chile	Operation of radio broadcasting stations	Sociedad Española de Radiodifusión, S.L.U.	99.9986%	
			Caracol, S.A.	0.0014%	
GLR Services Inc.	2100 Coral Way - Miami 33145 - Florida, EE.UU.	Provision of services to radio broadcasting companies	Sociedad Española de Radiodifusión, S.L.U.	100%	

(*) Consolidated tax Group Promotora de Informaciones, S.A.: 2/91

(**) Consolidated data

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				PERCENTAGE OF OWNERSHIP	TAX GROUP (*)
Iberoamerican Radio Holdings Chile, S.A.	Eliodoro Yáñez. Nº 1783. Comuna Providencia Santiago. Chile	Operation of radio broadcasting stations	Prisa Media Chile, S.A Grupo Latino de Radiodifusión Chile, SpA	100% 1 acción	
Iberoamericana de Noticias Ltda.	Eliodoro Yáñez. Nº 1783. Comuna Providencia Santiago. Chile	Operation of media and communication services	Grupo Latino de Radiodifusión Chile SpA. Prisa Media Chile, S.A.	99.9996% 0.0004%	
La Voz de Colombia, S.A.	Calle 67. Nº 7-37. Piso 7. Bogotá. Colombia	Commercial radio broadcasting services	Sociedad Española de Radiodifusión, S.L.U. Caracol, S.A.	75.64% 0.01%	
Multimedios GLP Chile SPA	Eliodoro Yáñez. Nº 1783. Comuna Providencia Santiago. Chile	Operation of media and communication services	Prisa Media Chile, S.A.	100%	
Prisa Media Colombia, S.A.S.	Calle 67 Nº 7-37 Piso 7 Bogotá. Colombia	Production and organization of shows and events	Sociedad Española de Radiodifusión, S.L.U.	100%	
Prisa Media Chile, S.A.	Eliodoro Yáñez. Nº 1783. Comuna Providencia Santiago. Chile	Production and sale of advertising, promotions and events	Grupo Latino de Radiodifusión Chile, SpA Sociedad Española de Radiodifusión, S.L.U.	99.90% 0.10%	
Promotora de Publicidad Radial, S.A.S	Calle 67. Nº 7-37. Piso 7. Bogotá. Colombia	Commercial radio broadcasting services	Sociedad Española de Radiodifusión, S.L.U. Prisa Radio, S.A.U.	77.04% 2 acciones	
Radio Reloj, S.A.S	CL 57 No 17 – 48 Bogotá, Colombia	Operation of the business of broadcasting and advertising	Caracol, S.A.	100.00%	
Sociedad Radiodifusora del Norte, SpA.	Eliodoro Yáñez. Nº 1783. Comuna Providencia Santiago.	Operation of radio broadcasting stations	Prisa Media Chile, S.A.	100%	
Societat de Comunicacio i Publicidat, S.L.	Parc. de la Mola, 10 Torre Caldea, 6º Escalde. Engordany. Andorra	Operation of radio 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 México D.F. 04870. México	Operation of radio broadcasting stations	Sistema Radiópolis, S.A. de C.V. Cadena Radiópolis, S.A. de C.V.	100% 353 acciones	
Cadena Radiópolis, S.A. de C.V.	Calzada de Tlalpan número 3000, Colonia Espartaco, Delegación Coyoacán, Código Postal 04870, Ciudad de México.	Providing all kinds 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 México D.F. 04870. México	Business management 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 México D.F. 04870. México	Business management 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 Nº 7-37 Piso 7 Bogotá. Colombia	Commercial broadcasting services	Caracol, S.A. Promotora de Publicidad Radial, S.A.S	25.00% 25.00%	
Radio Comerciales, S.A. de C.V.	Rubén Darío nº 158. Guadalajara. México	Exploitation 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 nº 158. Guadalajara. México	Operation of radio 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 nº 158. Guadalajara. México	Operation of radio broadcasting stations	Cadena Radiodifusora Mexicana, S.A. de C.V. Cadena Radiópolis, S.A de CV	99.00% 1.00%	
Radiotelevisora de Mexicali, S.A. de C.V.	Avenida Reforma 1270. Mexicali Baja California. México	Operation of radio broadcasting stations	Sistema Radiópolis, S.A. de C.V. Cadena Radiópolis, S.A. de C.V	100% 11 acciones	
Servicios Radiópolis, S.A. de C.V.	Calzada de Tlalpan 3000 col Espartaco México D.F. 04870. México	Operation of radio 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 México D.F. 04870. México	Operation of radio 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 México D.F. 04870. México	Operation of radio 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 radio broadcasting stations	Prisa Radio, S.A.U.	33.00%	
Xezz, S.A. de C.V.	Rubén Darío nº 158. Guadalajara. México	Operation of radio broadcasting stations	Cadena Radiodifusora Mexicana, S.A. de C.V. Cadena Radiópolis, S.A de C.V.	99.00% 1.00%	

(*) Consolidated tax Group Promotora de Informaciones, S.A.: 2/91
(**) Consolidated data

COMPANIES INCLUDED IN THE SCOPE OF CONSOLIDATION: DECEMBER 2024

APPENDIX I

COMPANY	REGISTERED OFFICE	LINE OF BUSINESS	COMPANY HOLDING THE OWNERSHIP INTEREST	DECEMBER 2024	
				PERCENTAGE OF OWNERSHIP	TAX GROUP (*)
MEDIA - PRESS					
Full Consolidation					
As Chile, SPA	Eliodoro Yáñez 1783, Providencia. Santiago. Chile	Publication and operation of As newspaper in Chile.	Diario As, S.L.	100%	
Diario AS Colombia, SAS	Cl 98, nª 1871 OF401. Bogotá D.C.	Publication and operation of As newspaper in Colombia.	Diario As, S.L.	100%	
Diario As USA, Inc.	2100 Coral Way Suite 202. 33145 Miami, Florida	Publication and operation of As newspaper in USA.	Diario As, S.L.	100%	
Diario As, S.L.	Valentín Beato, 44. Madrid	Publication and operation of As newspaper.	Prisa Media, S.A.U.	75.00%	2/91
Diario Cinco Días, S.A.U	Miguel Yuste, 42. Madrid	Publication and operation of Cinco Días newspaper.	Diario El País, S.L.U	100%	2/91
Diario El País Argentina, S.A.	Leandro N. Alem. 720. Buenos Aires. 1001. Argentina	Operation of El País newspaper in Argentina.	Diario El País, S.L.U Diario El País México, S.A. de C.V.	94.52% 5.48%	
Diario El País México, S.A. de C.V.	Avenida Universidad 767. Colonia del Valle. México D.F. México	Operation of El País newspaper in Mexico.	Ediciones El País, S.L.U Promotora de Informaciones, S.A.	98.39% 1.61%	
Diario El País, S.L.U	Miguel Yuste, 40. Madrid	Publication and operation of El País newspaper.	Prisa Media, S.A.U	100%	2/91
Ediciones El País, S.L.U	Miguel Yuste, 40. Madrid	Publication, operation and sale of El País newspaper.	Diario El País, S.L.U	100%	2/91
Espacio Digital Editorial, S.L. U.	Gran Vía, 32. Madrid	Edition and explotation of Huffinton Post digital for Spain.	Prisa Media, S.A.U	100%	2/91
Factoría Prisa Noticias, S.L.U.	Valentín Beato, 44. Madrid	Administrative, technological and legal services and the distribution of written and digital media.	Prisa Media, S.A.U	100%	2/91
Noticias AS México, S.A. de C.V.	Rio Lerma 196 Bis Torre B 503, Ciudad de México DF	Publication and operation of 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	Publication and operation of newspapers, magazines in digital format.	Prisa Media, S.A.U	50.00%	
Le Monde Libre	17, Place de la Madeleine. París	Holding of shares in publishing companies.	Prisa Media, S.A.U	20.00%	

