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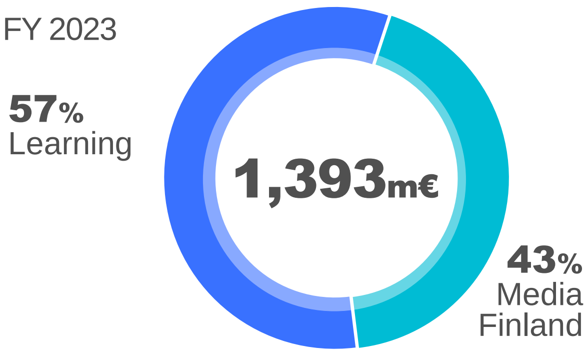
Unique sustainability profile with increasing profitability

Roadshow presentation

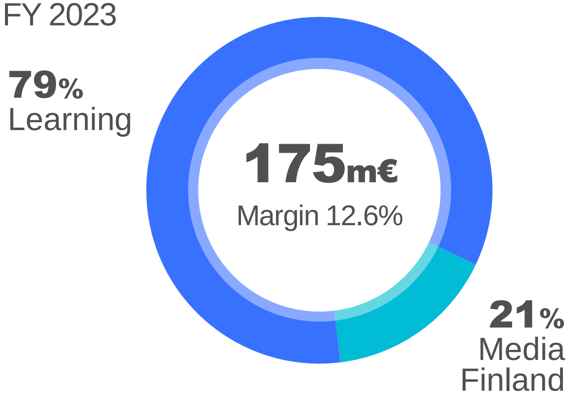
November–December 2024

Sanoma at a glance

Net sales
FY 2023



Operational EBIT excl.PPA
FY 2023



A leading European K12 learning company

- Size doubled in the past five years resulting from M&A and organic growth
- Serving approx. 25 million students
- Leading positions in key markets
- Stable and resilient K12 market
- High barriers to entry

Net sales **795m€**

Operational EBIT excl. PPA **148m€**, corresponding to **18.7%**

#1 digital cross-media company in Finland

- Leading Finnish media brands in News & feature, Entertainment and B2B marketing solutions
- 900k subscriptions with paid for digital, out of 2.7m households in Finland
- Print advertising <10% of net sales

Net sales **598m€**

Operational EBIT excl. PPA **40m€**, corresponding to **6.7%**

Sanoma Group

Net debt / Adj. EBITDA	Equity ratio	Free cash flow	Free cash flow per share	Dividend per share
2.8	**42.5%**	**105m€**	**0.64€**	**0.37€**

We are a leading European K12 learning service company

- **We focus on K12**, which is primary, secondary and vocational education (ie. 6−18 year-olds)
  - Supporting about 25 million students across Europe
  - Having a ~17% market share
- **Teachers and schools are our primary customers**
  - Teachers are key decision-makers on which learning content to use and typically change learning materials every 4−8 years
  - In our operating countries, learning content is largely publicly funded and typically represents 1−3% of public education spend
- **Our learning services provide teachers with everything they need**
  - Printed and digital learning content created together with teachers and matching the local curriculum
  - Digital learning platforms, either linked to our content or open
  - Content distribution services
- **Our content has a positive impact on learning outcomes**
  - Inclusive learning materials promote equal learning opportunities and support diversity and differentiation

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We are Finland's #1 digital media company with a weekly reach of 97%

Strong portfolio of independent and complementing brands with substantial digital synergies

Large audiences to build reach for B2B
(<50% of Media Finland net sales)

Monetising B2C subscriptions
(>50% of Media Finland net sales)

News & Feature
(~2/3 of Media Finland net sales)

Ad-funded journalism
ILTA-SANOMAT

Free articles
HELSINGIN SANOMAT, AAMULEHTI, SATAKUNNAN KANSA

Paid subs
HELSINGIN SANOMAT, AAMULEHTI, SATAKUNNAN KANSA, AKU ANKKA, menaiset

Entertainment
(~1/3 of Media Finland net sales)

Linear TV and Radio
4, Jim, Radio Suomipop, Radio Rock, Liv

Ad-funded on-demand
supla, ruutu

Paid subs
ruutu+, supla+

1 We have strong standalone brands …

2 … with further potential to combine digital subscription products

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Since 2018, we have more than doubled Learning's net sales, creating a leading European K12 learning business

2019

Iddink
the Netherlands, Belgium, Spain

ITS Learning
9 countries

Essener
the Netherlands

ClickEdu
Spain

2020

Successful integration and implementation of LOMLOE

Regional news media business
Finland

Highly synergistic and successful integration, completed end of 2021

2021

Santillana Spain
Spain

2022

Pearson Italy
Italy

Pearson Germany
Germany

Italian integration nearly completed

Group net sales development
m€

Learning representing ~80% of Group's profitability in 2023

Three strategic focus areas to deliver increasing profitability and prepare for future growth

Mid-term focus areas:

1. Increasing profitability of Learning and Media Finland

- In Learning, we benefit from our increased scale and will reach the long-term profitability target in 2026 through *Program Solar*
- In Media Finland, we continue our successful digitalisation and efficiency improvements while expecting to benefit from future recovery in the Finnish economy

2. Growing organically and through smaller in-market acquisitions

- Growing the learning content business through price increases and market share gains
- Strengthening our digital offering in journalism and entertainment in Finland also through partnerships
- Finding smaller, highly synergistic acquisitions in our current operating countries

3. Deleveraging the balance sheet

- Long-term leverage target unchanged at < 3.0, improving free cash flow will allow deleveraging
- Dividend continues to be an important part of our equity story – 40−60% payout range in dividend policy allows for changing economic conditions, investments levels and deleveraging needs

Our purpose

Through learning and media, we have a positive impact on the lives of millions of people every day

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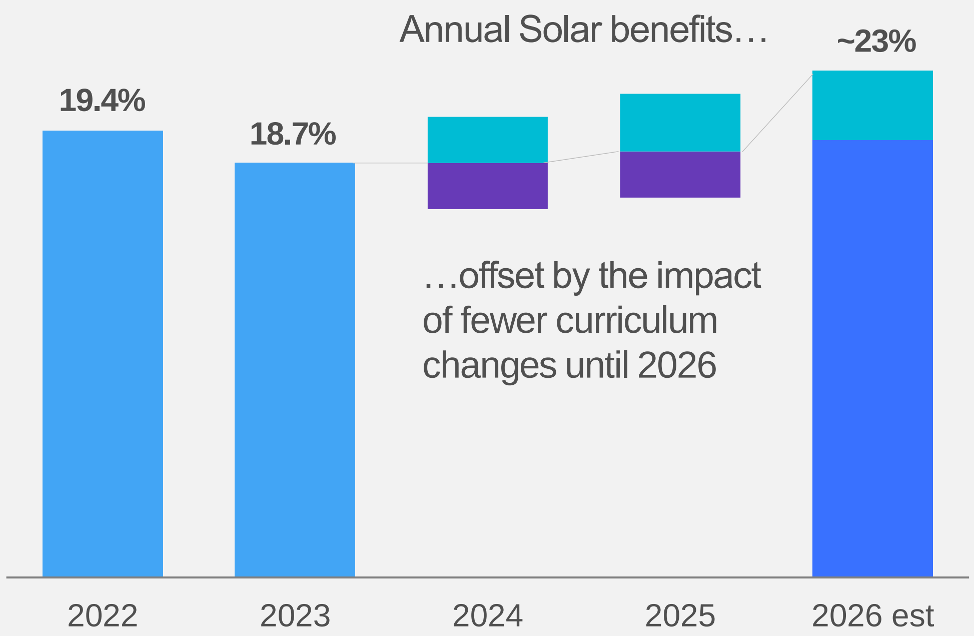
1. We are taking actions to improve margins in both Learning and Media Finland

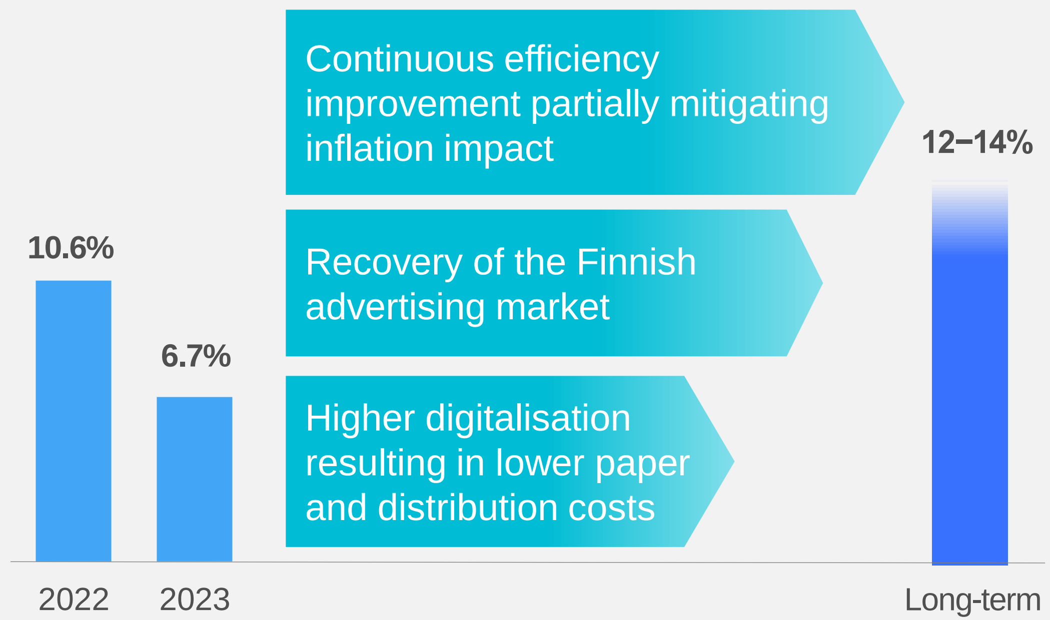
Learning's profitability to reach the long-term target of 23% in 2026 supported by Solar

Operational EBIT margin excl. PPA, %



Media Finland's profitability to improve towards the target of 12−14% in the long-term

