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Sanoma

Q1 2026



Speakers



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Rob Kolkman
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Prepared Remarks

**Kaisa Uurasmaa**

Head of Investor Relations and Sustainability | Sanoma

Good afternoon, everyone, and welcome to Sanoma's first quarter 2026 results presentation. My name is Kaisa Uurasmaa. I'm heading Investor Relations and Sustainability at Sanoma. Our adjusted operating profit improved in learning and media in the first quarter. Today, we have the President and CEO Rob Kolkman and CFO Alex Green to present the results. After their presentation, we will have a Q&A session. We will first take questions from here at Sanoma House. Please use the microphone. We hand over to the telephone line, and you can also use the chat function in the webcast platform. The whole event will be recorded, and the recording will be available on our website shortly after the event. With this, I would like to invite Rob on stage, please.

**Rob Kolkman**

President and CEO | Sanoma

Thank you, Kaisa. Good afternoon, everybody. It's my pleasure to present the Q1 results to you this afternoon. As Kaisa already mentioned, we've seen improved profit in both learning and media, which is a really solid, good start to the year. Let me first go high level on the numbers and then, as usual, zoom in more specifically on learning, try to give a bit of a feel as well for where we stand in the build-up to really that step change in growth there, and then also, of course, say a few words about the media business as well. Overall, our net sales were stable, and underneath that, you see growth in learning, particularly in the Netherlands, Poland, and Spain. The advertising is still impacted by the weaker economic climate here in Finland.

**Rob Kolkman**

President and CEO | Sanoma

Profit-wise, we see improvement. Of course, this is a seasonally small revenue quarter, but the improvement is definitely there, and that is both in learning and in media. Free cash flow, relatively stable, and Alex will talk about that a bit more. Alex will also talk more about the leverage, which was 2.6, very close to our target level of 2.5. Of course, this is also following the repayment that we have done of the hybrid bond and the seasonality. We were very pleased last week that we closed the acquisitions with Vicens Vives, which really strengthens our position in Spain, and I will dive a little bit deeper into that as well. You think about the outlook, we have kept that unchanged, obviously, and we can talk about that later as well.

**Rob Kolkman**

President and CEO | Sanoma

Obviously, the Vicens Vives acquisition is a real positive that we see. At the same time, we kept it unchanged because it is still very early days in the year. Quarter three is for learning, very important, clearly on the media side, the uncertainty lies around the advertising. Overall, really solid start, good start to the year. That also means this outlook being unchanged, that the step change in profit that we indicated back in February, we really truly see that happening this year, and as we also highlighted in the Capital Markets Day. Let me now zoom in on learning a bit more specifically. Net sales increased in learning. Content sales grew in the Netherlands, which is driven by a larger spring order.

**Rob Kolkman**

President and CEO | Sanoma

Just to clarify, that spring order is of course a reflection of the growth we're also expecting for the full year in the Netherlands. It's not like it was different phasing between the quarters. It is just a reflection of the kind of market we do expect in the Netherlands also for the full year. That means growth in the Netherlands on this bit. Phasing between the quarters is indeed happening a little bit in Spain, small numbers. We're very pleased in Poland that we see the digital platform sales growth continuing. That very much is also driven by the more than 1 million subscribers we have to the B2C platform there. Of course, it's small numbers, and Poland will very much see the growth in quarter 3 driven by the curriculum.

**Rob Kolkman**

President and CEO | Sanoma

This growth will be less visible. It's really good to see that that continues to be a strong part in the Polish growth story. A few words on the profit, which, given the low revenue quarter, is lost. That improved a bit, which is of course supported by the higher net sales, which was good margins. There are some cost efficiencies in there in a positive way following program Solar. Again, most of that will of course materialize once you see the volumes increase. There is also to be clear a higher cost base in preparation for the curriculum renewals in Poland and Spain.

**Rob Kolkman**
President and CEO | Sanoma

That is something to, of course, that we always see this in a year like this when you see big growth happening in quarter 3, we have a ramp-up from the sales and the marketing and some editorial as well. That is with regard to the numbers for quarter 1. I would like to also give you a bit of a feel for that we are well-positioned for the growth further on in the year. There's a few elements there to highlight. On Poland, really good news there is that the Poland government has reconfirmed its real decision to modernize education, and that also comes with a 20% increase that they've signed off on the textbook subsidies, which is part of the market we're active in in Poland.

**Rob Kolkman**
President and CEO | Sanoma

Which is of course part of our expectation, but it's really good to see that confirmed and therefore also supporting the point that the growth in quarter three will be very noticeable in Poland. In the Dutch market, we see continued good growth on the learning content side. We've also as part of the seven countries in which we rolled out Teacher Assistant, we've also rolling it out as a pilot now in the Netherlands. We particularly think in the Netherlands, this will really benefit our offering, particularly in secondary education going forward. It helps teachers to make more personalized exercises in this first phase.

**Rob Kolkman**
President and CEO | Sanoma

There's a lot more to come after that, but the Netherlands will be a market where we think will lead the way with regard to personalized learning. An acquisition of Mr. Chadd, which is a small one, but really helping more towards the students, the children. The tutoring is also really a good, small step in that direction. Spain, the other big market for growth. There we really have seen that the new funding cycle is about to start. All the indications from the different regions are that that is happening. We of course prepared with the content. That's also why some of the cost base is slightly higher in quarter one in preparation for all that. We're very pleased to see that.