(*) Consolidated tax Group Promotora de Informaciones, S.A.: 2/91

COMPANIES INCLUDED IN THE SCOPE OF CONSOLIDATION: DECEMBER 2024

APPENDIX I

COMPANY	REGISTERED OFFICE	LINE OF BUSINESS	COMPANY HOLDING THE OWNERSHIP INTEREST	DECEMBER 2024	
				PERCENTAGE OF OWNERSHIP	TAX GROUP (*)
OTHERS					
Full Consolidation					
Prisa Activos Educativos, S.A.U.	Gran Vía, 32. Madrid	The realization of the activities inherent to the publishing business in its broadest sense and, in particular, editing marketing and distribution of all kinds of publications and the provision of editorial, education, leisure services and entertainment.	Promotora de Informaciones, S.A.	100%	2/91
Prisa Gestión Financiera, S.L.	Gran Vía, 32. Madrid	Management and exploitation of information and social communication media whatever their technical support. The action in the capital and monetary market.	Promotora de Informaciones, S.A.	100%	2/91
Prisa Participadas, S.L.	Gran Vía, 32. Madrid	Management and exploitation of audiovisual and printed mass media, participation in companies and businesses, and providing all kinds of services.	Promotora de Informaciones, S.A.	100%	2/91
Productora Extremeña de Televisión, S.A. (En liquidación)	Gran Vía, 32. Madrid	Local television services	Prisa Participadas, S.L.	70,00%	
Promotora de Actividades América 2010 - México, S.A. de C.V. U (En liquidación)	Avenida Paseo de la Reforma 300. Piso 9. Col. Juárez. 06600. México. D.F. México	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 acción	
Promotora de Actividades América 2010, S.L. (En liquidación)	Gran Vía, 32. Madrid	Production and organization of activities and projects related to the commemoration of the bicentenary of the independence of the American Nations.	Promotora de Informaciones, S.A.	100%	2/91
Promotora de Actividades Audiovisuales de Colombia, Ltda.	Calle 80, 10 23 . Bogotá. Colombia	Production and distribution of audiovisual	Prisa Participadas, S.L. Promotora de Informaciones, S.A.	99.00% 1.00%	
World In Progress Congress, S.L.U (Antes Forum Tomorrow, S.L.U)	Gran Vía, 32. Madrid	Annual organization of a cultural forum, including all activities related to it necessary for its celebration and development	Promotora de Informaciones, S.A.	100%	

(*) Consolidated tax Group Promotora de Informaciones, S.A.: 2/91

KEY FINANCIAL AGGREGATES OF THE COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD

APPENDIX II

INVESTEE	December 2024							
	TOTAL ASSETS	CURRENTS ASSETS	NON CURRENT ASSETS	CURRENT LIABILITIES	NON CURRENT LIABILITIES	EQUITY	OPERATING INCOME	NET PROFIT
(Thousands of euros)								
MEDIA								
Wemass Media Audience Safe Solutions, S.L.	6,177	6,063	114	5,277	0	900	23,620	306
MEDIA- RADIO								
Radio in Spain								
International Radio								
Cadena Radiodifusora Mexicana, S.A. de C.V.	41,599	35,326	6,273	33,751	4,180	3,668	37,855	(2,262)
Cadena Radiópolis, S.A. de C.V.	4,629	1,224	3,405	192	340	4,097	422	(887)
Caja Radiopolis, S.C	184	184	0	184	0	0	0	0
Fondo Radiopolis, S.C.	(13)	(13)	0	(12)	0	(1)	0	0
Promotora Radial del Llano, LTDA	101	93	8	19	0	82	105	25
Radio Comerciales, S.A. de C.V.	2,361	46	2,315	304	647	1,410	354	107
Radio Melodía, S.A. de C.V.	1,507	703	804	290	587	630	1,156	(36)
Radio Tapatía, S.A. de C.V.	1,908	939	969	336	772	800	1,296	(20)
Radiotelevisora de Mexicali, S.A. de C.V.	2,256	1,851	405	1,747	277	232	703	(14)
Servicios Radiópolis, S.A. de C.V.	1,449	1,210	239	618	257	574	2,312	26
Servicios Xezz, S.A. de C.V.	231	167	64	45	52	134	260	247
Sistema Radiópolis, S.A. de C.V.	63,177	40,787	22,390	25,422	3,344	34,411	50,637	5,051
Unión Radio del Pirineu, S.A.	333	319	14	114	0	219	281	(2)
Xezz, S.A. de C.V.	469	125	344	104	240	125	350	(9)
MEDIA- PRESS								
Kioskoymás, Sociedad Gestora de la Plataforma Tecnológica, S.L. (1)	1,627	1,621	6	1,421	0	206	1,246	503
Le Monde Libre (2)	152,593	417	152,176	199,752	0	(47,159)	0	(10,532)

(1) Figures as of 11/30/2024
(2) Figures as of 12/31/2023

PROMOTORA DE INFORMACIONES, S.A. (PRISA) AND SUBSIDIARIES

Consolidated Directors' Report for 2024

1. BUSINESS PERFORMANCE

The Group's businesses continue to advance along their strategic roadmap, focusing on digital transformation, the acceleration of subscription models and the development of new digital formats, within a framework of continuous efficiency improvement plans.

By the end of 2024, the Education business reached 3.0 million subscriptions in its education systems. In the Media business, there was an average of 166 million unique browsers per month, along with a monthly average of 52 million audio content downloads and 96 million total listening hours. As for El País, it has reached 404,000 total subscribers.

PRISA's social mission has remained a cornerstone of its roadmap, as a business group focused on two essential sectors: Education and Media. PRISA's purpose is to promote the development of people and society, by providing quality education, accurate and reliable information and innovative entertainment. Rigorous information and access to the best education play a more relevant role today than ever. The Group always gives top priority to continuity, with the best possible performance of its activities, reaffirming its social commitment. Following on from this, PRISA maintains its commitment to supporting Spanish and Latin American society by guaranteeing access to: comprehensive, rigorous and truthful information; innovative and quality entertainment; and, of course, a wide range of educational services.

In 2024, the economic and geopolitical environment remains uncertain, adverse and complex: both interest rates and inflation remain high, although they are moderating.

Regarding the Group's results in 2024, it is important to highlight that they have been impacted by two extraordinary effects in the comparison with 2023:

1. In 2023, extraordinary institutional sales were recorded in Santillana Argentina. Santillana Argentina's operating income in 2023 amounted to EUR 38.5 million and in 2024 it was EUR 21.1 million. In EBITDA (as defined later), Santillana Argentina reached in 2023 EUR 16.9 million and in 2024 it recorded EUR 2.8 million euros. To homogeneously analyze the Group's evolution in 2024 in relation to 2023, it is important to isolate the Santillana Argentina business.

2. In February 2024, EUR 10 million was recorded in the line “other income” of the consolidated income statement of the Group, following the favourable arbitration award in relation to the 2020 conflict due to the failed sale of the Media Capital business to Cofina *(see note 13 of PRISA's consolidated notes)*. The effect of this award on EBITDA (as defined below) is EUR 10 million. To homogeneously analyze the Group's evolution in 2024 in relation to 2023, it is important to isolate the effect of the Cofina award.

Against this backdrop, the summary of the Group's results, compared to the 2023 results, is as follows:

- Operating income reached EUR 919.5 million (-2.9% vs. 2023; -0.4% in local currency). Excluding Santillana Argentina and the impact of the Cofina award, revenues decreased by -2.3% vs. 2023 (in local currency +0.4%). Santillana's business has been impacted by both extraordinary institutional sales in Argentina and the decline in public business in Brazil. Santillana's public sector business in Brazil decreased compared to 2023, both due to the lack of new orders from the PNLD (postponed to 2025) and lower sales to local governments, in line with forecasts. On the other hand, the private business shows a significant improvement, driven mainly by the expansion of subscription models based on educational systems. The Media business recorded an improvement in advertising revenues (due to the strong performance of radio), growth in El País' digital-subscription payment model and higher income from agreements with technological platforms, particularly new agreements with platforms developing artificial intelligence (AI).

- Operating expenses (excluding depreciation and amortisation charge, goodwill impairment and impairment and losses on fixed assets) amounted to EUR 734.4 million (-4.2% vs 2023; -3.8% in local currency). The decrease is mainly due to lower variable expenses (mainly due to the lower activity of Brasil Público and the absence of extraordinary institutional sales in Argentina in 2024), which offset the impact of inflation, both in personnel expenses and in the other expense categories. The efficiency measures that the Group continues to implement have also contributed to the margin improvement.