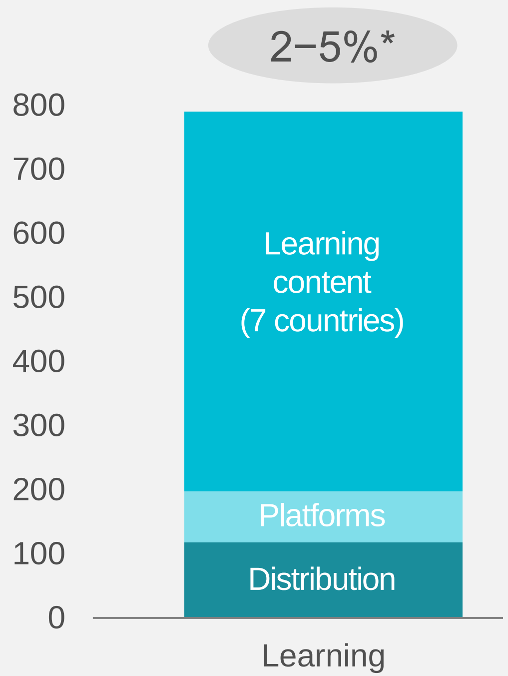
Operational EBIT margin excl. PPA, %



2. Strong portfolio with organic growth opportunities in both Learning and Media Finland

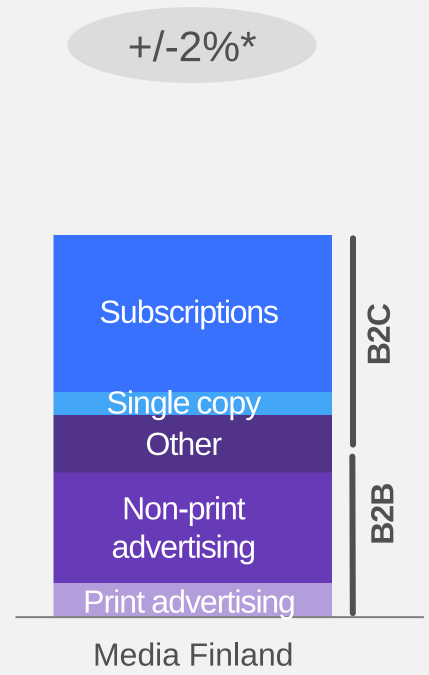
Growing share of higher margin learning content business

Learning net sales 2023, m€



Accelerating growth in digital subscription and advertising sales

Media Finland net sales 2023, m€



- Grow market share by winning in local markets
- Increase value per student through price increases and extended offering
- Strengthening the digital offering in journalism and entertainment in Finland also through partnerships
- Finding smaller, highly synergistic acquisitions in our current operating countries

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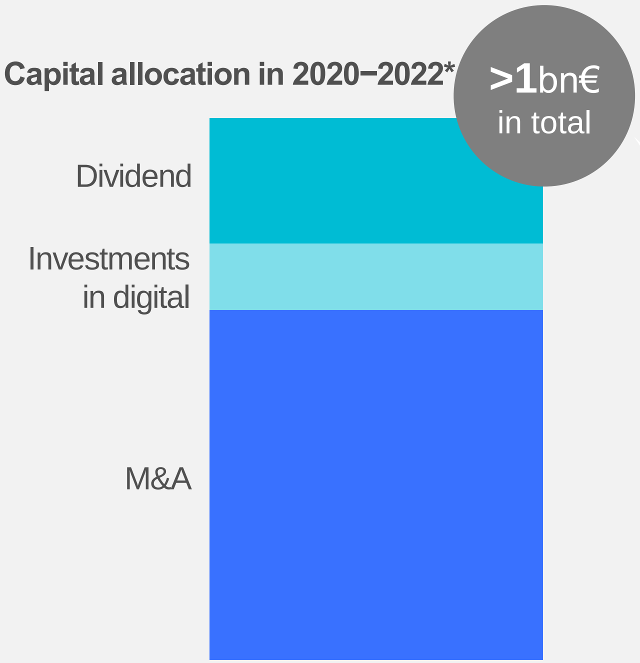
* Long-term target for organic growth, p.a.

3. Deleveraging will be central to our near-term capital allocation

In recent years, we have grown Learning through M&A

Capital allocation in 2020–2022*



Short-term cash flow will be impacted by

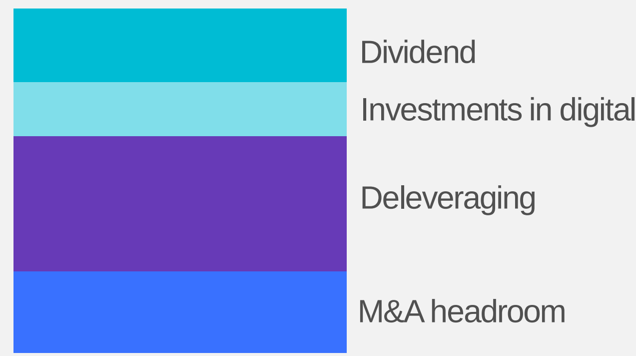
- Higher financing costs
- Costs related to Program Solar in 2023–2024
- Economic headwinds continuing to impact Media Finland

In 2025–2026

+ Learning profitability reaching long-term target of 23% in 2026
+ Uplift of the advertising demand depending on the recovery of Finnish economy

In 2024–2026 we will focus on deleveraging to build headroom for future growth

Capital allocation priorities in 2024–2026*



* Capital allocation in 2020–2022 includes the use of free cash flow and increase in net debt; capital allocation priorities in 2024–2026 include the use of free cash flow and is illustrative

Dividend is an important part of our equity story

- A dividend of 0.37€ (2022: 0.37) per share paid for 2023
  - Representing a total of approx. 60m€
  - Pay-out of 58% of underlying FCF
- Paid in three parts following the seasonality in free cash flow generation
  - 0.13€ in April
  - 0.13€ in September
  - 0.11€ on 12 November (record date 5 November)

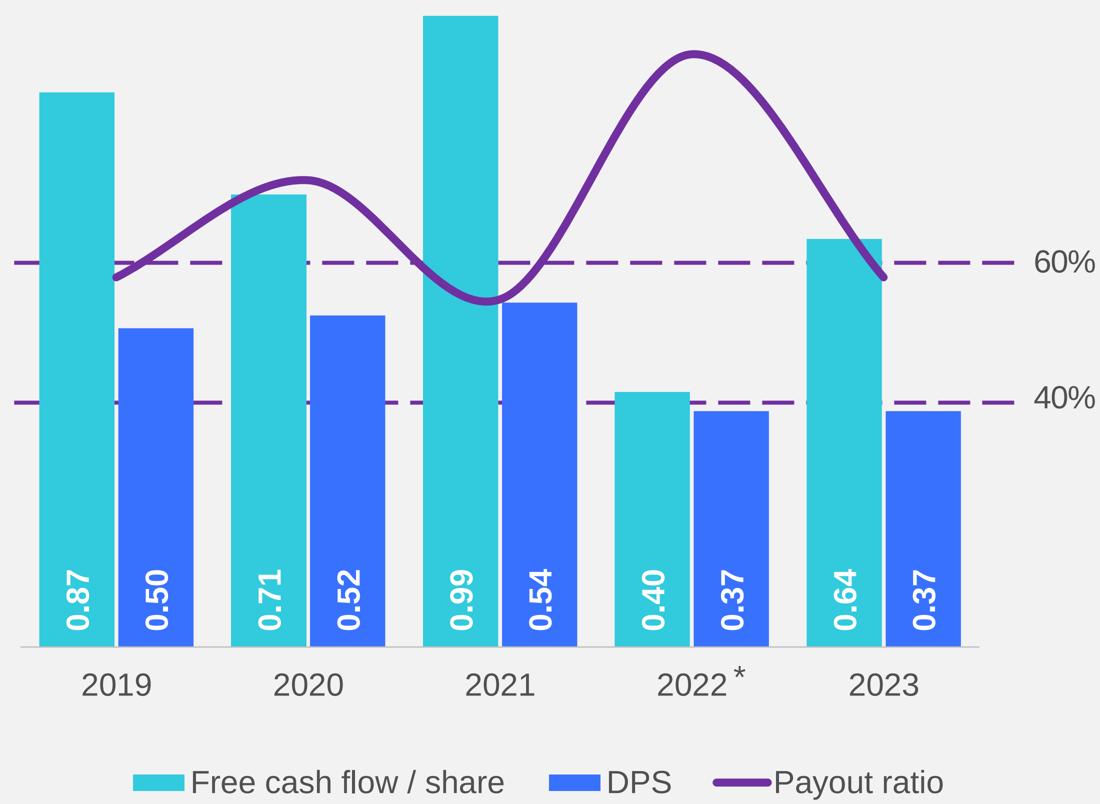
Dividend policy:

Sanoma aims to pay an increasing dividend, equal to 40–60% of annual free cash flow

When proposing a dividend to the AGM, the Board of Directors will look at the general macro-economic environment, Sanoma's current and target capital structure, Sanoma's future business plans and investment needs as well as both previous year's cash flows and expected future cash flows affecting capital structure.

Dividend per share

€



* Underlying 2022 FCF 65m€ excl. operational cash flow of the acquired Italian and German business and the pre-payment of the VAT claim

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Sanoma represents a unique sustainability profile

We have a unique sustainability profile…

Intrinsic positive impact of both business in the lives of millions of people every day combined with ambitious targets and solid ESG performance

…clear commitments and ambitious targets

- Alignment with UN Sustainable Development Goals
- Signatory of UN Global Compact
- Included in Nasdaq Helsinki Sustainability Index
- Emission reduction targets for Scopes 1, 2 and 3* validated by Science Based Targets initiative
- Sustainability targets linked to the 300m€ revolving credit facility
- 3-year bond of 150m€ issued in line with Sanoma's Social Bond Framework, supporting access to quality education

MSCI	AA	Scale CCC to AAA
Sustainalytics	10.4	Scale 100-0, lower score = lower risk
Upright	74%	Scale CC to AAA
ISS Prime	B-	Scale D to A+
CDP Climate	A-	Scale D- to A
S&P Global ESG	51	Scale 0-100

* Scope 3 categories included in the target are purchased goods and services, fuel and energy related activities, and upstream transportation and distribution, base year for all targets 2021

Sanoma as an investment:

We have an ambitious strategy for sustainable profitable growth

- Increasing profitability of Learning and Media Finland
  - Learning achieving its long-term profitability target of 23% by 2026, supported by our increased scale
  - Accelerating digitalisation and improving profitability towards long-term target in Media Finland
- Growing organically and through smaller in-market acquisitions
  - Continued focus on M&A in K12 learning
- Deleveraging the balance sheet
  - Dividend continues to be important, with payout ratio of 40−60% of free cash flow

Our purpose

Through learning and media, we have a positive impact on the lives of millions of people every day

Our ambition

Group net sales over **2bn€** by 2030
at least **75%** from Learning

Our learning business

K12 learning services offer attractive opportunities…

K12 is stable and predictable business

- Stable population of approx. 75 million students in Europe, corresponding to a market size of 4−5bn€
- Public spending on education is increasing and resilient to crises
- Significant fragmentation and high barriers to entry due to localised nature
- Digitalisation brings more stable revenue streams and in general, better profitability

Market growth estimate **steady low single digit %** p.a.