**Rob Kolkman**
President and CEO | Sanoma

If you then think in Spain on top of that, there is the acquisitions of Vicens Vives, which of course is really value creating. It goes to the heart of what we try to do when we talk about leveraging our scale. Let me zoom in on that a little bit more with some specifics. Vicens Vives is one of the major learning content providers in Spain with a net sales of EUR 29 million. It really offers product that complement ours with a similar approach in blended learning, so finding the right print and digital. When, for example, in the Capital Markets Day, we talked about M&A activities, this goes to the heart of what we like in value creation M&A. It's of course, as you know, in Spain, one of our bigger markets as well.

**Rob Kolkman**
President and CEO | Sanoma

Got a good position there, we have real great potential that also Vicens Vives will benefit now from that funding cycle as well. Very much in line with our strategy, really building on the existing scale and supporting therefore also our long-term financial targets. This really has that 10%-20% as percentage of revenue as synergies like we indicated in the Capital Markets Day as well. That will take about 12-18 months to really fully materialize. Particularly of course, the coming months are all focused on making sure we have a good start to the school year. Transaction details, no surprises. We've communicated them, the EUR 40 million, and therefore that reflects about 6.8 times EBITDA.

**Rob Kolkman**
President and CEO | Sanoma

It was completed, signed, closed, completed on the 30th of April. That's on the learning side. Let me now zoom in on media. There, very much the digital transition is continuing, again, another quarter of growth in subscription sales on the online side, in particular Ruutu+ digital news media subscriptions. It's against a backdrop of still a more subdued economic climate here in Finland, as we all of course are very aware of, which in our case reflected in the lower advertising sales, mainly in TV and in print. It's very encouraging to see that we have another quarter where despite there being some headwinds on the top line, we have really robust cost management in place, and that means actually that we have increased our profit in a quarter like that.

**Rob Kolkman**
President and CEO | Sanoma

That's really a testament to the hard work of Pia and the team, Pia Kalsta and the team, to continue to deliver on that. That improvement comes from the indeed growth in subscription sales, the robust cost containment, and of course, the impact of the lower advertising sales. Personnel expense is part of that cost containment. That's from my end, the opening remarks. I will now hand over to Alex to dive a bit more into the financials, and I'll come back and look forward a bit further and also put in perspective the growth in the coming years. Alex.

**Alex Green**
CFO | Sanoma

Thank you, Rob. Good to be here with you today. Welcome to, again, to our Q1. Starting off with financials as usual with the earnings side, the adjusted operating profit year-on-year, and bringing together from the two slides Rob showed, the learning and Media Finland parts. You can see both businesses contributing to higher earnings year-on-year. On the learning side, the sales flowing through, particularly good content sales in Netherlands and also in the digital platform sales in Poland. This offsetting those, and also two cost impacts sort of offsetting in there. The improved position with the Solar efficiency cost, but also, as Rob was saying, the extra investment in things like marketing and sales, getting ready in Spain and Poland for the higher curriculum reforms.

**Alex Green**
CFO | Sanoma

That netting to still an improvement in the year-on-year earnings. On the Media Finland side, as we talked about, the decline in advertising sales being more than offset by a combination of the growth in digital subscription sales and the cost containment, the robust cost management, which includes the impact of the temporary printing plant closure, including from particularly the lower depreciation, also the personnel costs there as well. This leading to a good start to the year and, you know, on track for where we wanna go to. If I then move to the result numbers.

**Alex Green**
CFO | Sanoma

Again, the result for the period, being improved versus this time last year, flowing down from the operating profit improvement, the slightly higher IACs coming from the strategic development and the technology transformation cost across different parts of the operation. Net financial items at EUR 5, lower interest costs effectively with the interest rate being on average lower now 3.4 versus 4.2 this time last year, more than offsetting the slightly higher or the higher external debt, which got higher towards the end of the quarter with the repayment of the hybrid bond. In terms of cash, free cash flow, relatively stable.

**Alex Green**
CFO | Sanoma

You can see here on the top, there are particular movements, the movements there, working capital, some timing of payments impacting there, and also same reason inside the taxes. The taxes is obviously tax payments and also some tax receipts. Those two things are pretty much offsetting, so basically timing of cash there being the key thing, getting to a relatively stable position overall. You can see on the bottom of the slide, the 12-month rolling line being relatively stable there as a consequence. Here, this shows you very, very clearly the hybrid bond repayment impact.

**Alex Green**
CFO | Sanoma

As you see going normally, if you look at December to March, we do see the leverage going up as we have the negative cash and the investments, the low-- that sort of costs versus the lower revenues at the beginning of the year. That still happens here, but is accentuated by the hybrid bond EUR 150 million after 3 years, going back and being replaced with senior debt and the cash that we have. That we expect to, as the cash starts coming in, being positive in the second half of the year, that will come right down again below the target and to likely a little bit above the end of last year, but in that sort of ballpark.