- EBITDA increased compared to 2023, reaching EUR 185.2 million (+2.3% vs 2023; +14% in local currency). Excluding the extraordinary effects mentioned above, EBITDA is up +5% compared to 2023 (+11.4% in local currency). The Group uses EBITDA as a benchmark, among others, to monitor the performance of its businesses and to set its operational and strategic targets, therefore, this "alternative performance measure" is important for the Group and is used by other companies in the sector. EBITDA is defined as result from operations plus assets depreciation and amortization charge, impairment of goodwill and impairment of assets.

The following tables detail the reconciliation between EBITDA and the Group's result from operations for each of the segments of 2024 and 2023 (in millions of euros):

	2024			
	Education	Media	Others	PRISA Group
PROFIT FROM OPERATIONS	**82.6**	**29.1**	**2.9**	**114.6**
Depreciations and amortisation charge	39.2	27.5	0.6	67.3
Impairment of assets	3.0	0.3	0.0	3.3
EBITDA	**124.8**	**56.9**	**3.5**	**185.2**

	2023			
	Education	Media	Others	PRISA Group
PROFIT FROM OPERATIONS	**88.1**	**25.5**	**(4.8)**	**108.8**
Depreciations and amortisation charge	44.8	24.9	0.6	70.3
Impairment of goodwill	0.0	0.2	0.0	0.2
Impairment of assets	1.9	(0.1)	0.0	1.8
EBITDA	**134.8**	**50.5**	**(4.2)**	**181.1**

Exchange rates have had a significant negative impact on the variation of the Group's results in 2024 compared to 2023: EUR -24.4 million in revenues and -EUR 21.2 million in EBITDA. Of note was the depreciation of the Brazilian real, the Argentinean peso (in an environment of hyperinflation) and the Mexican peso, partly offset by the appreciation of the Colombian peso.In this sense, Prisa defines the impact of exchange rates as the difference between the financial figure converted at the exchange rate of the current year and the same financial figure converted at the exchange rate of the previous year. The Group monitors both operating income and EBITDA excluding the aforementioned exchange rate effect for comparability purposes and to measure management by isolating the effect of currency fluctuations in the various countries. This “alternative performance measure” is therefore important in order to be able to measure and compare the Group's performance in isolation of the exchange rate effect, which distorts comparability between years.

The following table shows the exchange rate effect on operating income and EBITDA for the Education and Media business and for the Prisa Group (in millions of euros):

	2024	**Exchange rate effect**	**2024 excluding exchange rate effect**	**2023**	**Var. excluding Exchange rate effect**	**Var. (%) excluding exchange rate effect**
Education						
Operating income	467.0	(23.2)	490.2	515.2	(25.0)	(4.8)
EBITDA	124.8	(19.8)	144.6	134.8	9.8	7.3
Media						
Operating income	443.4	(1.1)	444.5	431.6	12.9	3.0
EBITDA	56.9	(1.4)	58.3	50.5	7.9	15.5
PRISA Group						
Operating income	**919.5**	**(24.4)**	**943.9**	**947.4**	**(3.5)**	**(0.4)**
EBITDA	**185.2**	**(21.2)**	**206.4**	**181.1**	**25.3**	**14.0**

The Education business continues to develop with a focus on the transformation of the education market and the expansion of subscription models based on education systems.

Following a remarkable 2023, during which i) the private market demonstrated high potential growth (based on educational systems) and ii) the public market confirmed its strength in Brazil, accompanied by a downward trend in other countries (where only marginal and non-structural sales are now expected), in 2024, Santillana has refocused its strategic approach to make it more value driven. Specifically, in 2024, the company is focusing on two strategic perimeters: firstly, the private business and, secondly, the public business in Brazil. At the same time, Argentina and Venezuela constitute a separate work area, given the unique nature of these markets. Under this new approach, the private business includes the entire private market except for Argentina and Venezuela, and also includes remaining institutional sales that may occur in countries other than Brazil, which retains a separate strategic scope.

In 2024, the number of subscriptions has grown by +5% to 2,988 thousand subscriptions and the private sale of systems has also grown compared to 2023 in the same line (+7.8%). On the other hand, educational private sales decreased compared to 2023 (-13,4%) due to lower institutional sales in Mexico and the Dominican Republic. At the same time, in line with expectations, sales of the Brasil Público business declined (-25.4%) both due to the lack of new orders from the PNLD and lower sales to local governments. While the lower sales in other markets (-43.2%) are due to the extraordinary institutional sales in Argentina recorded in 2023.

- Operating revenues reached EUR 467.0 million in 2024 with a decrease of -9.4% compared to 2023 (-4.8% in local currency) partly due to the impact of Argentina. Excluding Santillana Argentina, the decrease (-6.5%; -1.7% in local currency) is mainly due to lower activity in the Brazil public business.

- Turning to operating expenses (excluding depreciation and amortisation charges, goodwill impairment and impairment and losses on fixed assets), these amounted to EUR 342.2 million in 2024, down compared to 2023 (-10.1% in euros, and -9.1% in local currency). The decrease is due to both the reduction in variable expenses (due to the impact of Argentina and the lower activity of Public Brazil) and the application of efficiency measures that help to mitigate the increase in expenses associated with inflation.

- EBITDA, defined as explained above, stood at EUR 124.8 million in the 2024 financial year, down 7.4% compared to 2023 (+7.3% in local currency), mainly due to the impact of Argentina. Excluding Santillana Argentina, EBITDA grew by +3.5% (+11.2% in local currency) as a result of the development of the largest private systems sales and cost reduction.

- The exchange rate effect in 2024 compared to 2023, defined as explained above, amounts to EUR -23.2 million in operating income and EUR -19.8 million in EBITDA.

The Media business continues to focus on brand leadership in the Spanish-speaking market, digital transformation and growth of subscribers to El País. The company continues to intensify its income diversification policy. To this end, it remains immersed in multiple innovative digital projects. In addition to the initiatives in audiovisual production, which began in 2022, during 2024, the development of business opportunities around Artificial Intelligence (AI) stands out. Specifically, the alliances reached with AI development technology platforms allow users of these platforms to interact with PRISA Media's high-quality current affairs content, in addition to contributing to the training of AI models. On the other hand, taking advantage of AI capabilities allows PRISA Media to present its quality content in a novel way, thus reaching people who are looking for rigorous and independent content. PRISA Media continues to work to develop business opportunities in its digital transformation roadmap.

In 2024, on a monthly average, PRISA Media's digital activity showed growth. Video plays hit 182 million (+29% growth), audio downloads hit 52 million (+1% growth) and Total Listening Hours (TLH) hit 96 million (+10% growth). In addition, PRISA Media reaches a monthly average of 166 million unique browsers. Furthermore, the pay-per-subscription business of El País reached 392,000 digital-only subscribers at the end of December 2024. In terms of revenue, the 2024 fiscal year shows growth, driven mainly by advertising growth on radio, the development of El País' subscription model and the diversification of digital revenues through agreements with technology platforms. Furthermore, the commitment to audiovisual production continues, through Prisa Vídeo.

- Operating revenues reached EUR 443.4 million in 2024, a growth of +2.7%, due to the increase in advertising revenues, which grew by +3%, the growth of El País' digital subscription model, which grew by +22% in revenue and higher revenues from technology platforms, partly due to agreements linked to AI, compensating for the lower audiovisual productions.

- Operating expenses (excluding depreciation and amortisation charge, goodwill impairment and impairment and losses on fixed assets) amounted to EUR 386.4 million in 2024, an increase of +1.4% compared to the same period in 2023. Higher personnel and structural costs due to inflation are partly offset by lower variable costs (mainly due to lower audiovisual productions) and the implementation of efficiency measures.

- EBITDA, defined as explained above, is EUR 56.9 million in 2024 compared to EUR 50.5 million in the same period in 2023, an improvement of +12.7%, as a result of the evolution of revenues and costs described above.

The Group's net bank debt decreased by EUR 77.7 million during 2024 and amounted to EUR 689.3 million at December 31, 2024, due to the cash inflow derived from the issuance of bonds mandatorily convertible (net of transaction costs) amounting to EUR 98.7 million, offset by the Group's cash requirements during 2024, which included an interest bank payment of EUR 80.8 million. This debt indicator is an “alternative measure of performance” and includes non-current and current bank borrowings (excluding present value in financial instruments/loan arrangements costs) and the convertible notes coupon liability diminished by current financial assets, cash and cash equivalents and is important for the analysis of the Group's financial position.