K12 learning services

Empowering learning of about 25 million students

We are #1 in K12 learning services in Europe and see benefits from scale

- Harmonising our digital platforms and technology across countries
- Further investigating opportunities for shared use of content

K12 offers growth opportunities to reach our long-term goals

- Sustained organic growth in-line with our long-term target of 2−5%
- Focus on synergistic in-market acquisitions
- Digitalisation one of the key consolidation drivers

Underlying trends in K12 learning

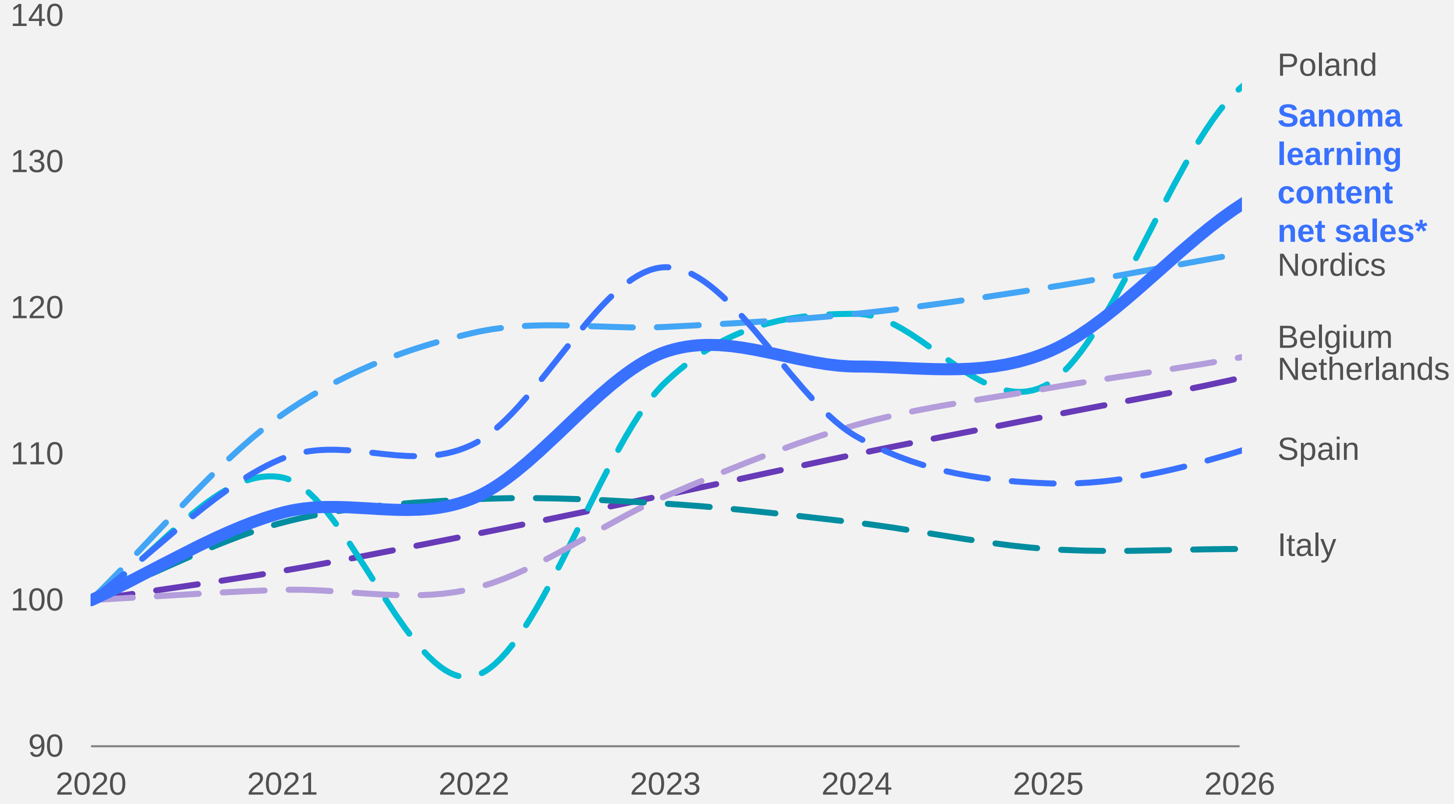
Use of (generative) AI	Structural shortage of teachers	Changes in economic environment

…while learning content sales vary driven by curriculum renewals in our major operating countries

Learning content **74%** of net sales in 2023

- Expected development of learning content sales in 2023−2026 is a function of changes in
  - Number of students ↘
  - Expenditure ↗
  - Market share ↗
- Mix within learning content sales is changing

K12 publishing market values in Sanoma's key operating countries indexed to 2020



* Sanoma learning content net sales excl. the impact of the Italian acquisition in 2022 and 2023

Different blended offerings reflect the different stages of our markets…

Blended learning is the preferred solution for teachers

Print — **Different levels of blended learning** — **Digital**

LIBROMEDIA

Print book with
digital version

bingel neon

Print book with
digital version and exercise platform

iDiddit Kampus MAX

Print and digital fully blended
adding distinctly different parts
of the learning experience

Teacher materials on how to teach blended learning

…and with our blended offering, we are leading the way in across all our markets

Stage	**Print**			**Digital**
Model	**Print only**	**Free digital**	**Paid digital**	**Subscription digital**
Markets		Poland, Italy, Spain, France, Germany	Finland, Belgium, Sweden, UK	Netherlands (~65% of learning material sales)

Enablers needed

- Basic digital infrastructure in schools: interactive whiteboards, some PCs (one-for-many)

- Widespread infrastructure, connectivity
- The added value of digital content widely appreciated

- Subscription is an industry standard for methods
- Concentrated market in platforms and distribution

Generative AI brings opportunities and will change our way of working…

Level of AI impact

Editorial process	Content authoring	Personalisation	Teaching workflow	Curriculum & pedagogy
More efficient editorial process	Automated generation of core content	**Hyper-personalisation** Saving time for teachers Supporting different pupils' needs and preferences Supported by technology	Insights and time-savers for teachers	New skills and ways to teach / learn

K12 learning materials value chain

Increasing importance of fully trustworthy, curated content

Value of existing K12 content corpus

Insights into how teachers see the role of AI in education on the next page

…and teachers also see opportunities in AI

We conducted a survey among more than 7,600 teachers to gain insight on AI in education

Teachers would use materials generated by AI **when edited and reviewed** by publishers

Teachers are cautiously beginning to implement AI, but they have **concerns about its influence** in education

Teachers expect AI to be used in the future in their own and publisher created **learning materials and learning management solutions**

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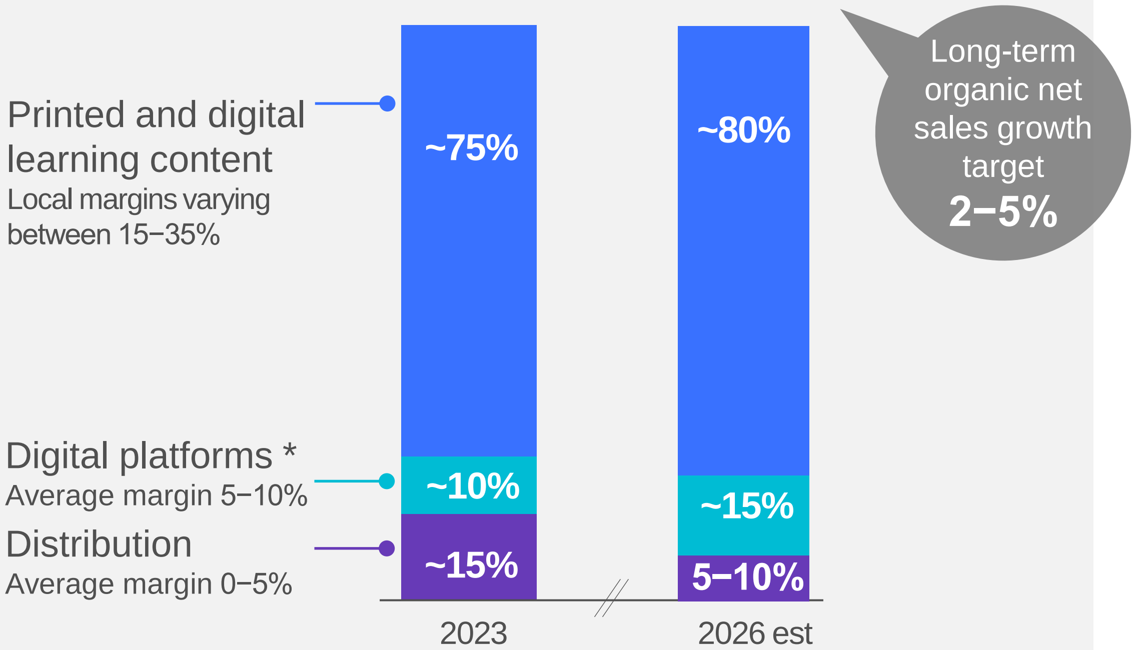
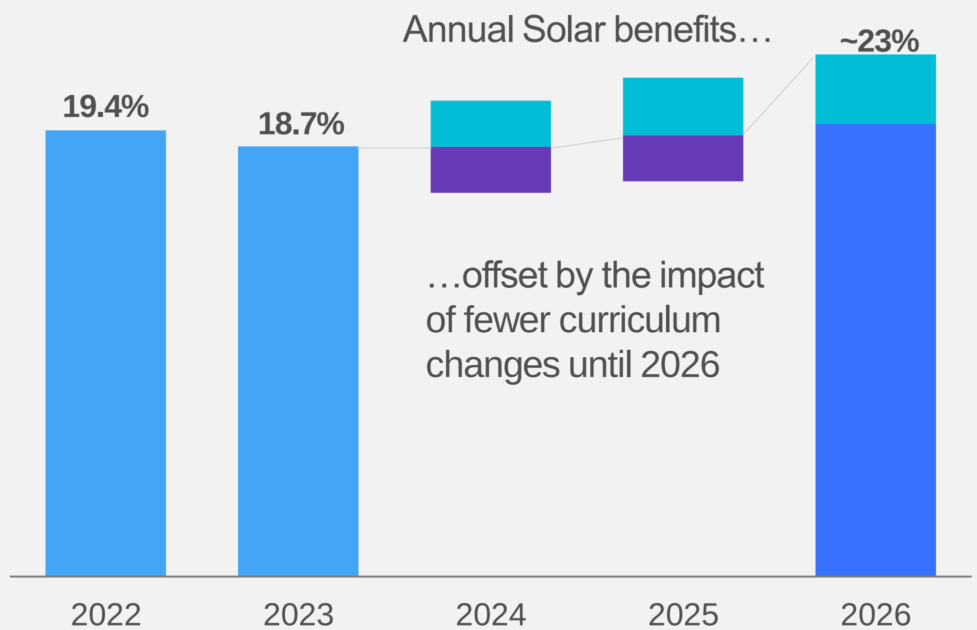
We aim to reach our long-term profitability target of 23% in 2026…