**Alex Green**
CFO | Sanoma

Connected back to the acquisition that we just announced that the in April, so after the 1st quarter of in April, we signed a new EUR 70 million bilateral short-term loan to help fund that acquisition. As I said, it is short term. We expect to repay that as the cash comes in at the back end of the year. With that, I invite Rob back on stage for the path forward.



Rob Kolkman
President and CEO | Sanoma

Thank you, Alex. Let me now indeed say a few words around the growth and also in context for the step change in growth this year. Just as a reminder, again, what we are having as key factors for 2026, as you can see here, that's that growth in the learning content sales, and as I highlighted earlier, we are really well on track there in all these key markets like Poland, Spain, and the Netherlands. It's driven by those curriculum renewals. It's also driven by more personalized learning solutions we are bringing to all these markets over time. Then on top of that is the Vicens Vives acquisition. The discontinuation of the Dutch distribution business will happen this year. That's the final step there.



Rob Kolkman
President and CEO | Sanoma

It's still roughly in the order of magnitude that we indicated, therefore also on the adjusted operating profit margin, it goes really clearly above 23%. Going back to the point of, you know, what is now happening here, if you purely look at these indicators, then of course the acquisition of Vicens Vives drives our expectation more towards the higher end of the guidance. Again, because it's early days and we expect quarter 3 is so important, we are not changing that at this stage. On the Media Finland side, we expect and we see also continuing growth in the digital subscriptions. You saw it in quarter 1. We see that continuing to happen in 2026 as well.



Rob Kolkman
President and CEO | Sanoma

Advertising sales, of course, in the first quarter, not stable, a bit declining, therefore extra good to see that the cost containment really resulted in still good profit and profit margins there. We will continue on that effort. It's always difficult to predict exactly where that will end up, but of course, the efforts that Pia and the team so successfully have done over the years also continue in a year like this. Ahead, of course, of real growth that we also expect on the media side from mid-next year onwards if the gambling markets or when the gambling markets open up. All that are the underlying sort of drivers for the growth in 2026, which of course is a real step change on the profitability side.



Rob Kolkman
President and CEO | Sanoma

That's reflected in our outlook that we, as I mentioned, kept unchanged for now, and of course, ahead of a busy quarter 3. Well-positioned, well on track, and exciting year ahead of us with regard to the growth. With that, I would like to invite my colleagues back on stage so we can go into Q&A.

Q&A

**Kaisa Uurasmaa**

Head of Investor Relations and Sustainability | Sanoma

Thank you, Rob. Thank you, Alex. We are now happy to take questions from here at Sanoma House, and we will start with Sanna from Nordea, please.

**Sanna Perälä**

Analyst | Nordea

Hi, thank you. I have a couple of questions on both segments. Starting off with learning, and you showed us the slide about Vicens Vives, but I would like you to kind of elaborate on how similar that business is to your current offering in Spain, and where do you see the most synergies going forward, and perhaps where it might differ. And what I mean is that where this could kinda complement your offering or add on.

**Rob Kolkman**

President and CEO | Sanoma

Yes, very good, a good point. Let's start with that last point. We're buying this because they have content that is really complementary to us. That is sometimes in some of the methods. That's also in certain parts of Spain. This is also very strong in Catalonia. That's where it really complements. The offering as such really aligns well with us. It's a blended learning offering. It's really focused on K-12. The similarities are in the way the content, the high-quality content, where it adds is both from a regional perspective as well as the type of methods and the position it has. To your point on the synergies, they are really in line with also what we mentioned, for example, in the Capital Markets Day, right?

**Rob Kolkman**

President and CEO | Sanoma

Think about the printing paper, the logistics side, all those kind of things, real benefits of scale. There are some digital solutions here that of course we already have. We don't need to continue with those. The people that work on that might very well be valuable to us for the growth that we are planning, but that's really the focus on getting the synergies on the platforms as well. Then there are of course also the usual synergies when you think about the back office and, you know, we have a sizable operation in Spain. All that links to that 10%-20% that I indicated also in the Capital Markets Day.

**Sanna Perälä**

Analyst | Nordea

That's clear, thanks. You're moving towards the peak season, I would say, with the curriculum renewals in 2 markets. How do you see the competition at the moment in learning and its markets? Are there perhaps new AI players entering? I think we have heard some rumors about increasing competition in the Dutch market.

**Rob Kolkman**

President and CEO | Sanoma

Maybe touch on that. To your point on do we see now AI players into our market, the answer is no, we do not see it. I think we honestly can say with our Teacher Assistant, student assistant, we are really leading the way at the moment in those core markets. It's early days. The main thing in education is then the actual adoption by the teachers. For that to happen, in our view, you need high-quality content, you need the trust of the teachers, and you also need, you know, the relationships that we have. It's not just the technology at all. It's really that combination, and I think we're in a really strong position there.

**Rob Kolkman**

President and CEO | Sanoma

I think from that perspective, yes, there is the usual competitors, that landscape that we have, and that is good to, you know, that's also good and healthy to have. We are of course fighting for our market share there as we always will do, and we are confident we will be a winner in those markets. If I look at the Dutch market and indeed, there's been a number of publicity around sort of initiatives there, that's interesting. We really welcome competition. From that point of view, we also are looking forward to seeing what they actually come up with content wise.