The following table shows the composition of this indicator at December 31, 2024 and at December 31, 2023:

	Million of euros	
	12/31/24	12/31/23
Non-current bank borrowings	801.2	885.4
Current bank borrowings	26.6	37.6
Present value/refinancing costs	15.2	23.8
Convertible notes coupon liability	3.2	1.0
Current financial assets	(0.9)	(4.2)
Cash and cash equivalents	(156.0)	(176.6)
NET BANK DEBT	**689.3**	**767.0**

The Group has taken steps to maximize its liquidity, with an available cash at the end of December 31, 2024 amounting to EUR 156.0 million and with available and undrawn credit facilities and other lines of credit for an amount of EUR 66.7 million.

2. FORESEEABLE DEVELOPMENT: BUSINESS DEVELOPMENT PROSPECTS: KEY FACTORS AND TRENDS

The Group plans to continue with its strategic roadmap, with a primary focus on generating added value through digital transformation, including potential business opportunities in relation to artificial intelligence in Education and Media, and the commitment to subscription models, in order to maximise the results of its businesses in the future, strengthen the balance sheet structure, generate cash flow and reduce debt.

The general environment continues to be affected by volatility, uncertainty, complexity and ambiguity, which make the future behaviour of businesses difficult to predict, especially in the medium and long term.

According to the latest edition of the World Bank's "Global Economic Prospects" report (January 2025), global growth is expected to remain stable at 2.7% during 2025 and 2026. However, the world economy is settling into a low growth rate that will be insufficient to foster sustained economic development. Emerging market and developing economies are projected to enter the second quarter of the 21st century with per capita incomes on a trajectory that implies weak convergence towards the levels of advanced economies. Most low-income countries are not on track to achieve middle-income status by 2050. Policy actions at global and national levels are needed to foster a more favourable external environment, improve macroeconomic stability, reduce structural constraints, address the effects of climate change and thereby accelerate long-term growth and development.

In general, in the Group, both the Education and Media businesses are influenced by the macroeconomic environment, with variables such as GDP, inflation, exchange rates and interest rates affecting the performance of both businesses in terms of revenues, costs and cash generation. However, the Education business is more resilient and less linked to the economic cycle of the countries in which it operates than the Media business.

In addition to macroeconomic developments, the Media business is particularly affected by the performance of the advertising market in Spain and Latin America, which is impacted by how the economy is performing in these areas.

On the macroeconomic front, according to IMF projections for 2025 (October 2024 data), the GDP growth rate of advanced economies will be +1.8% (in line with 2024). For Spain, the IMF expects growth of +2.1% (2.9% in 2024). Meanwhile, the main countries where PRISA is present in Latin America will experience the following growth, according to IMF projections: Brazil +2.2% (+3.0% in 2024), Mexico +1.3% (+1.5% in 2024), Colombia +2.5% (+1.6% in 2024), Peru +2.6% (+3.0% in 2024), Argentina +5.0% (-3.5% in 2024) and Chile +2.4% (+2.5% in 2024). For Latin America as a whole, growth of +2.5% is estimated in 2025, compared to 2.1% in 2024.

In this environment, the Group will continue to adapt to the new reality of its businesses by defining and implementing the initiatives that may be necessary: cost containment (allowing for the absorption of inflationary increases), strict control of investments, development of new sources of income, transformation and flexibility of business models, etc.

Another factor that affects the future development of PRISA's business is the advertising cycle. 36.3% of the Group's operating income in 2024 comes from advertising. The Media businesses, which are largely dependent on advertising revenues, have a high percentage of fixed costs, so that significant variations in advertising revenues have a significant impact on results, leading to an improvement or worsening of margins and the Group's cash position.

In this sense, after the drastic drop in advertising investment in 2020 due to the COVID-19 pandemic, the advertising market has recovered in part thanks to the growth of the years 2021, 2022 and 2023 (although 2022 was somewhat affected by the macroeconomic impact of the start of the war in Ukraine). In 2024, the advertising market in which PRISA is present will grow again. In this market, the Group's advertising has grown to a greater extent than in 2023.

According to the latest i2P of December 2024, the total advertising market in Spain has grown by +4.7% and the market in which PRISA's media are present has grown by +1.7% (gross advertising). The Group's gross advertising revenue in Spain has grown by +5.2% in 2024 compared to 2023, which represents an increase in market share (20.1% vs 19.4%). By 2025, i2P (September 2024 report) forecasts the market to grow by +3.2%, while the market in which PRISA media is present is forecast to grow by +1.2%. PRISA Media, in relation to the advertising market in Spain, expects to improve its market share in 2025 in the markets where it is present thanks to the leadership of its brands (without taking into account the impact of extraordinary events in 2024 such as the Centenary of Radio or the European Championship).

In Latin America, the advertising market also recovered throughout 2021, 2022 and 2023 from the impact of the pandemic. According to figures from Asomedios in December 2024, PRISA's advertising revenue decreased by 4.4% in Colombia (gross advertising, in local currency), falling less than the market (-5.0%) and increasing slightly its market share (41.7% vs. 41.4%). In Chile, according to Agencia de Medios in December 2024, PRISA's advertising has decreased by 2.5%, falling less than the market (-4.4%) and increasing its market share from 28.6% to 29.2% (gross advertising, in local currency).

According to the strategic roadmap on which the Group has been working, its Media businesses will continue to develop and reduce their dependence on the performance of the offline advertising market and traditional formats. It will place more and more focus not only on traditional advertisers but also on consumers of content and new digital formats. It is worth mentioning the commitment to digital transformation and the development of subscription models. Significant events such as the expansion of El País's digital subscription payment model, which has reached 392,000 exclusive digital subscribers, the development of the value proposition around the concepts of "audio" and "video" or strategic alliances with technological platforms, highlight the importance of this trend.

On the other hand, PRISA has the Education business, which is not as dependent on the economic cycle, with educational sales representing 49.9% of the Group's operating income in 2024. Although the Education business is generally more resilient to the economic cycle, the COVID-19 pandemic had a negative impact, especially on the evolution of traditional educational sales campaigns. However, the pandemic was also an opportunity to accelerate the digital transformation towards subscription models through the increased use of online platforms for education, which was boosted during this time when the face-to-face delivery model was not possible.

Subscription models (educational systems), based on a hybrid teaching methodology (online and offline, in-person and distance, paper and digital, school and home, etc.), have continued to grow during 2023 and 2024, confirming the importance of the transformation strategy at Santillana. However, the pace of growth in subscription models has moderated and the trend expected in the future is that the transformation of schools from traditional teaching models to digital models will continue, but mainly towards hybrid educational models, in line with the strategy pursued by Santillana.

In all of the development scenarios, the strategic roadmap for the Education business will focus on maintaining its leadership position and maximising growth leveraged on subscription models, with a commitment to these increasingly hybrid formats and methodologies, with a growing weight of the digital component.

An important part of the Group's strategy and business is supported by digital development: from continuously developing the value proposition (increasingly digital) to business models more focused on monetisation in the digital sphere (subscription models and new formats), to, for example, the implementation of technological platforms adapted to the reality of the businesses, the development of management capabilities and use of user data, and promotion of opportunities derived from advances in artificial intelligence.

The Group's digital audiences continue to be significant. By December 2024, PRISA Media had reached a monthly average of 166 million unique browsers, 11 million registered users (+14% compared to 2023) and 52 million audio downloads (+1% compared to 2023); in addition to El País' 392 thousand digital subscribers. Meanwhile, Santillana's digital educational ecosystem continues to expand by evolving and enriching its offer and adapting to the return of face-to-face teaching in the classroom, as well as maintaining levels of use of the educational platform that are higher than before the pandemic. The pandemic has contributed to increased use of technologies for consuming information, education and entertainment, fostering growth of the Group's digital audiences.

The Group's strategy for the coming years will also continue to be committed to digital development in two of its business units, Media and Education.