In 2026, net sales are expected to be stable vs. 2023 with higher share of more profitable learning content business



Learning's profitability to reach the long-term target of 23% in 2026 supported by Solar

Operational EBIT margin excl. PPA, %



… supported by Program Solar

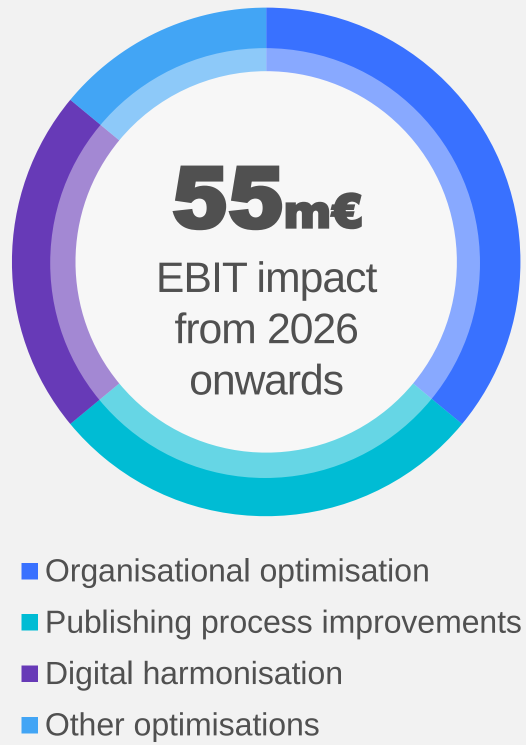
- Solar brings full benefits from the increased scale of the business
- Costs related to Solar booked as IACs totalling 45m€; 22m€ booked in 2023, approximately similar amount expected in 2024
- Program streams touch our key business operations across countries and most of them will be completed by the end of 2024

Organisational optimisation*	▪ Post-curriculum renewal optimisation in Spain and Poland ▪ Optimising selected other operations
Publishing process improvement	▪ Increasingly leveraging benefits of scale in content creation (sharing) and production (centres of excellence) ▪ Reviewing publishing portfolios and plans
Harmonisation of digital platforms	▪ Optimising product development and maintenance through outsourcing and nearshoring mainly to Poland and Spain
Other optimisations	▪ Rightsizing support functions by optimising the overall organisational structure

* All organisational optimisation actions are subject to works council negotiations and other local legal procedures.

Solar benefits are split between program streams

%



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We continue to take steps to improve the performance of our distribution businesses

- Distribution businesses are an integral part of our overall learning services offering
- We expect the Dutch market continue to be challenging and we are taking actions to improve our financial performance there e.g., by
  - Optimising commercial proposition from volume-based discounts to service fees
  - Discontinuing the rental model and transitioning to school-owned books for reuse
  - Discontinuing the Belgium distribution business and scaling down our overall overhead
- Overall, these actions are expected to result in clear net sales decline especially in 2024 and target the average margin of 0−5%

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Key market features in our major learning content countries (as of 2023)

	Sanoma market position in learning content	K12 student population	Annual spend per student primary/secondary	Total annual spend	Public spend on K12 as % of GDP	Level of digitalisation	Funding mechanism
Poland	#1	4.6m	35/40€	160m€	2.9%	Early	▪ Primary via public subsidy, ▪ Secondary by parents
Spain	#1	5.8m	95/80€	620m€	3.1%	Early	▪ Publicly funded through different local mechanisms, or paid by parents – differs by region
Italy	#3	6.9m	30/130€	650m€	3.1%	Early	▪ Primary via public subsidy ▪ Secondary by parents
The Netherlands	#2	2.8m	140/210€	360m€	3.3%	Advanced	▪ Public funding (schools decide on spending) in Primary, Secondary ▪ Vocational by students/parents

Note: Netherlands market size including Vocational; Spain including Kindergarten. Euro values excluding distributor and retail mark-up, and VAT. Public spend on Primary, Secondary and Vocational; data for 2020 (Eurostat).

Our media business

We are increasing the value of digital for our customers to prepare for digital-only future

Up to 2023
Digital transformation push

In 2024−2026
Increasing value of digital for our customers

We reach **97%** of Finns every week…

… and **900k** paying for digital subscriptions out of 2.7m households

Subscriptions

- Strong digital portfolio of independent and complementary brands with potential for combined offerings
- Further developing digital customer journey and experience

Advertisers

- Competitive digital B2B products with improved targeting capabilities
- Total TV ad measurement becoming the industry standard

Profitability enablers

- Continued efficiency improvement further supported by AI

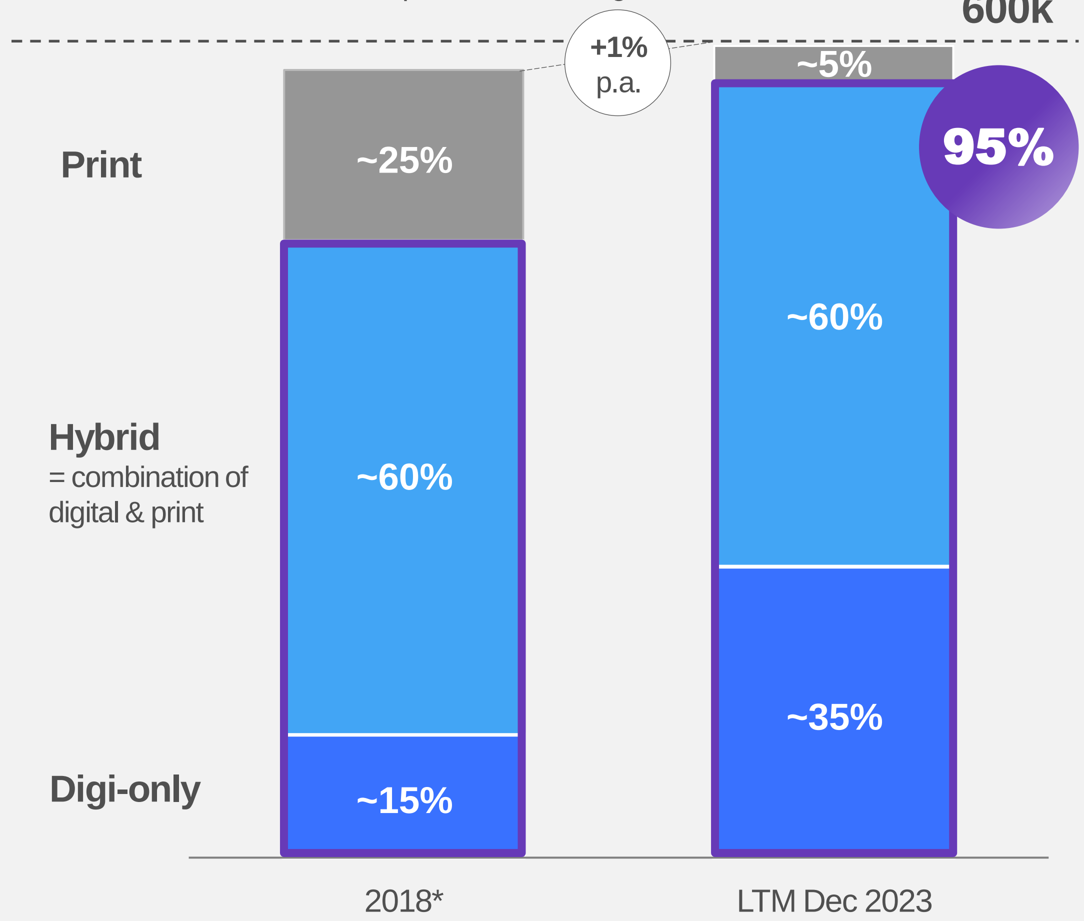
News & Feature

News media subscription base has become highly digitalised

- >95% of news media subscribers pay for a digital component
- Going forward we focus on digital usage and number of digital subscriptions by
  - Improving customer experience of the digital product and content
  - Developing our digital first sales model
  - Launching new and complementary digital products and packages
- In digital, we can use our unique position and package our news and entertainment subscription products to create value for our customers

Digital subscription base in news media has grown by 20pp in last 5 years

thousands of subscriptions, annual avg.