**Rob Kolkman**

President and CEO | Sanoma

We believe that we have a really strong offering in the Dutch market with a lot of flexibility that we can also offer to the schools or methods or, and elements of it. We first need to see what really comes to market in the coming years before we can really comment on that.

**Sanna Perälä**

Analyst | Nordea

Thank you. Moving on to Media Finland. I have noticed that you have had several new initiatives, kinda. You've added New York Times to your Helsingin Sanomat bundle. You have a discount code for audiobooks, and I think I saw you entering the sports segment, like, more heavily again with the Champions League. How are these new launches resonating with customers, and do you think these are the factors driving growth in subscription sales?

**Rob Kolkman**

President and CEO | Sanoma

Some of it is a bit early, like the Champions League. I think people could not quite have subscribed yet for that, and it's also 27. The feedback has been very positive. You mentioned The New York Times. I think we're very happy with the response from our reader subscribers on that. We have seen a good uptake. We think it really helps with the value we provide to our subscribers, and that is also then ultimately reflected in a better subscriber base and more retention, et cetera. We see on all these aspects, we do them because we believe it really adds value for our readers, for our subscribers. The Champions League is, you know, one of those sport packages.

**Rob Kolkman**

President and CEO | Sanoma

Of course, it's, you know, Finland is not the biggest on football, but it's an important one as well, and we're very happy that we can add that to our offering going forward.

**Sanna Perälä**

Analyst | Nordea

If you could discuss sports a little bit more. I think previously or some time ago, you mentioned that profitability in sports might not be that lucrative, and that's why you have perhaps refrained from sports, if I could say that. Has the situation changed since or your thinking behind sports?

**Rob Kolkman**

President and CEO | Sanoma

We see it as a part of our offering, but only for the right price. We can't comment on the exact price of this, but we're very happy with the deal that we have managed to close here. We really think this is value-adding for our subscribers, but therefore also for our shareholders. To put it a little bit in perspective, in some markets, of course, Champions League is absolutely massive. In the Finnish context, of course, it's a bit different, but it's still a really good addition to our offering and we believe creates a lot of value.

**Sanna Perälä**

Analyst | Nordea

All right. Thanks. That is all from me.

**Kaisa Uurasmaa**

Head of Investor Relations and Sustainability | Sanoma

Thank you, Sanna. We hand over to Sami from Danske, please.

**Sami Sarkamies**

Analyst | Danske

Okay. I have many questions as well, starting from the media business. We'll take this one by one. We had quite a weak top line development in Q1, negative 3% growth. When we look at the components, both subscription sales and advertising look quite weak. Are you expecting this to improve during the year?

**Rob Kolkman**

President and CEO | Sanoma

Of course, we would like to see that improving. I think the subscription side, we are quite confident that that overall will show shall growth, but driven again by what I mentioned, the digital subscriptions and also Ruutu+, things that we just mentioned, that we add to create value will all help with that. Clearly, the more uncertain part is on the advertising side. There, the start of the year was of course a decline for the market and also for us. I'm very happy to see how we then do the cost containment as well to maintain an even improved profitability. Clearly, that's the bit with the least visibility. If you think about quarter two, you know, we don't see it going back to growth then.

**Rob Kolkman**
President and CEO | Sanoma

Of course it will depend on the effectively on the economy here in Finland. We of course work with several scenarios, including a cost containment to match a few of those. If it would continue to decline, we are all well able within reason to adjust our cost base.

**Sami Sarkamies**
Analyst | Danske

My second question would be on that cost containment, which was quite impressive in Q1. How should we think about rest of the year? I mean, can you keep cost at this level? I mean, if we would combine that with some improvement in the top line, the second half outlook could be quite positive, actually.

**Rob Kolkman**
President and CEO | Sanoma

Yeah. I would like to not give the impression that this is easy, right? This is really hard work by Pia and the team. I think doing a great job on it. Clearly, this 2026 is also a year before we do see the growth, also partly opening of the gambling market and hopefully the economy picking up a bit. From our perspective, we have several scenarios where we can do more cost containment, and we do it, but there is also a limit to what we are willing to do so that we keep the business strong. There's no guarantees as such going forward that we can do it at the level we've done now. Of course, we are very focused on them.

**Rob Kolkman**
President and CEO | Sanoma

If you look at our multi-year track record, then I think, the team has done a great job and I expect them to continue to do a great job. To what level that exactly will be will depend then also on the top line.

**Sami Sarkamies**
Analyst | Danske

I have a couple of questions regarding the learning business. Firstly on Spain, how should we think about phasing of the curriculum renewal? How much will happen this year and how much will be left for next year?

**Rob Kolkman**
President and CEO | Sanoma

I think it is in line with what we overall have indicated. You know, these kind of curriculum renewals, funding renewals, they do go over that two-year period effectively. There is no indication that that has changed compared to what we have factored into our guidance at the start of the year. Phasing is always a little bit between the quarters that is difficult to see. That's different from the Netherlands, where really that's a continuous growth, and that's also reflected in early, in the early order growth. Here, some of it could fall more or less into quarter two, quarter three. The growth is firmly still as we also factored into our guidance.