3. MAIN RISKS ASSOCIATED TO THE BUSINESS

The businesses of Group subsidiaries and, therefore, their operation and earnings are subject to risks that may be grouped into the following categories:

– Risks relating to the financial and equity situation.
– Strategic and operational risks.
– ESG risks.
– Criminal compliance risks.
– Reputational risks.

In the Corporate Governance Report (*see Section E of that report*) are detailed specific actions and bodies used to identify, valuate and manage these risks.

3.1. Risks relating to the financial and equity situation.

1. *Financing risk due to the high level of debt of PRISA, that significantly limits their financial capacity.*

The Group's financial obligations as of December 31, 2024 are set out in note 11b "*Financial liabilities*" in the attached consolidated notes of the year 2024.

As of December 31, 2024, the Group's net bank debt level stood at EUR 689.3 million, which could pose a number of risks to the Group as:

- It increases the Group's vulnerability to the macroeconomic environment and market developments, especially in those businesses with greater exposure to economic cycles;
- It requires allocating a significant portion of cash flows from operations to meet interest payment and debt principal repayment obligations, reducing the ability to allocate these flows to meet working capital needs, as well as to finance investments and future operations;
- It limits the Group's financial, strategic and operational flexibility, as well as the ability to adapt to changes in markets; and
- It places the Group at a disadvantage relative to less indebted competitors.

On April 19, 2022, the 2022 Refinancing came into force, once the agreements reached with all of its creditors were made public. Note 11b "*Financial liabilities*" of PRISA's consolidated notes describes the main characteristics of the aforementioned Refinancing.

As indicated in note 11b "*Financial liabilities*" of PRISA's consolidated notes 2024, in April 2024 the Group has partially and early repaid debt of the Junior tranche for an amount of EUR 50 million, with the funds obtained from the 2024 Issuance of the note mandatorily convertible into shares, which has reduced the Group's level of leverage.

The credit rating assigned to the Company may be reviewed, suspended or removed at any time by one or more of 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.

2. *Risk of an early maturity of the financial debt if certain contractual clauses are breached.*

The agreements associated with the Refinancing of the PRISA Group in force as of December 31, 2024 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 June 30, 2022 and failure to comply with them would result in early maturity of the bank debt.

These covenants were defined taking into consideration both market conditions and PRISA's business expectations at the time of negotiating the Refinancing. However, these conditions and expectations may be subject to change and affected by different factors, some of which are beyond the Group's control, such as those arising as a result of unfavourable geopolitical or economic situations or other types of circumstances (including health situations) that could affect the global economy, as well as the Spanish and Latin American economies in particular and, as a result, the Group's activities.

The Refinancing agreement also includes causes for early termination as is customary in this kind of agreement, and includes provisions on cross-default, which could cause, if the breach occurs in financing contracts with third parties and exceeds certain amounts, the early maturity and resolution of the aforementioned contracts.

3. *Exposure to variable interest risk.*

The Group is exposed to interest rates fluctuations insofar as a significant portion of the cost of the Group's borrowings is linked to floating interest rates (mainly Euribor) thar are periodically updated, depending on the interest settlement period chosen by the Group for each refinancing contract.

On December 31, 2024 99.21% of the Group's bank borrowings were tied to floating interest rates.

In this respect, although the Group evaluates periodically the contracting of new derivative products to limit the impact of potential rises in the Euribor, 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. In this sense, the Company maintains contracted at the date three interest rate hedges with the following characteristics and of:

- A nominal amount of EUR 150 million which caps the three-month Euribor at 2.25%.
- A nominal of EUR 150 million and a cap of 2.5% (three-month Euribor).
- A nominal amount of EUR 100 million limiting three months Euribor increases above 3% and up to a maximum of 5%.

If Euribor was below said percentages, such coverages would not be applicable. Previous rate hedges expire in June 2025.

4. Risk of Company equity imbalance.

PRISA, in its capacity as parent company of the Group 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. In this regard, during 2024, 92.5% of revenues of the Company came from the distribution of dividends of its subsidiaries (27.7% in 2023).

An adverse development of the PRISA Group's business for any reason could have a negative impact on the dividend income received by the Company. In addition, a significant part of the Group's companies is located in Latin America and therefore the aforementioned dividends are subject, inter alia, to exchange rate risk and devaluation or depreciation risk of the foreign currencies of the countries in which the Group operates. Furthermore, the Refinancing entailed a reorganisation of the debt in terms of borrowers, which 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. 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.

In this regard, like what happened in 2024 and 2023, in which PRISA had losses (as a separate Company) amounting to EUR 9,686 and EUR 85,725 thousand respectively, 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.

Therefore, in the event that the Company incurs additional 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 (set at EUR 108,638 thousand at December 31, 2024), a situation of equity imbalance could arise, in accordance with the provisions of the Capital Companies Act. On December 31, 2024 the net equity of PRISA (as a sole company) amounts to EUR 411 million.

Notwithstanding the foregoing, and although this does not affect a possible equity imbalance according to the aforementioned Capital Companies Act (measured based on the net equity of individual companies), 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, which has caused the consolidated Group to record a negative net equity of EUR 368,479 thousand as at December 31, 2024.

5. Risk of exchange rates.

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. On December 31, 2024, 59.5% of the Group's operating revenues came from countries with a functional currency other than the euro.

A devaluation or depreciation 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. In this respect, an unfavorable development of the exchange rate effect 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 statement and the Group's cash flow.

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.

6. *Credit and liquidity risk due to, in other aspects, to the high fixed costs in the advertising sector and the seasonality in the businesses of the Group.*

The adverse macroeconomic situation in recent years, mainly due to extraordinary events such as the war in Ukraine and the recent conflict between Israel and Hamas and the geopolitical tensions have had a negative impact on the Group's cash generation capacity, with an increase in punctual moments liquidity tensions in the economy, even sometimes a contraction of the credit market.

In this respect, advertising-dependent businesses, in addition to being highly dependent on the economic cycle, 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. On December 31, 2024 advertising revenues represent 36.3% of the Group's operating revenues.

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. 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. However, the second quarter of the year is usually of little relative weight in the total for the year.

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.

To mitigate this risk the Group has a Super Senior debt ("Super Senior Term &Revolving Facilities Agreement") to meet operational needs for a maximum amount of up to EUR 240 million, of which EUR 200 million were drawn as of December 31, 2024. Likewise, the rest of subsidiaries of the Group have at December 31, 2024 undrawn credit facilities and other credit lines amounting to EUR 26.7 million (*see note 11b of the attached consolidated notes*). In addition, as of December 31, 2024, the Group had a cash available of EUR 156.0 million. The Group has also implemented specific plans for the improvement and efficient management of liquidity to address these tensions.

7. Risk of write down of intangible assets and goodwill.

On December 31, 2024 the Group had recognised in its consolidated balance sheet intangible assets amounting to EUR 95 million (10.9% of total assets) and goodwill amounting to EUR 110 million (12.6% of total assets).

In the analysis of the determination of the recoverable amount (in accordance with current accounting regulations it is carried out at least annually or less frequently if there are impairment evidences) and thus in the valuation of intangible assets and goodwill, estimates are used, made as of the date determined on the basis of the best information available at that date in which the aforementioned analysis to determine de recoverable value is carried out. However, it is possible that future events may make it necessary to change these estimates downwards (i.e., changes in future estimates of revenues, production costs, collectibility of accounts receivable, tax and regulatory changes, etc., as well as a deterioration in them 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 and goodwill.

3.2. Strategic and operational risks

8. Tax risks

The Group's tax risks are mainly related to a possible different interpretation of the rules that could be made by the competent tax authorities, as well as to changes in the tax rules of the countries where it operates.

On December 31, 2024 the Group has recognized in its consolidated balance sheet deferred tax assets amounting to EUR 55 million (6.3% of total assets). In the analysis of the determination of the recoverable amount of these assets' estimates are used, made as of the date determined on the basis of the best information available at that date in which the aforementioned analysis to determine de recoverable value is carried out. However, there is a risk that the capacity to generate positive taxable bases is not sufficient for the recovery of the recognised tax credits (consequence of the events described in the previous risk) derived from the negative taxable bases of previous years, from the limitation of the deductibility of financial expenses and depreciation, as well as tax deductions.

Likewise, divergences in the interpretation of the aforementioned standards could have a material adverse effect on the Group's financial and commercial position, as well as on its results and expectations.