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* 2018 Pro forma including regional news media acquired in 2020

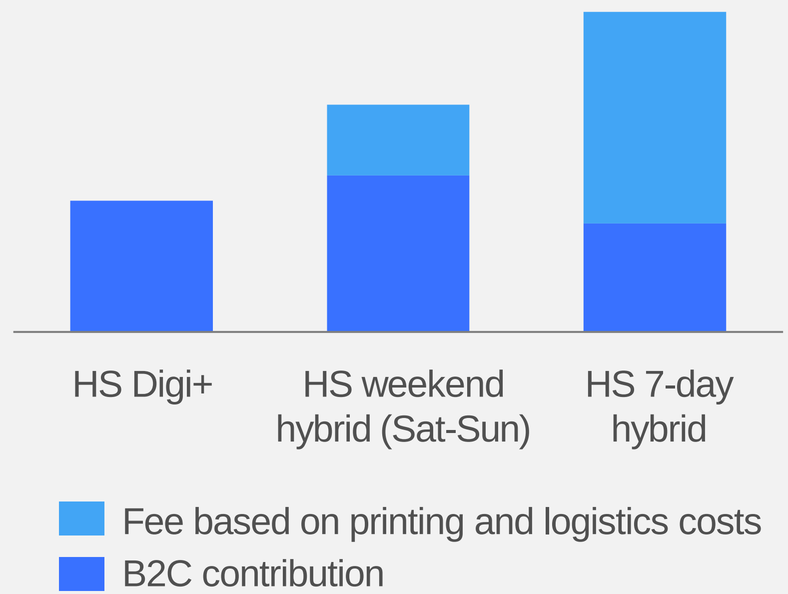
News & Feature

Transformation away from 7-day hybrid improves B2C contribution

- Currently price paid by customer contributes relatively similar irrespective of the product
  - Customer pays for the printing and logistics costs on top
  - B2C contribution of 7-day hybrid higher in core regions, where distribution costs more efficient
  - Transition productisation, like Weekend Hybrid, plays an important role going forward
- We will manage the transformation speed from print to digital to give time for customers to adapt and for us to adjust our supply chain operations

B2C contribution of Helsingin Sanomat (HS) subscription types

2023

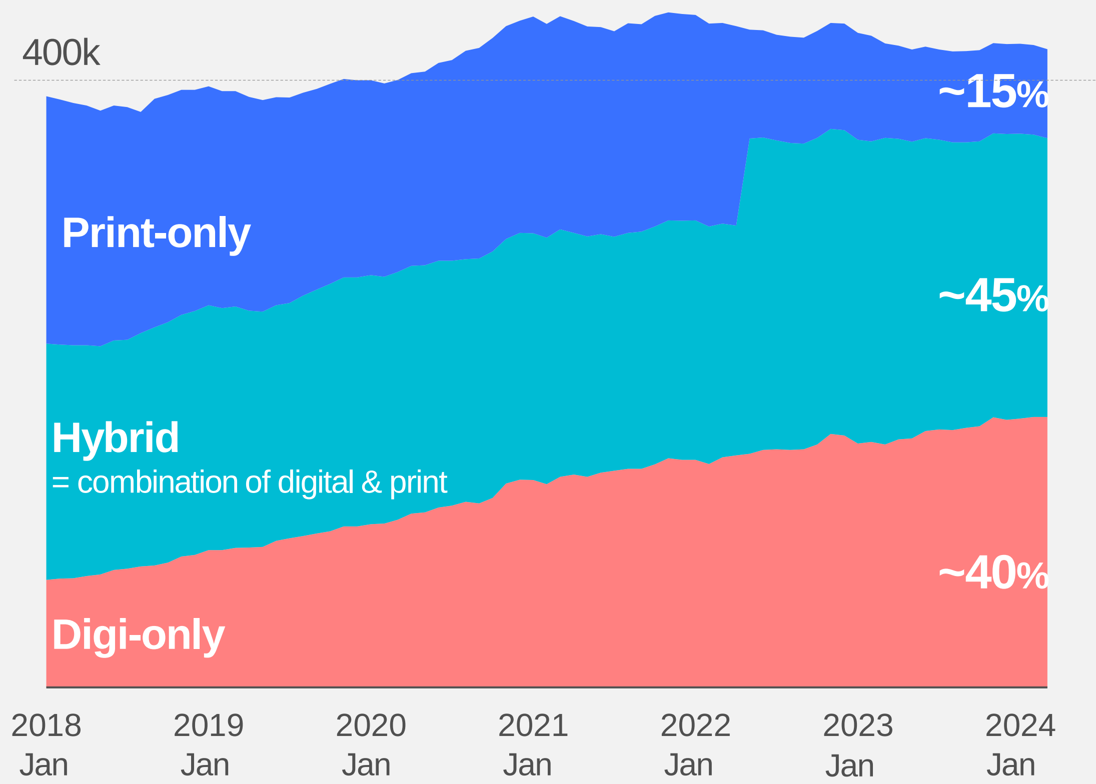


Case Helsingin Sanomat

Stable subscription development after the corona driven peak

- HS total number of subscriptions approx. 420k
- Number of digital-only subscriptions over 170k, approx. 40% of total subscription base
  - Approx. 85% of all subscriptions include a paid digital component
  - Appealing digital experience has attracted younger audiences
- Future success in digital requires further scale
- New content areas support subscription development
  - HS Business News to strengthen business reporting, successfully launched in March 2021
  - HS Kids News, successfully launched in August 2020

HS subscription base development



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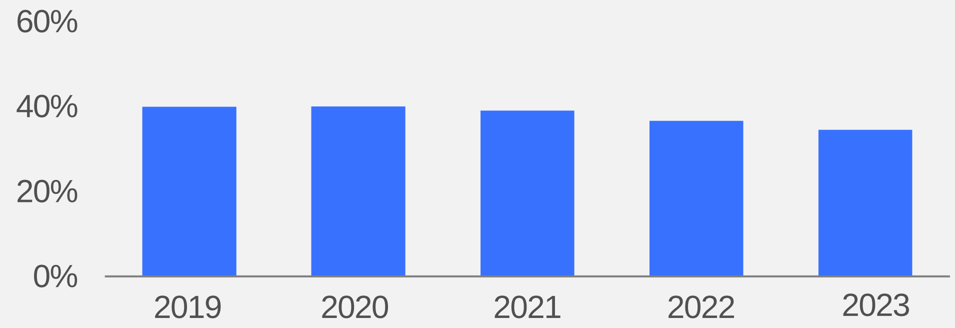
Entertainment

FTA balancing between profitability and growth

- Economic environment combined with overcapacity and low prices has been challenging for all FTA (free-to-air) players – we have been careful in investments
  - Decision has resulted in a slight loss of viewing share in FTA as expected
  - Campaign level reach on par with main competitor in biggest commercially viable target groups
- FTA segment expected to be more stable in the short-term with recovering economy in Finland and upward price pressure, while viewing minutes continues to decrease slightly

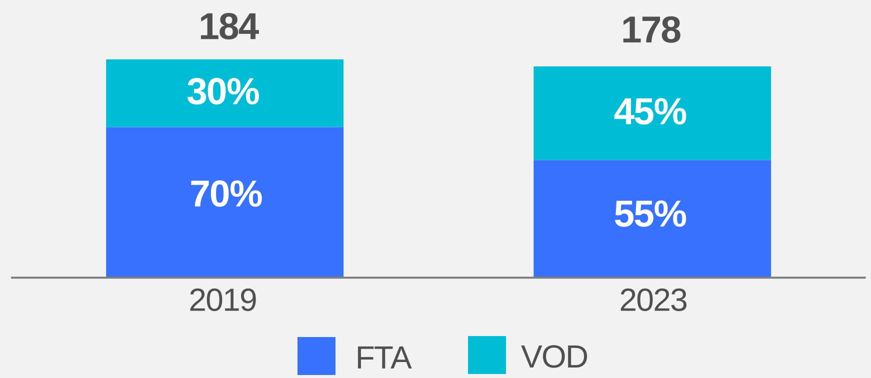
Our share of total commercial viewing has decreased slightly

Media Finland commercial share of viewing in 25–54 y/o



Share of VOD in total viewing minutes growing fast

Min/day in 25–54 y/o, total market



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Source: Finnpanel Ltd, TAM and Media Finland analysis

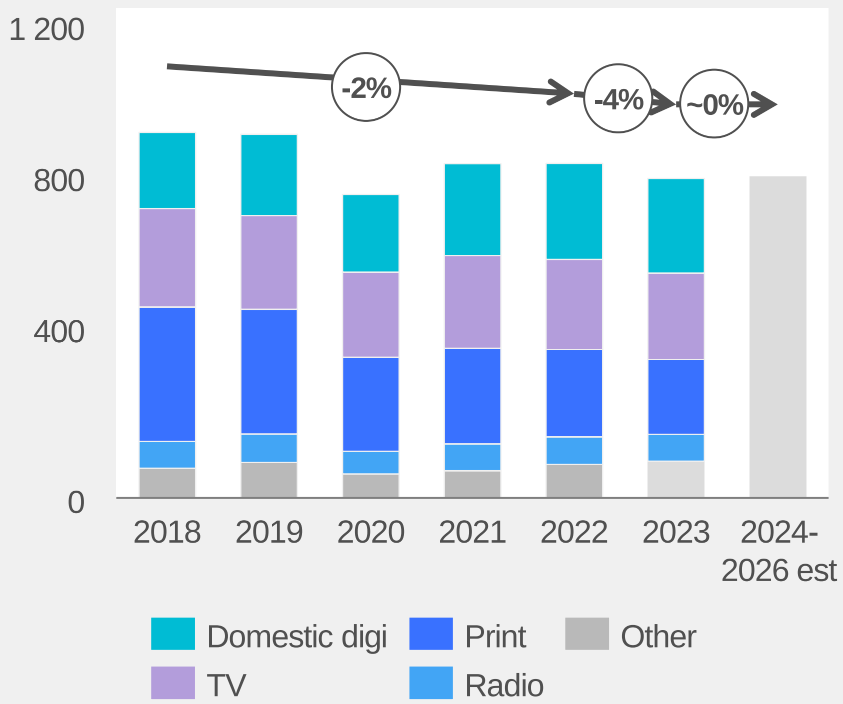
Note: FTA TV and video are in the process to become purchased as a single category under Total TV

B2B

Advertising market is expected to gradually recover

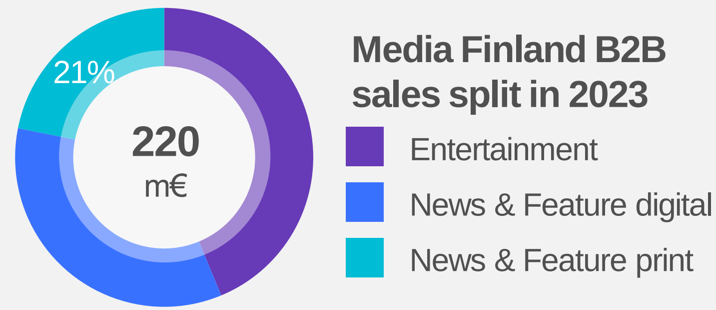
Ad market continues to be uncertain…

Domestic measurable media market by segment, m€



…but our long-term advertising sales outlook is stable

- Digital advertising sales compensating for the decline in print advertising, print sales represent only ~21% of total media advertising sales



- Free-to-air (FTA) TV segment future development rather stable with price increases compensating for decrease in viewers
- Total TV ad measurement improving the competitiveness of the B2B offering
- Potential opening of the gambling market in Finland in 2026 creates new advertising opportunities