**Sami Sarkamies**
Analyst | Danske

Yeah. Moving on to Poland. You mentioned higher subsidies by the government. When will these kick in and is that going to be visible in sort of prices for your products?

**Rob Kolkman**
President and CEO | Sanoma

It is definitely visible in the not so much in our pricing as well as in the ability for schools to buy. I mean, that's where. We're very happy that the government, because this was in the plans. We factored this, of course, also into our into our growth guidance, but it's one of those elements. It is an important thing to see when it then happens. It's not that we then increase our prices, but it is the ability for the schools to really buy the content that they really also need in the Polish market. Maybe one additional comment on that. This is of course in the backdrop that Poland on a spend per student is still very much on the lower end, right?

**Rob Kolkman**
President and CEO | Sanoma

This is a step in the right direction, but we are also advocating that of course, you know, hopefully will continue because there's still a big gap between Poland and other markets.

**Sami Sarkamies**
Analyst | Danske

Okay. You mentioned some extra sales and marketing spend in Q1 related to curriculum renewals. Can you quantify this and how will that sort of phase out during the rest of the year?

**Alex Green**
CFO | Sanoma

Yes. This is kind of a few million. EUR 2 million-EUR 3 million if you put the two together in Q1. If you think of the sort of profitability graph I showed where we're one up on last year, that contains EUR 2 million-EUR 3 million of extra costs for the ramp up versus that year. That sort of ramps up in Q1, so you'll see a little bit more than that in Q2, and then it sort of goes away.

**Sami Sarkamies**
Analyst | Danske

Okay. couple of EUR million.

**Alex Green**
CFO | Sanoma

EUR 2 million in Q1, a bit more in Q2, and then it goes away.

**Sami Sarkamies**
Analyst | Danske

Okay. Final question regarding the acquisition in Spain. I think you've given like the historical financials for the asset, but I mean, what's going to be the profit contribution this year and how will that impact PPA sort of line?

**Alex Green**
CFO | Sanoma

On, on that last one, you know, an EV of EUR 40 million. We haven't done the PPA calculation yet. We've got an estimate. We obviously have some time to do that, but it's gonna have a relatively small addition onto the PPA, maybe EUR 1 million or so going forward. In terms of the overall thing, as you saw on the slide, it's 2025 sales is EUR 29 million. Obviously we not have the full year 'cause we get it from April, it's a few million EUR less, say round about EUR 25 million. It's got the same sort of level, it Expecting the same sort of underlying level of EBITDA as, you know, to contribute there for the year at an operating level.

**Alex Green**
CFO | Sanoma

There are some other parts of the business that we talked about that we don't need, that we will be sort of, looking to not use and discontinue as we go into the end of the year.

**Sami Sarkamies**
Analyst | Danske

Okay, thanks. That was my list.

**Kaisa Uurasmaa**
Head of Investor Relations and Sustainability | Sanoma

Thank you, Sami. We have Niko from SEB, please.

**Nikko Ruokangas**
Analyst | SEB

Hello. This is Nikko Ruokangas from SEB. Thank you for the presentation. I have also a couple of questions. Just starting with Poland, you discussed about confirming that. Did I understand right that the decision on learning spending was in line with your expectations or did it even exceed that?

**Rob Kolkman**
President and CEO | Sanoma

No, it is in line with our expectations, but it is of course an important driver of the growth and it is also an indication of the government continuing to support, you know, like further investment in education.

**Nikko Ruokangas**
Analyst | SEB

Okay. Good. Going to media and maybe a bit thinking about from a bit broader perspective on topics we have been already discussing. Thinking about your quite efficient cost control in the past years already and then also actions you are taking regarding, for example, the Champions League rights. Do you think that those kind of things and how you are currently performing are taking you towards to your media financial targets or are you kind of internally even possibly exceeding those in the future?

**Rob Kolkman**
President and CEO | Sanoma

Well, I'm very positive about the growth potential of media for all the reasons we also mentioned before. I think we need to be realistic that it's currently still against the backdrop of an economic climate that is, of course, challenging, right? If you think about all the things we are announcing around indeed the Champions League, indeed what we do with The New York Times, all the things we do to add value for our readers and subscribers really, I think, is ultimately helping with that growth. For media, it is very important if you think about our growth in 2027 that the gambling market of course opens up there as well. That together we very much are still in that same belief that that will really drive also the good growth in media in the coming years.

**Nikko Ruokangas**
Analyst | SEB

Understand. Thanks. One last from me, and maybe in 2 parts. If you look at the advertising sales which was challenging in Q1, how big impact do you think that the Winter Olympic Games did have on you? Maybe if you could quantify that 1 time film distribution sales you highlighted now in Q1.

**Rob Kolkman**
President and CEO | Sanoma

I think we're not communicating too detailed on those numbers. This is a really difficult thing to really pinpoint if you think Winter Olympics and some of the other ones because there's always different things going on. I think the underlying message is still one of it's a challenge market. Yes, there are some positive negatives in that, but it's really difficult to quantify that. I would not pin ourselves on a number there.

**Nikko Ruokangas**
Analyst | SEB

All right. On the film distribution, was it a sizable one or what kind of a ballpark are we talking about?