9. Risk related to economical and geopolitical macroeconomic.

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 2024 59.5% of the Group's operating revenues came from international markets. While America (Latin America+USA) is a significant geographic market for the Group, Spain continues to maintain a relevant weight, representing 40.5% of the Group's operating revenues for 2024.

Any adverse change affecting the Spanish or Latin American economy, such as the tensions and military events in Ukraine and Russia, as well as in the Middle East (in particular the conflict between Israel and Hamas and, more recently, between Israel and Hezbollah, mainly in Lebanon, and with Iran and the Houthis in Yemen) and the potential trade tensions as a result of protectionist policies involving the imposition of tariffs, could negatively affect the global economic panorama, which could again translate into instability and volatility in the markets, shaking investor confidence in the markets and resulting in further increases in the costs of raw materials and inflation, among other issues. These factors 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.

10. Risk of digital transformation, changing trends and emergence of new players and new technologies and competence in Education and Media businesses.

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

In the Education business 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, overall revenues (advertising, circulation and other) 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. 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.

Likewise, there is a proliferation of alternative information sources supported by artificial intelligence tools and a paradigm shift in the news distribution model in the digital market through the use of artificial intelligence tools for content positioning. In addition, although the Group has already developed business opportunities around artificial intelligence in order to maintain a competitive position, these in turn carry additional risks, such as the difficulty of managing and controlling the rights to the content and its misuse by artificial intelligence platforms.

11. Risk of concentration of customers in the public sector (Education).

The Education segment main customers in the public education market are governments and public bodies in the various jurisdictions in which it operates.

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.

12. Risk of deterioration of the advertising market of the Media business.

A significant part of PRISA Group's operating revenues come from the advertising market, in its Media business. During 2024 advertising revenues from the Group's Media division accounted for 36.3% of the Group's operating revenues.

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, the adverting invest prospects of the advertisers could be negatively affected.

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 and results of Media business, with the consequent negative impact on the Group and its cash´s generation capacity.

13. Risk related to Group's dependence on IT systems (cybersecurity).

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.

IT systems are vulnerable with respect to a range of problems, such as hardware and software malfunctions, computer viruses, hacking and physical damage to IT facilities. In particular, the Group operates in an environment of increasing cyber threats in recent years.

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 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.

14. Risk for the proliferation of sectoral regulation.

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 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. 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 is subject to the education policies approved by the governments of the countries in which 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.

15. Regulation risk to extensive antitrust and merger control regulations.

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.

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. This could eventually lead to the imposition of economic sanctions on the Group and damage its reputation in the markets in which it operates.

16. Litigations and third parties claim risks.

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. 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.

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.

17. Intellectual property risk.

The Group's businesses largely depend on the intellectual and industrial property rights over, among other items, brands, 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. 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.

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.

18. Risk related to the increase in royalties for the use of third party intellectual property rights.

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.

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 negative impact on the Group's business.

19. Data protection risk.

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.

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.

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.

3.3. ESG risks

See section 5 of the Consolidated Directors´ Report of 2024.

3.4. Criminal compliance risks

See section 5 of the Consolidated Directors´ Report of 2024.

3.5. Reputational risks

See section 5 of the Consolidated Directors´ Report of 2024.

4. CORPORATE GOVERNANCE

In compliance with commercial law, the Annual Corporate Governance Report (ACGR), which details all corporate governance aspects at Prisa, forms part of this management report, and was authorized for issue by the Board of Directors.

The Annual General Meeting and Board of Directors are the Company's most senior governance bodies, and their operation and decision-making process are described in detail in the ACGR.

Without prejudice to the information provided for in the ACGR, some of the key aspects of Prisa's corporate governance are set forth below.

Board of Directors and Board Committees:

The changes that have occurred during the 2024 financial year are the following:

i. In January 2024, the director Mr. Miguel Barroyo Ayats died and, in February 2024, Ms. Sylvia Bigio was appointed director, with the category of proprietary director, by co-option, to fill the vacancy on the Board after the death of Mr. Barroso.

ii. At the Ordinary Shareholders' Meeting held on June 26, 2024, it was agreed to: (i) re-elect the directors Ms. Carmen Fernández de Alarcón and Ms. María José Marín (with the category of proprietary and independent, respectively) and the directors Mr. Carlos Núñez and Mr. Javier Santiso (with the category of executive and independent, respectively) and (ii) ratify the appointment by co-option of the directors Ms. Margarita Garijo-Bettencourt and Ms. Sylvia Bigio, who were also re-elected as directors for a new 3-year term (with the category of independent and proprietary, respectively).

At the end of 2024, Prisa's Board of Directors had 15 members (3 Executive Directors, 5 proprietary directors and 7 independent directors), with different academic profiles and respectable track records (profiles and bios available at: www.prisa.com).

On February 26, 2025, the executive director Mr. Carlos Núñez ceased as a director of PRISA and as Executive Chairman of PRISA Media, and the Board of Directors is composed of 14 directors.

The Board of Directors has a non-executive chairman (who is responsible for organizing the board and promoting and developing the good governance of the company as provided for in the Board Regulations), a non-executive first vice president (who is also the coordinating director) and an executive second vicepresident.

Grupo PRISA's activities are grouped into two main business areas: Education (Santillana) and Media (Radio and News). In addition to the aforementioned business units, Grupo Prisa has a

Corporate Center (PRISA) that defines the Group's strategy and ensures the alignment of its businesses with this corporate strategy.

As of year-end 2024, two of the executive directors (Mr. Francisco Cuadrado and Mr. Carlos Núñez) were, respectively, the heads and Executive Chairmen of the Group's two businesses (Santillana and PRISA Media) and were responsible for overseeing the management of those businesses and leading senior managers within the scope of the business units with whose management they have been entrusted. Ms. Pilar Gil (also an executive director) is the Group's Chief Financial Officer. Her position is located at the PRISA Corporate Center and she is responsible, hierarchically and functionally, for several areas of great strategic importance for the Company.

The Board of Directors of PRISA has a Delegated Committee which has been granted all the powers and competencies of the Board that can be delegated, in accordance with the Law and with the limitations established in the Regulations of the Board of Directors.

Each of the commissions of the Board (Delegated Committee, Audit, Risk and Compliance Committee; Nominations, Compensation and Corporate Governance Committee and Sustainability Commission) has functions in their respective areas. The composition and functions of these committees are described in the ACGR.

As per the Company's Board of Directors Regulations and pursuant to the Corporate Enterprises Act, the Board have non-delegable powers to determine certain general strategies and policies of the Company and make certain decisions (including the strategic or business plan; management objectives and annual budgets; investment and financial policy; tax strategy; risk management and control policy; oversight of the internal control and information systems; approval of financial reporting; dividends policy; treasury share policy; corporate governance and sustainability policies; the appointment and dismissal of board members and certain directors; investments or operations of all types which due to their high amount or special characteristics, are of a strategic nature or involve special tax risk for the Company; approval of the incorporation of or acquisition of equity stakes in special purpose vehicles or institutions domiciled in tax havens; agreements concerning mergers, spin-offs and any material decisions that could affect the Company's status as a listed company; approval of related-party transactions; annual evaluation of the Board of Directors' performance, etc.).

Senior Management

As of year-end 2024 the Senior Management was made up of the following executives: PRISA CFO (who also is vicepresident and executive director of PRISA); Executive Chairmen of Santillana and Prisa Media (who are, in turn, executive directors of PRISA); Secretary of PRISA Board of Directors; Head of Corporate and Institutional Relations, Head of Communication, Chief Sustainability Officer, Head of People and Talent and Head of Internal Audit.

Senior managers are appointed by the Board and they report directly to the Board.

5. NON- FINANCIAL INFORMATION STATEMENT AND SUSTAINABILITY INFORMATION

Non-financial Information Statement and Sustainability Information is part of the Director´s Report in accordance with the Capital Companies Act. The aforementioned report is sent separately to the CNMV and can be consulted on the website www.cnmv.es and www.prisa.es.

6. RESEARCH, DEVELOPMENT AND INNOVATION ACTIVITIES

The Group does not directly conduct specific research and development activities. Nevertheless, it 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 possible improvements or opportunities to innovate and develop its services, processes and management systems.