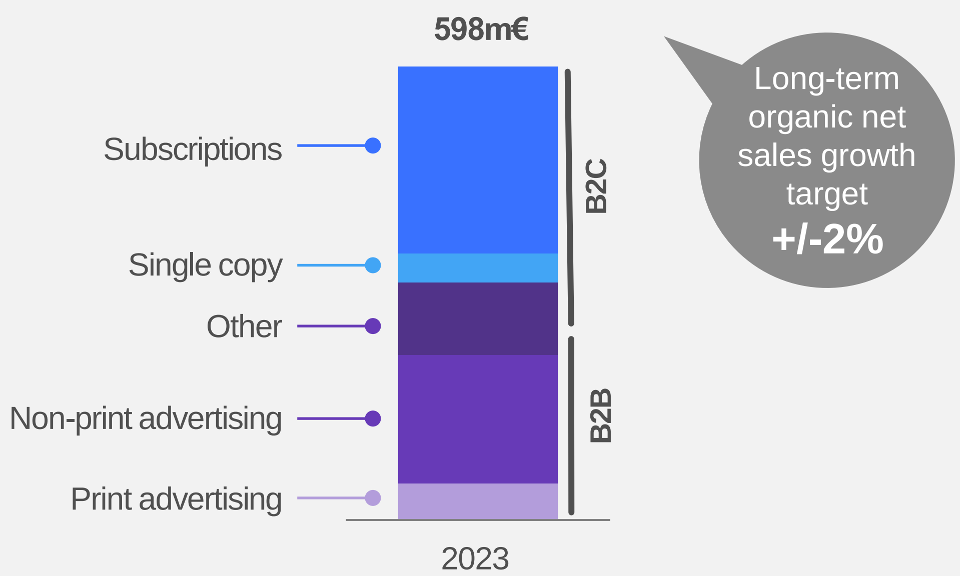
Source: Kantar and Media Finland estimate

Note: FTA TV and video are in the process to become purchased as a single category under Total TV

We have solid plans and outlook towards our long-term targets

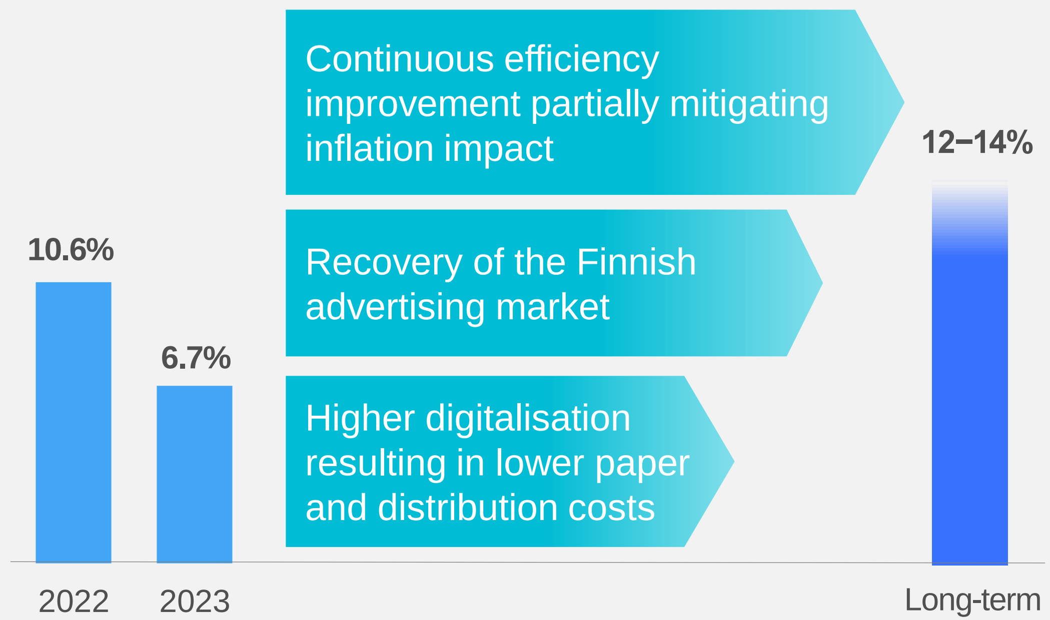
Reducing share of print advertising, B2C constantly strengthening

Net sales, m€



Profitability to improve towards the target of 12–14% in the long-term

Operational EBIT margin excl. PPA, %



AI presents significant opportunities without compromising our foremost priorities of trusted journalism

10+ years experience of using AI e.g., in segmentation, content personalisation, and forecasting ad audience reach

Example use-case:
Editorial

Multiple ongoing Generative AI use cases, including

- News summaries, which are effective especially with younger audiences and increase time spent on an article
- Improved advertising targeting capabilities
- AI election chat bot for US 2024 presidential elections the first of its kind in Finland

Example use-case:
Efficiency

Efficiency improvement potential e.g., in software development and commercial operations

Financials
Q1–Q3 2024

Q1–Q3 2024

Solid quarter delivering improved operational EBIT for the first nine months

Net sales	Organic net sales development	Operational EBIT excl. PPA	Free cash flow	Net debt / Adj. EBITDA
1,103m€	**-2%**	**207m€**	**77m€**	**2.4**
(2023: 1,139)	(2023: 3%)	(2023: 202)	(2023: 35)	(2023: 2.8)

- Net sales in both businesses were in-line with earlier indications
  - In Learning, expected lower sales in Spain and the planned discontinuation of low-value distribution contracts in the Netherlands and Belgium were partly offset by continued good growth in other learning content markets
  - Media Finland decreased mainly due to divestments
- Improvement in operational EBIT driven by Media Finland, Learning stable
- Free cash flow improved significantly partly driven by Solar, which is on track to reach the long-term profitability target of 23% in 2026
- Deleveraging the balance sheet progressing well, leverage improved to 2.4
- **The Group's Outlook range for 2024 is narrowed:**
  - Reported net sales will be 1.32–1.34bn€ (2023: 1.4)
  - Operational EBIT excluding PPA is expected to be 170−180m€ (2023: 175).

LEARNING Q1–Q3 2024

Lower net sales in line with earlier indications

- Net sales amounted to 668m€ (2023: 695)
  - In Q3, net sales declined by 21m€ in Spain (-18m€ in Q1–Q3) driven by the ending of the LOMLOE curriculum renewal
  - This was offset by growth in other learning content markets, in particular Poland and the Netherlands, supported by continued above-average price increases
  - The planned discontinuation of low value distribution contracts in the Netherlands and Belgium had an impact of -28m€
    - Further decline in distribution sales expected in the coming years
    - Impairment of 27m€ booked in Q3

- Divestment of Stark had -9m€ impact (FY -14m€)

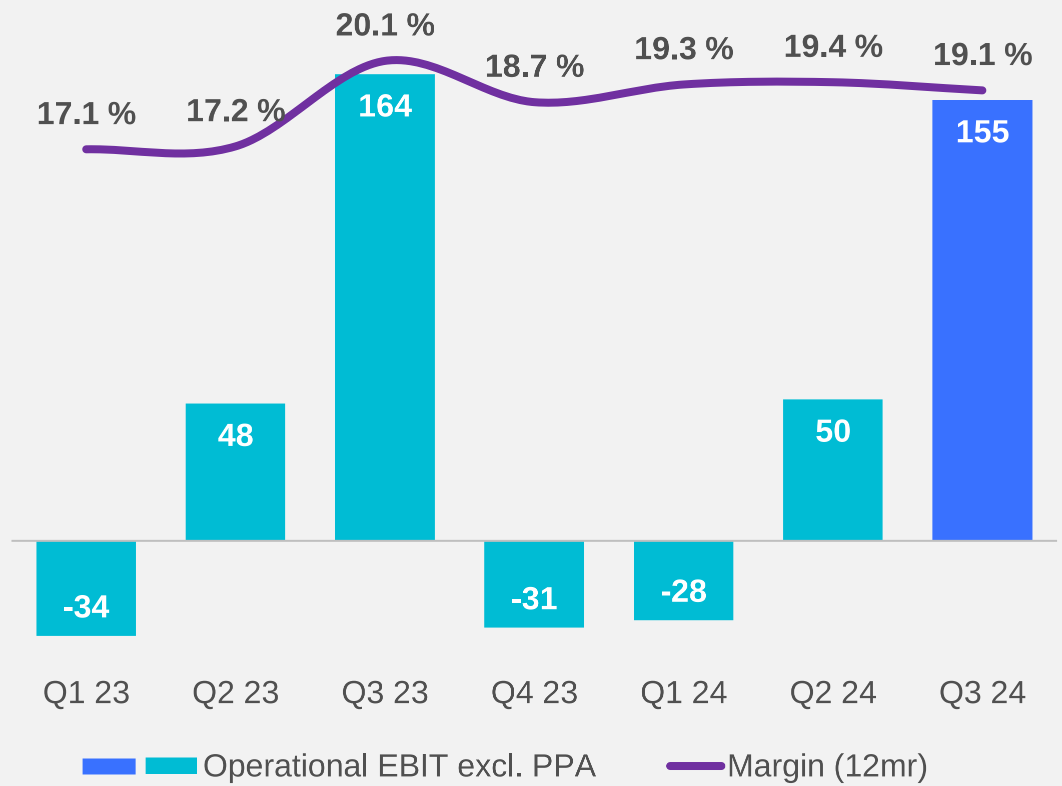
LEARNING Q1–Q3 2024

Stable operational EBIT

- Operational EBIT excl. PPA amounted to 178m€ (2023: 179)
  - Net sales decrease in Spain
  - Lower paper costs and price increases in other learning content markets supported earnings

➢ As indicated earlier, FY 2024 margin expected to be relatively stable vs. 2023 due to the impact of lower curriculum cycle in Spain

Operational EBIT excl. PPA
m€



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Efficiency program Solar in Learning on track