**Alex Green**
CFO | Sanoma

It's, you know, I mean, it's not sizable. It's, you know, EUR 1 million or EUR 2 million I think in terms of timing. You know, there's always a bunch of discretionary decisions you can make in any particular quarter and it's of that sort of magnitude.

**Nikko Ruokangas**
Analyst | SEB

All right. Great. Thank you. That's all from me.

**Kaisa Uurasmaa**
Head of Investor Relations and Sustainability | Sanoma

Thank you, Niko. We have Petri from Inderes, please.

**Petri Gostowski**
Analyst | Inderes

One more left. Can you quantify if there was any impact from the Dutch distribution discontinuation on the figures in Q1?

**Rob Kolkman**
President and CEO | Sanoma

In Q1 it's very small because the vast majority is indeed Q3. There's a little bit Q2, but it's mainly Q3. The EUR 40 million we talk about really vast majority Q3.

**Petri Gostowski**
Analyst | Inderes

Thank you.

**Kaisa Uurasmaa**
Head of Investor Relations and Sustainability | Sanoma

Thank you. Now we have I think someone waiting on the telephone line, so I would like to hand over to the operator please.

**Operator**

The next question comes from Pia Rosqvist-Heinsalmi from DNB Carnegie. Please go ahead.

**Pia Rosqvist-Heinsalmi**

Analyst | DNB Carnegie

Hi everyone and thank you for taking my questions. It's Pia from DNB Carnegie. I'm sorry if I missed your potential comments on the advertising market and your advertising sales, your advertising sales declined by 8% in the first quarter and that was on the back of a 11% decline in the last or in Q1 last year. Despite this you keep your view on a broadly stable ad market for Finland this year. Why is this?

**Rob Kolkman**

President and CEO | Sanoma

Yeah. Maybe to comment and hi Pia, thanks for the question. The way I currently look at it, of course the first quarter of the year was more challenged than we would like to have seen. That was clearly a decline. What we are stating is that if you look at the underlying assumptions for our guidance then that was staying stable which is plus or minus a few percentage point. I mentioned as well, I don't know if you were able to hear that of course we do think in different scenarios here. We do really work also in cost containment terms to make sure that if things would not be as positive, as stable, that we can still also deliver on the profit side.

**Rob Kolkman**

President and CEO | Sanoma

Clearly there's a limit to that. That is of course our aim and that's also where the track record of Pia Kalsta and the team has been very strong over the last few years.

**Pia Rosqvist-Heinsalmi**

Analyst | DNB Carnegie

Thank you. Regarding Media Finland still, what elements would keep sales stable in 2026 in line with your long-term ambition? I mean, we see still a lot of headwinds from the weaker ad market, less outsourced printing services, I mean, less festivals if I have understood it correctly.

**Rob Kolkman**

President and CEO | Sanoma

There's a few elements there. Clearly, you know, like if trends on the advertising market were to continue as they are now then that is not stable, right? That would be decline. We do think that there will be an improvement, could be an improvement in the second half of the year, but that still needs to be proven. Just to link it also to the other things I mentioned earlier. We do a lot of things to also grow and make the digital transformation go faster. Things were mentioned like having a deal with The New York Times, the Champions League. Everything to add value for our customers on the subscribing side can of course also be a real positive in the overall numbers.

**Rob Kolkman**

President and CEO | Sanoma

Ultimately for all this to have a positive growth longer term you would also need to see the economy in Finland picking up.

**Pia Rosqvist-Heinsalmi**

Analyst | DNB Carnegie

All right. Thank you. Still to Nikko's question regarding the film distribution contract you mentioned. Did that contribute to your strong profitability in Media Finland or was it so small that it was not significant?

**Alex Green**

CFO | Sanoma

It's limited. I mean it's part of a raft of kind of decisions made on timing but it's not a main reason why we had that decent profitability.

**Pia Rosqvist-Heinsalmi**

Analyst | DNB Carnegie

All right. That's clear. Thank you. If I can continue still with a few questions on learning. The acquisition you announced now at the end of April, given that it comes with a lower profitability, and I'm sorry, I think I missed your comments when you alluded to this on learning. Is there any risk of that these kind of challenges your 23% adjusted EBIT margin target for 2026?

**Alex Green**
CFO | Sanoma

No, we still stand by the above 23% adjusted target. I think there is a margin difference at the moment, but a lot of that is to do with various activities that are not core to what we want to do and we will be sort of changing relatively quickly. In doing that, we then move the margin up in the right direction to help and not be a problem. Then as we start integrating and creating some synergies, that also helps going forward.

**Rob Kolkman**
President and CEO | Sanoma

Yeah. Maybe specifically, of course, if you look at the timing of the acquisition, it's of course.

**Alex Green**
CFO | Sanoma

Yeah

**Rob Kolkman**
President and CEO | Sanoma

you know, towards the middle of the year, which means we are more profitable, and that is also true for Vicens Vives in the second half of the year. That, Pia, has actually a positive impact as well, of course, on the, you know, like, part of the year profitability of the acquisition we do here.