In **Media,** work was consolidated along the lines set out in the 2021-2024 Technology Master Plan, with key milestones for the modernisation and replacement of legacy systems with modern alternatives based on Cloud and Edge technologies. Work to incorporate artificial intelligence ("AI") into media technology is now beginning, in the form of several key projects:

- **AI virtual assistant for El País subscribers.** At the end of 2024, the AI virtual assistant pilot for premium subscribers was launched to almost 5,000 subscribers. Rollout to the entire premium subscriber base is planned for 2025. The project allows subscribers to maintain a conversation that facilitates the search for information, etc. The most relevant aspect of this project is the use of RAG (recovery augmented generation) for conversations with subscribers (using AI from OpenAI, semantic chunking strategy, vectorial databases, etc.)

- **VerificAudio, the artificial intelligence tool used to combat misinformation in audio content**. PRISA's radio newsrooms in Spain, Colombia, Mexico and Chile have incorporated this feature that looks to combat disinformation broadcast to the public through audio deepfakes. This technology combines two advanced artificial intelligence models to detect and analyse the reliability of sound files with informative content. It allows journalists to perform a two-step double verification: identification and comparison. As a result, if a journalist wants to identify a sound file, the tool recognises potentially manipulated or synthetic audios using its identification model developed with *machine learning*. In addition, if the journalist has an original audio of the person involved in the file, he or she can use the comparison system to detect whether the voice is cloned or real.

- PRISA Media has taken a new and important step in the **distribution of audio content** with the technological development that, for the first time on the market, is apps can be used in vehicles' **Android Automotive** operating system. The first of these will be launched following the **agreement with Renault**, which includes the Podium Podcast application integrated into its models equipped with openR link, a multimedia system developed in conjunction with Google that has set the benchmark.

Also in 2024, a number of projects were launched with technology partners:

- "**Data for Everyone**" project. Its objective is to democratize access to data by defining a data governance model, using conversational agents and intelligent reports to enable and improve data-driven decision making and foster innovation. It has been implemented in several key teams: editorial, advertising, audiences and subscriptions.

- Project "**Sound of Data**". Aligned with Cadena SER's 100-year anniversary, the project has integrated AI into content management, with the aim of facilitating previously manual tasks in the production, publication and archiving of audio material, thus improving the accessibility and consumption of archive content.

- "**Multi-Format Subscription**" project. The project enables the monetisation of premium audio and video content in the form of subscriptions, attracting new young audiences and incorporating content such as series, documentaries and exclusive podcasts into the mix, differentiating itself from other media by creating an independent multi-format subscription product.

In 2024, **Santillana**'s digital ecosystem will have established itself as one of the most important in Latin America, with more than 130 million points of access. Its technological platforms continue to be a benchmark in the educational field, providing stability, security and an optimal experience for both teachers and students.

Among the most notable advances of the year is the progress in **solutions based on generative artificial intelligence**. Using this technology will allow the creation of personalised educational content, improving the efficiency in the cultural and linguistic adaptation of the material and expanding the options for the design of activities aligned with the pedagogical needs of institutions. As part of this technological evolution, IAna has been introduced to the market, a virtual assistant within the Pleno platform, which allows students and teachers to interact with their academic information through a conversational system, facilitating the analysis of results and educational planning automatically and 24/7. Its integration in the leading countries is expected during 2025.

Furthermore, during 2024, **certification was achieved in the OneRoster standard,** awarded by the 1EdTech organisation. This ensures that Santillana meets the technical requirements to exchange educational information in a secure and efficient manner.

At the same time, the **Santillana Analytics Platform** has redefined the collection and use of strategic data, enabling real-time analysis and facilitating agile and informed decision-making. Its advanced tools, such as interactive dashboards, help monitor student progress and optimise lesson planning, ensuring more personalised attention.

In the field of language teaching, the **Richmond Studio Platform (RSP)** project has taken significant steps towards creating a modern, flexible educational platform tailored to the needs of students and educators globally, including an application designed specifically for mobile devices.

Within the framework of the **cybersecurity strategy**, the Mobb tool was incorporated, helping in the automatic detection of vulnerabilities. The migration to Checkmarx One was carried out to expand the code analysis capabilities of the platform ecosystem. In addition, a third-party risk assessment process was initiated using Leet Security technology and a legal framework was established for its integration into contracts.

To strengthen operational security, the Technical Office for Cybersecurity in Educational Technology was created, to be responsible for vulnerability management, incident response and intrusion testing. This office centralises digital protection and guarantees a proactive strategy in the security of its platforms.

Each initiative undertaken in 2024 reflects Santillana's commitment to innovation and improving the educational experience. Through the strategic use of technology, the company continues to advance in the construction of a more efficient, accessible, integrated and secure digital ecosystem, contributing to dynamic, inclusive learning aligned with the needs of the future.

7. LIQUIDITY AND CAPITAL RESOURCES

7.1. Financing

Note 11b "*Financial Liabilities*" to the PRISA´s consolidated financial statements 2024 provides a description of the use of financial instruments by the Group.

7.2. Contractual commitments

Note 23 "*Future Commitments*" to the PRISA´s consolidated financial statements provide information on firm commitments giving rise to future cash outflows and associated with purchases and services received.

7.3. Liquidity

Note 9c *"Current assets and liabilities"* to the PRISA´s consolidated financial statements of 2024 details the cash and other cash equivalents held by the Group at the end of the year.

7.4. Dividends policy

PRISA does not have a set dividend policy, and so the Group's distribution of dividends is reviewed annually. In this respect, the distribution of dividends depends mainly on (i) the existence of profit that can be distributed and the Company's financial situation, (ii) its obligations regarding debt servicing and those arising from commitments acquired with its financial creditors in the Group's financing contracts, (iii) the generation of cash arising from its normal course of business, (iv) the existence or non-existence of attractive investment opportunities that could generate value for the Group's shareholders, (v) the Group's reinvestment needs, (vi) the implementation of PRISA's business plan, and (vii) other factors PRISA should consider relevant at any given time.

8. TREASURY SHARES

PRISA has performed, and may consider performing, transactions with treasury shares. These transactions will always be for legitimate purposes, including:

- Undertaking treasury share acquisitions approved by the Board of Directors or pursuant to General Shareholders' Meeting resolutions.
- Covering requirements for shares to allocate to employees and management.

The operations of treasury shares, don´t realize on the basis of privilege information, nor respond to an intervention purpose in the free process of price formation.

On December 31, 2024, Promotora de Informaciones, S.A. held a total of 3,167,376 treasury shares, representing 0.292% of its share capital on said date.

Treasury shares are valued at market price on December 31, 2024, 0.30 euros per share. The market value of the treasury shares ad December 31, 2024 amounts to EUR 953 thousand.

At December 31, 2024, the Company did not hold any shares on loan *(see note 10g "Treasury share"* to the PRISA´s consolidated financial statements 2024).

9. SHARE PERFORMANCE

Description of PRISA's shareholder structure.

PRISA's share capital on December 31, 2024 consisted of EUR 108,638 thousand and was represented by 1,086,380,193 ordinary shares all of which belong to the same class and series, with a par value of EUR 0.10 each, fully paid up and with identical rights. On December 31, 2023, PRISA's share capital amounted to EUR 100,827 thousand and was represented by 1,008,271,193 ordinary shares, all of the same class and series, with a par value of EUR 0.10 each. During fiscal year 2024, share capital has been increased by a total amount of 78.1 million ordinary shares with a par value of EUR 0.10 each which corresponds to the conversion of 78,109 convertible notes into new shares *(see note 10 to the PRISA´s consolidated financial statements 2024)*.

These shares are listed on the Spanish stock exchanges (Madrid, Barcelona, Bilbao and Valencia) through the Spanish Stock Exchange Interconnection System (SIBE).

At year-end 2024, the most representative shareholders in the share capital of the company are Mr. Joseph Oughourlian (through Amber Capital UK LLP), Vivendi, Global Alconaba, Rucandio, Control Empresarial de Capitales, Mr. Juan Adolfo Utor Martínez (through Gestión Naviera, SL), Shk. Dr. Khalid Bin Thani Bin Abdullah Al-Thani, Mr. Roberto Alcántara Rojas (through Consorcio Transportista Occher SA), Banco Santander and Mr. Diego Prieto Martagón (through Hoplitas Inversiones SICAV). The company's free float is around 18%.