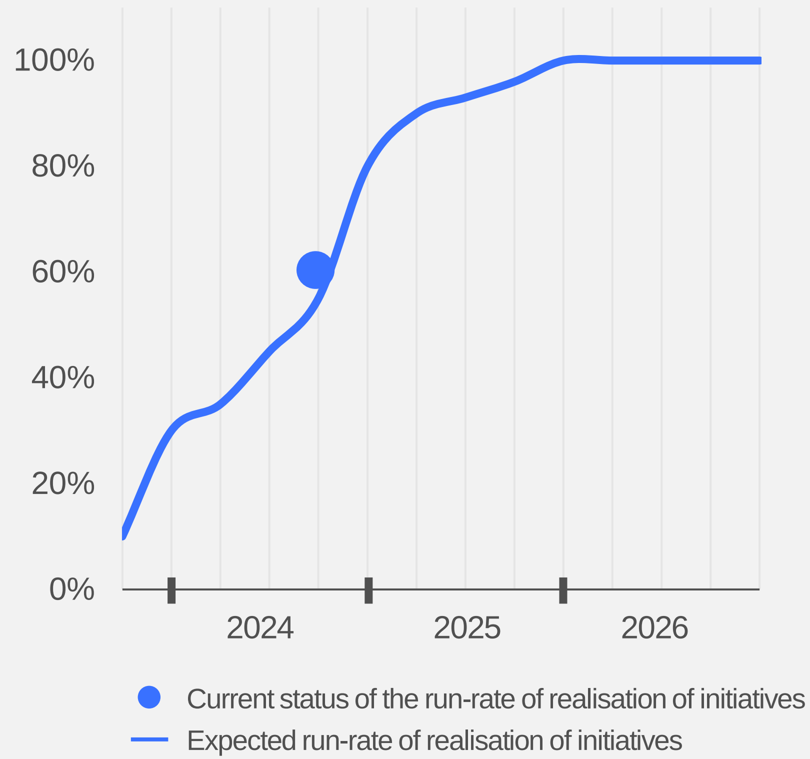
- Program Solar, launched in October 2023, aims to operational efficiencies amounting to approx. 55m€ annual operational EBIT from 2026 onwards

Program streams touching our key operations across countries

Organisational optimisation	▪ Post-curriculum renewal optimisation in Spain and Poland ▪ Optimising selected other operations
Publishing process improvement	▪ Increasingly leveraging benefits of scale in content creation (sharing) and production (centres of excellence) ▪ Reviewing publishing portfolios and plans
Harmonisation of digital platforms	▪ Optimising product development and maintenance through outsourcing and nearshoring mainly to Poland and Spain
Other optimisations	▪ Rightsizing support functions by optimising the overall organisational structure

Realisation of Solar initiatives

Run-rate of savings in 2026



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MEDIA FINLAND Q3 2024

Lower net sales attributable to events timing and divestments

- Net sales were 144m€ (2023: 150)
- Subscription sales grew by 4%
  - Good development in Ruutu+
  - Continued solid performance in the digital news & feature subscriptions
- Advertising sales stable with growth in digital being offset by newsprint and TV
- Events sales lower with less events held in Q3 due to phasing to Q2 (7 in Q3 2024 vs. 10 in Q3 2023)
- Impact of portfolio changes* -3m€ (Q1–Q3 2024 -8m€ and FY 2024 -10m€)

* Incl. the divestments of Netwheels, EarlyBird, Supla audiobooks and Valopilkku as well as the acquisition of Länsi-Suomi

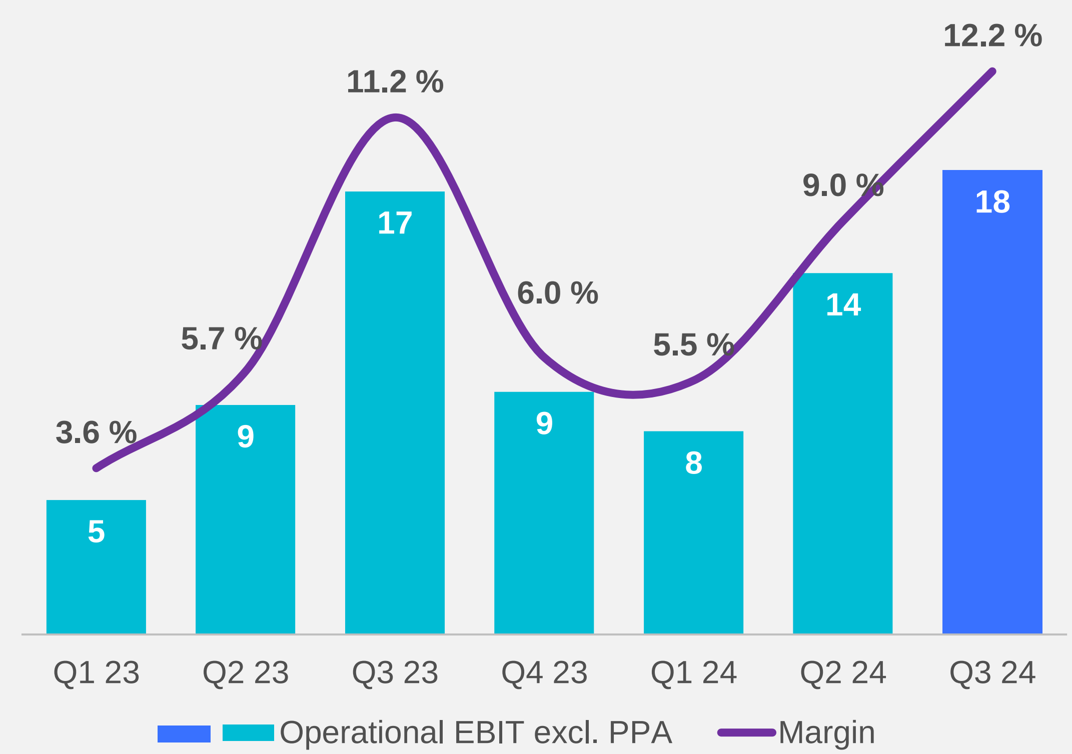
MEDIA FINLAND Q3 2024

Solid quarterly earnings

- Operational EBIT excl. PPA improved to 18m€ (2023: 17)
  - Continued growth in digital subscription sales more than offsetting the decline in print
  - Growth in digital advertising sales offsetting the decline in print
  - Lower paper costs with declining prices and volumes

➢ Q4 2024 earnings expected to be similar to Q4 2023

Operational EBIT excl. PPA
m€



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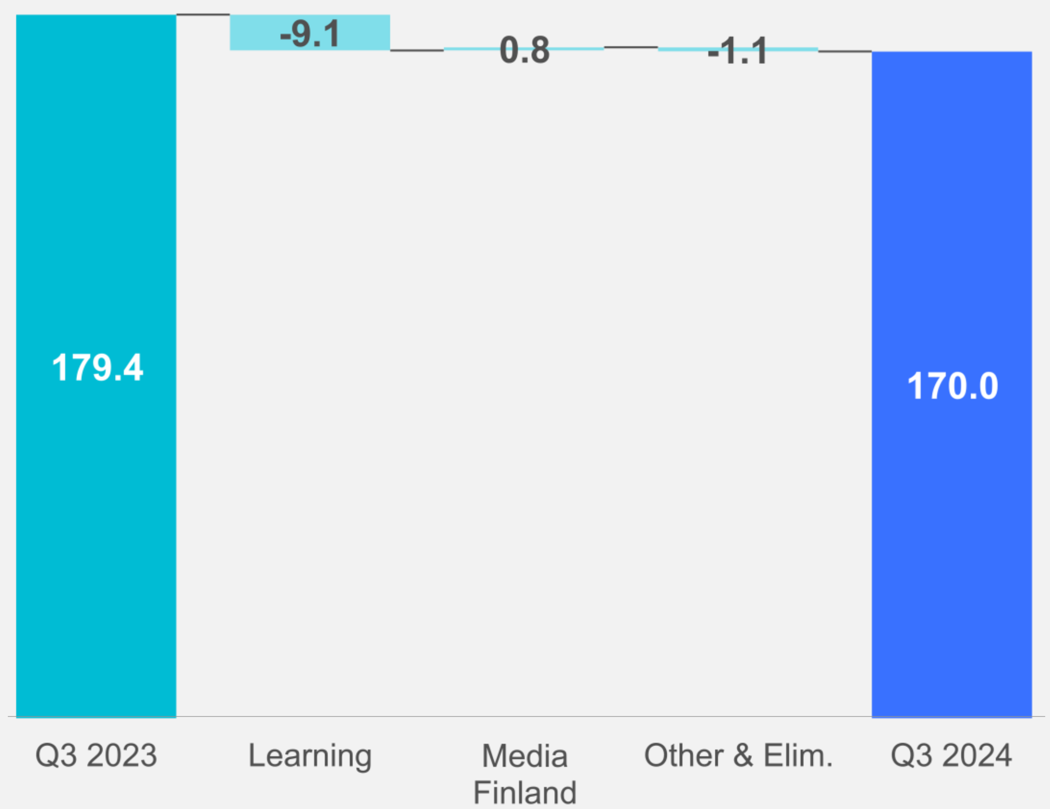
Q3 2024

Operational earnings impacted by Learning net sales

Learning	+ Growth in learning content sales esp. in the Netherlands and Poland + Lower paper costs – Lower sales in Spain
Media Finland	+ Growth in digital subscription and advertising sales + Lower paper costs – Decrease in print subscription and advertising sales
Other & elim.	+ Phasing of tech costs between quarters ➢ FY 2024 costs expected to be similar to 2023

Operational EBIT excl. PPA Q3 2024 vs. Q3 2023

m€



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Improved operational EPS in Q1–Q3, impairment and Solar costs booked in Q3

- Q3 IACs increased to -44m€ (2023: -22) and consisted of
  - 27m€ impairment linked to the future revenue streams of the distribution business in the Netherlands and Belgium following the discontinuation of low value distribution contracts
  - 12m€ restructuring costs related to Program Solar (2023: 15)
- Net financial items stable in Q3
  - Average interest rate of external loans increased to 4.9% in Q1-Q3 (2023: 3.6%)

Key income statement related items

m€	Q3 2024	Q3 2023	Q1–Q3 2024	Q1–Q3 2023
Operational EBIT excl. PPA	**170.0**	179.4	**207.3**	202.4
IACs	**-43.9**	-22.3	**-50.8**	-68.0
PPAs	**-9.3**	-10.4	**-27.7**	-31.3
EBIT	**116.9**	146.7	**128.7**	103.2
Net financial items	**-8.7**	-8.8	**-26.2**	-23.5
RESULT BEFORE TAXES	**108.3**	138.0	**102.5**	78.7
Income taxes	**-24.3**	-38.3	**-21.6**	-30.0
RESULT FOR THE PERIOD	**84.0**	99.7	**80.8**	48.7
Operational EPS, €	**0.70**	0.70	**0.68**	0.61
EPS, €	**0.50**	0.59	**0.45**	0.26

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Strong improvement in free cash flow