**Pia Rosqvist-Heinsalmi**
Analyst | DNB Carnegie

All right. Thank you. With regards to the part of the business that you possibly divest or end, in terms of sales, how significant is that of the total EUR 29 million you have mentioned?

**Rob Kolkman**
President and CEO | Sanoma

It's not so much on the sales side. There are real synergies that we see with the digital solutions, and I would like to be clear, work needs to be done on that to really identify how exactly we're going to do it. There's some really good people at Vicens Vives working on it. Some of the solutions clearly, and that's part of our M&A story, of course, are overlapping with what we have. We will make those changes. We normally take 12 to 18 months to make that happen. It's more on that side than purely on revenue.

**Pia Rosqvist-Heinsalmi**
Analyst | DNB Carnegie

Clear. Thank you. My final question: regarding your non-recurring items in the first quarter, I think most of the non-recurring items were allocated to not to the segments, but to other to group costs. What is currently what are you engaging in? I read that it's for strategic development and that technology transformation, what does this mean in practice?

**Alex Green**
CFO | Sanoma

Part of that is to do with underlying technology or underlying back-end technology projects that we're upgrading, which will have an impact in not just on one side, but also partly on the other side of the business. That's why we are booking those costs there at the moment. It is sort of back-end platform improvements in the business.

**Pia Rosqvist-Heinsalmi**
Analyst | DNB Carnegie

All right. I'm just trying to understand why are these recorded as non-recurring elements?

**Alex Green**
CFO | Sanoma

I mean, these are transformational changes whereby we already have costs related to those operations in the operating side. These are extra things that we are building, which we'll then replace at a certain point in time. As they replace, the other ones will end, and this will transfer up into the operating side.

**Pia Rosqvist-Heinsalmi**
Analyst | DNB Carnegie

All right. Thank you. That's all for me.

**Kaisa Uurasmaa**

Head of Investor Relations and Sustainability | Sanoma

Thank you, Pia. The chat is quite lively, so we will continue from there. Maybe I start with questions on the media.

**Rob Kolkman**

President and CEO | Sanoma

Sure

**Kaisa Uurasmaa**

Head of Investor Relations and Sustainability | Sanoma

business. subscription revenue growth has slowed down in Q1 despite potentially price increases.

**Kaisa Uurasmaa**

Head of Investor Relations and Sustainability | Sanoma

that are made. What drove that, and should we expect the momentum to pick up or accelerate further during the year?

**Rob Kolkman**

President and CEO | Sanoma

Yeah. I think there was no change in the overall change we see in subscription, which is still the driving of digital subscription being the growth driver. Quarter by quarter, that can be a bit different also in the mix than on the print, which of course is a declining part of it.

**Rob Kolkman**

President and CEO | Sanoma

It comes back to the question earlier around how do we see all these new offerings that we are introducing as part of a subscription. That, of course, is part of what we expect will drive further growth as well.

**Kaisa Uurasmaa**

Head of Investor Relations and Sustainability | Sanoma

Further to media is about the Champions League deal. What should we think about the possible step up in the broadcasting rights overall from 2027 with this included?

**Rob Kolkman**

President and CEO | Sanoma

Yeah. That's another way of asking what are we paying for it. We are not disclosing that. We're not allowed to do that. I think what I can say on it is that we are always looking at the total cost of content creation. Clearly when we spend money on this, we also make careful choices on what we do not spend. Not that that is a 1-for-1 comparison, but it's good to see the total content. We really do believe adding the Champions League rights here has real value creation for our subscribers, but also for our shareholders.

**Kaisa Uurasmaa**

Head of Investor Relations and Sustainability | Sanoma

Yeah. Earlier we have also mentioned that we may invest slightly more as a preparation to the gambling market opening.

**Rob Kolkman**

President and CEO | Sanoma

Exactly.

**Kaisa Uurasmaa**

Head of Investor Relations and Sustainability | Sanoma

Not significantly. Maybe final on media. After the strong Q1 operating earnings, does that give you confidence in a meaningful full year earnings growth?



Rob Kolkman
President and CEO | Sanoma

It certainly gives me confidence that the team is still on a very good track to manage the cost in an extremely good way, right? Whether that will result for the full year in a meaningful increase, the uncertainty around the advertising economic is too big to be able to make that statement. Can't make that statement. That's also why we were very clear on saying we're very happy that in quarter one we've mitigated it. We do everything we can to continue that, but it will depend ultimately on the economic situation.



Kaisa Uurasmaa
Head of Investor Relations and Sustainability | Sanoma

Thank you. If we move into learning and, continue from the, competition in the Netherlands, still from the, angle that, you know, with this, new low-cost entrant, do you see this to affect the customer conversations, the pricing, discussions, et cetera? Maybe that's the first, question.



Rob Kolkman
President and CEO | Sanoma

Yeah, yeah. Yeah, on that part, like we are of course really close to our customers, which is the schools and the teachers across the Netherlands, and we have a really strong position. That's of course going to continue, we really are in contact. We actually also do our own teacher survey. I think I mentioned that publicly as well, we see really strong positive feedback on it. As I mentioned before, we take competition very seriously. At the same time, we also need to have something to look at to be able to comment on how we look at the content and pricing and all the rest of it.