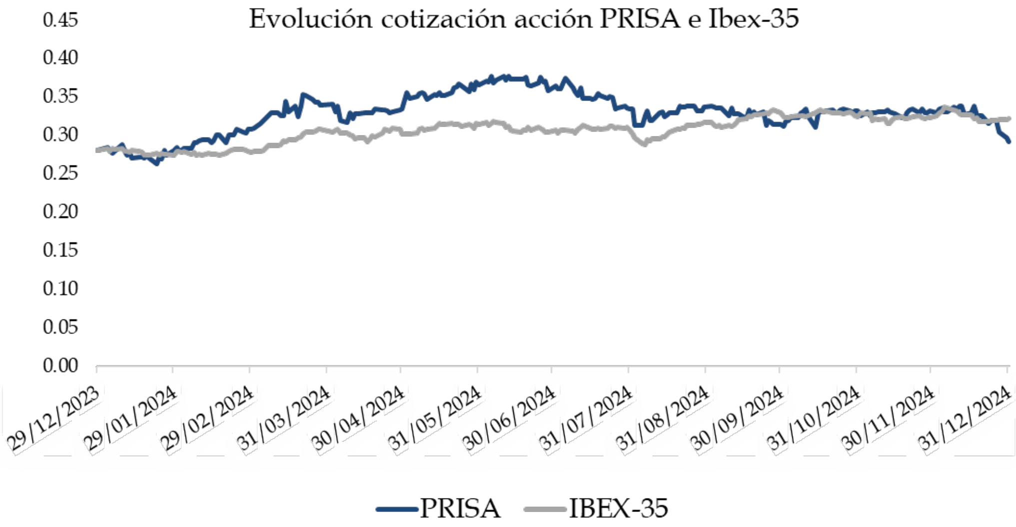
Share price performance

PRISA's ordinary share price in 2024 ended at EUR 0.301 (December 31, 2024) and in 2023 closed at EUR 0.290 per share (December 29, 2023), which means a revaluation of 3.8% over the year.

PRISA's share performance in 2024 has been stable throughout 2024, and continues to be conditioned by the global macroeconomic situation, marked by the armed conflicts in Ukraine and Middle East.

During fiscal year 2024, the Company's Directors have continued focusing their efforts on the reinforcement of the Group's financial and equity structure. For this purpose, in April 2024, the Group completed the issue of EUR 100 million mandatory convertible Notes. This operation has led to a reduction in the financial cost of debt, having enabled the early repayment of EUR 50 million of the most expensive tranche, this is the Junior tranche *(see note 11b to the PRISA´s consolidated financial statements 2024).*

The following chart shows the performance of the PRISA Group's shares relative to the IBEX35 index in 2024 (indexed to the stock performance at December 29, 2023):



Source: Bloomberg (December 29, 2023- December 31, 2024)

10. AVERAGE SUPPLIER PAYMENT TIME

According to the information required by the third additional provision of Law 15/2010, of July 5, (amended by the second final provision of Law 31/2014, of 3 December) approved in accordance with the resolution of ICAC (Spanish Accounting and Audit Institute) of January 29, 2016, the average period of payment to suppliers in commercial operations for companies of Grupo PRISA located in Spain rises, in 2024, to 68 days *(see note 23 in the attached consolidated financial statements).*

The maximum legal period of payment applicable in 2024 and 2023 under Law 3/2004, of December 29 and its modification by the Law 15/2010 of July 5, for combating late payment in commercial transactions, is by default 60 days. 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 2024, the average payment period to suppliers has been reduced by 3 days thanks to the measures adopted by the Group. However, this period exceeds 60 days, mainly due to agreements reached with technology providers and associated radio stations to extend the due date of invoices.

During the next financial year, the Directors will continue to take the appropriate measures to reduce, as far as possible, the average period of payment to suppliers to the levels permitted by Law, except in those cases in which there are specific agreements with suppliers that establish a longer term.

Likewise, this information is published on the company's website.

11. EVENTS AFTER THE BALANCE SHEET DATE

No significant events have occurred since December 31, 2024 until the date of authorized of these consolidated annual accounts.

12. ANNUAL CORPORATE GOVERNANCE REPORT

The Annual Corporate Governance Report is part of the Director´s Report in accordance with the Capital Companies Act. The aforementioned report is sent separately to the CNMV and can be consulted on the website www.cnmv.es and www.prisa.es.

13. ANNUAL BOARD OF DIRECTORS REMUNERATION REPORT

The Annual Board of Directors Remuneration Report is part of the Director´s Report in accordance with the Capital Companies Act. The aforementioned report is sent separately to the CNMV and can be consulted on the website www.cnmv.es and www.prisa.es.

DECLARACION DE RESPONSABILIDAD SOBRE LAS CUENTAS ANUALES E INFORME DE GESTIÓN CORRESPONDIENTES AL EJERCICIO 2024, DE PROMOTORA DE INFORMACIONES, S.A. Y SOCIEDADES DEPENDIENTES.

AFFIDAVIT OF ASSUMPTION OF LIABILITY WITH RESPECT TO THE 2024 ANNUAL ACCOUNTS AND CONSOLIDATED MANAGEMENT REPORT OF PROMOTORA DE INFORMACIONES, S.A. AND SUBSIDIARIES

19 de marzo de 2025

Conforme a lo dispuesto en el art. 8 del Real Decreto 1362/2007 de 19 de octubre, todos los miembros del Consejo de Administración de PROMOTORA DE INFORMACIONES, S.A. declaran que responden del contenido de las cuentas anuales e informe de gestión (que incluye, por referencia a la página web de la CNMV, el Estado de Información No Financiera consolidado e Información sobre Sostenibilidad (EINF), el Informe Anual de Gobierno Corporativo y el Informe de Remuneraciones de los consejeros) correspondientes al ejercicio 2024, tanto individuales de PROMOTORA DE INFORMACIONES, S.A. como de su grupo consolidado, que han sido formuladas con fecha 19 de marzo de 2025 siguiendo el Formato Electrónico Único Europeo (FEUE), conforme a lo establecido en el Reglamento Delegado (UE) 2019/815, en el sentido de que, hasta donde alcanza su conocimiento, han sido elaboradas con arreglo a los principios de contabilidad aplicables, ofrecen la imagen fiel del patrimonio, de la situación financiera y de los resultados del emisor y de las empresas comprendidas en la consolidación tomados en su conjunto, y que el informe de gestión consolidado incluye un análisis fiel de la evolución y los resultados empresariales y de la posición del emisor y de las empresas comprendidas en la consolidación tomadas en su conjunto, junto con la descripción de los principales riesgos e incertidumbres a las que se enfrentan.

Pursuant to the provisions of Article 8 of Royal Decree 1362/2007 of October 19, the members of the Board of Directors of PROMOTORA DE INFORMACIONES, S.A. hereby declare that they are accountable for the content of the 2024 annual accounts and management reports (which include, by reference to the CNMV website, the non-financial information and information on sustainability, the Annual Corporate Governance Report and the Directors' Remuneration Report) of both PROMOTORA DE INFORMACIONES, S.A. and its consolidated Group, which were drawn up on March 19, 2025 in the European Electronic Format (FEUE), in accordance with the provisions of Delegated Regulation (EU) 2019/815, in the sense that, to the best of their knowledge, they have been calculated according to applicable accounting principles, they offer a true and fair view of the assets, financial situation and results of the issuer and its consolidated companies as a whole, and the consolidated management report includes a true and fair analysis of the evolution, business results and position of the issuer and its consolidated companies as a whole, together with a description of the principal risks and uncertainties which they face.

D. Joseph Oughourlian

D. Fernando Carrillo Flórez

Dª Pilar Gil Miguel

Dª Sylvia Bigio

D. Francisco Cuadrado Pérez

D.ª Beatrice de Clermont-Tonnerre

Dª Carmen Fernández de Alarcón Roca

Dª Margarita Garijo-Bettencourt

Dª Pepita Marín Rey-Stolle

D. Manuel Polanco Moreno

Dª Teresa Quirós Álvarez

Dª Isabel Sánchez García

D. Javier Santiso Guimaras

D. Andrés Varela Entrecanales