Rob Kolkman
President and CEO | Sanoma

Yeah, that's too early because there is no competitor there yet. In the broader context, we of course have been dealing and are dealing with low cost competitors in our markets across Europe. This is in that way nothing new. Of course, every approach is slightly different, and we will take that seriously.



Kaisa Uurasmaa
Head of Investor Relations and Sustainability | Sanoma

What about in a few years', timeframe, do you see this meaningfully shift the market dynamics?



Rob Kolkman
President and CEO | Sanoma

From our perspective, I think, we are in a really good position to if the market ask were to change from where it is now, we are really confident that we can also adapt our own offering and remain very, very relevant and strong in the Dutch market as well. We've been there for over 130 years. That's absolutely no guarantee of success going forward, but we are very serious about this. We work very closely with the schools and the teachers, and I'm very confident that we will continue to do so successfully.



Kaisa Uurasmaa
Head of Investor Relations and Sustainability | Sanoma

Yes. Thank you. Then, if we continue in learning but move to AI. The question is AI changing the competitive dynamics? Are there new entrants or existing competitors expanding capabilities?



Rob Kolkman
President and CEO | Sanoma

There's a couple of elements to this, to this question, right? If you look at, let's say the question on new competition, we do not see pure AI digital players at the moment in our markets stepping in. We also think that's logical because it's not just about the technology, as we discussed earlier. It's about the high-quality content. It's about the trust. It's about working very closely with the teachers. We are in a really good position to do so. That doesn't mean there's no competition on that. Of course, there's other players that are trying to do the same thing. We are strong position, and we will continue to try really to lead the way there.



Rob Kolkman
President and CEO | Sanoma

That's, I think, our experience over many years in the education market, it's not about the latest technology as much. It's making sure that you work with the teachers and the schools to make it happen at the right time, in the right format, and also in a way that the schools are comfortable with.

**Kaisa Uurasmaa**

Head of Investor Relations and Sustainability | Sanoma

Maybe that partially already answers the follow-up question on this, that do you see that AI is ultimately protecting or eroding the advantages of scale players like Sanoma in K12 learning?

**Rob Kolkman**

President and CEO | Sanoma

From my perspective, it really is supporting the need for scale. If you think about what we now deliver with the AI Teacher Assistant and also for the student, being able to roll one product out in 7 markets and then really use the content, the high-quality content we have there, I think that scale really matters there. To a certain extent, you also see that, and we even see it also in like our M&A. The kind of players that are looking to become part of that scale is of course increasing.

**Kaisa Uurasmaa**

Head of Investor Relations and Sustainability | Sanoma

Mm. Mm.

**Rob Kolkman**

President and CEO | Sanoma

We are very happy. If you take Vicens Vives as an example that we can add it because it is adding to a scale where you really can develop products once and then roll them out across the different markets.

**Kaisa Uurasmaa**

Head of Investor Relations and Sustainability | Sanoma

Maybe final on that topic, is there a way to estimate the AI's impact on, say, 3-year revenues or earnings?

**Rob Kolkman**

President and CEO | Sanoma

Well, I think anybody who at this stage would say that they.

**Rob Kolkman**

President and CEO | Sanoma

It's difficult to take that seriously. There is so much happening. There's so much still changing. I'm very excited about it. I think there's, on personalized learning, the opportunities are really, really big. It needs to be at the right pace also for the schools, for the teachers, and we are very committed of doing that. The technology is part of it, but it's also the high-quality content, and it's also making sure that it's in the way done that the teachers and the schools are confident.

**Rob Kolkman**

President and CEO | Sanoma

in rolling that out.

**Kaisa Uurasmaa**

Head of Investor Relations and Sustainability | Sanoma

Yes. Thank you. Then one more on learning, which is about the competitive landscape, and especially in a year with significant curriculum growth expected in Spain and Poland. How do you describe the competitive environment in these countries now going into the season?

**Rob Kolkman**

President and CEO | Sanoma

There's no real change there. It's an similar question to the point of do we see really new entrants? No, we don't. That means that there is competition. There is strong competition like there always is. We are also in a very good position, and this is a fair kind of competitive landscape, right? No major changes there, but the teams are working very, very hard to secure our market position.

**Kaisa Uurasmaa**

Head of Investor Relations and Sustainability | Sanoma

Are you already seeing any changes in, say, win rates or pricing or any kind of early indications?



Rob Kolkman
President and CEO | Sanoma

It's too early.



Rob Kolkman
President and CEO | Sanoma

It's too early.



Kaisa Uurasmaa
Head of Investor Relations and Sustainability | Sanoma

Yes.



Rob Kolkman
President and CEO | Sanoma

It is, you know, like to the point that I tried to make earlier, we are really in a really good position in those key markets. That's absolutely the case.



Kaisa Uurasmaa
Head of Investor Relations and Sustainability | Sanoma

Yes. Thank you. There are no further questions in the chat. If there are no further questions from the room, I think that we can conclude the presentation and the Q&A. As a reminder, we will report our half-year results on the 29th of July, so ahead of the high season in learning, so. Of course, after this webcast, we will be available at investor relations for any further questions. We thank you for participation and wish you a nice afternoon. Thank you.