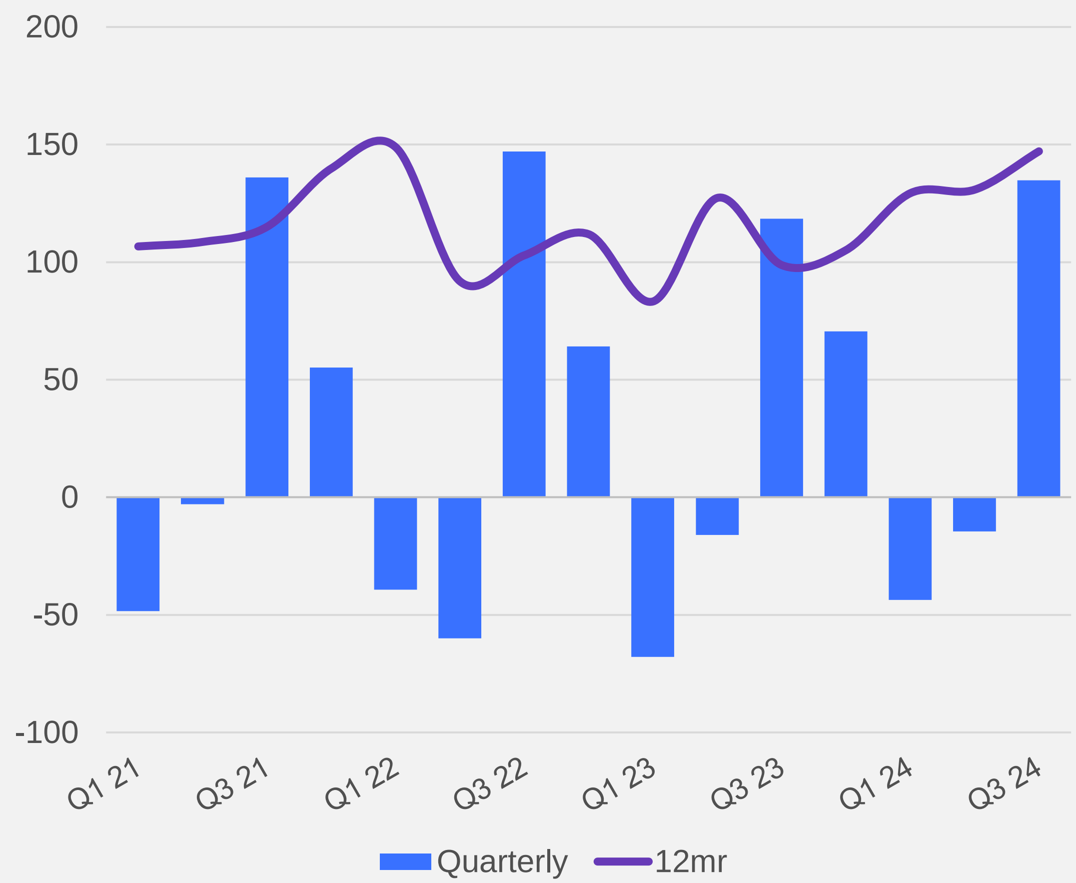
- Free cash flow improved to 77m€ (2023: 35) in Q1–Q3
  - + Higher operational results mainly in Media Finland
  - + Active working capital management across the business
  - + Lower investments in prepublication costs partly driven by Solar
  - + Lower investments in TV programme rights
  - – Higher financing costs offset by lower taxes paid

➢ FY 2024 free cash flow expected to be higher than in 2023

- Second instalment of the dividend for 2023, 0.13€/share or 21m€ in total, was paid in September
  - – Third instalment of 0.11€/share paid on 12 November

Free cash flow

m€



Free cash flow = Cash flow from operations less capital expenditure

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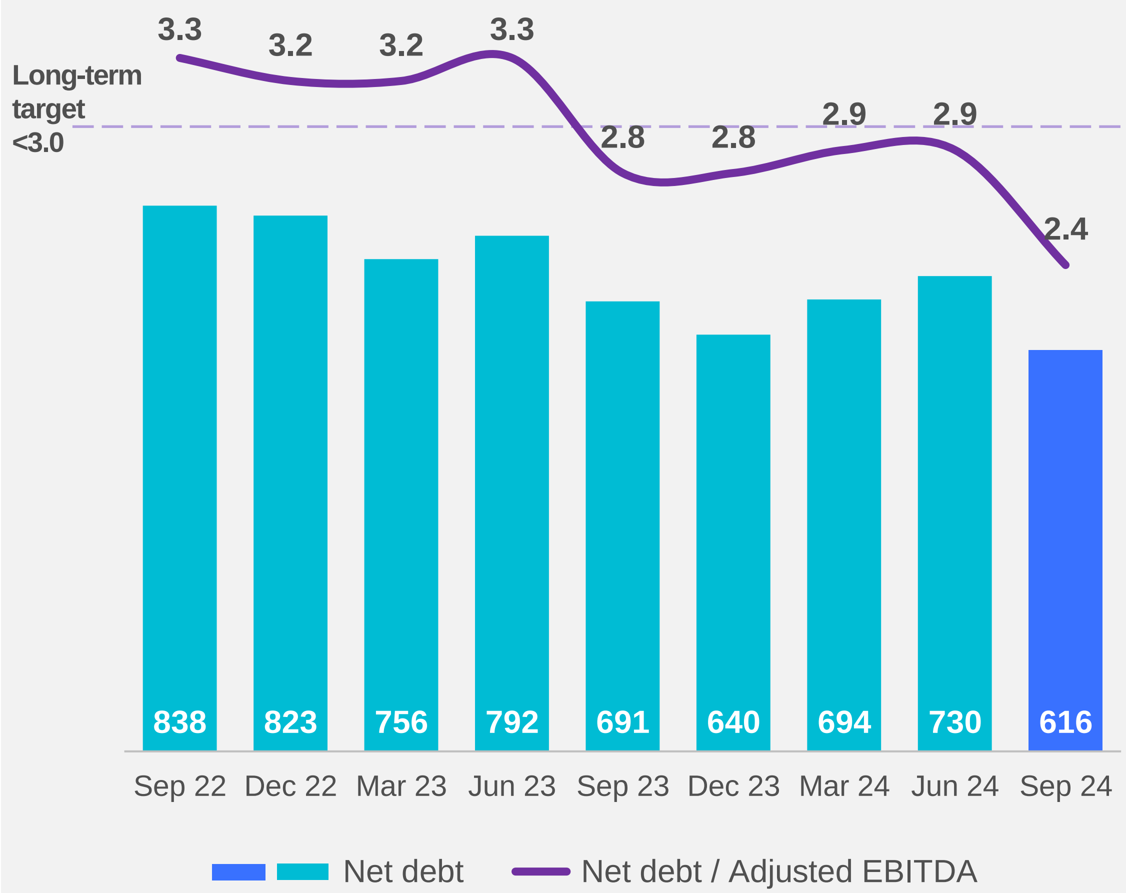
Good progress in deleveraging the balance sheet

- Net debt significantly lower vs. previous year and end of June
- Net debt / Adj. EBITDA improved to 2.4 (2023: 2.8), below the long-term target of < 3.0
- Equity ratio at 40.8% (2023: 39.5%) within the long-term target range of 35−45%

Net debt

m€



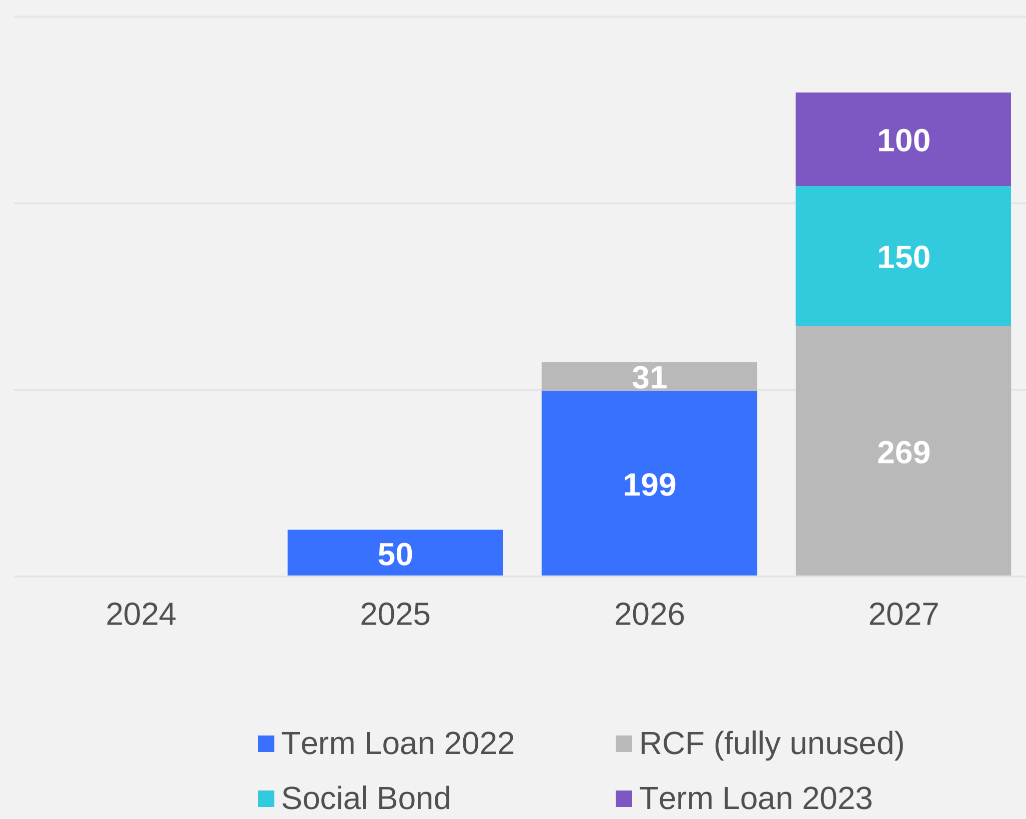
150m€ hybrid bond, issued in March 2023, is booked as equity, and excluded from net debt and net financial items.

Refinancing improved the maturity of external debt

- 150m€ Social Bond issued on 5 September
  - Maturity 3 years
  - Fixed interest rate 4.000%
  - Issue price 99.872%
  - Funds used to finance or refinance expenditures, incl. improving access to essential education services
    - 100m€ Santillana loan repaid
- Maturity of the 300m€ RCF extended to November 2027 with the 2nd and final extension option
- Improvement to industry leading levels in two key ESG ratings
  - ISS to Prime B- (earlier C+)
  - S&P Global to 51/100 (earlier 44)

Maturity profile of external debt

m€, 30 September 2024



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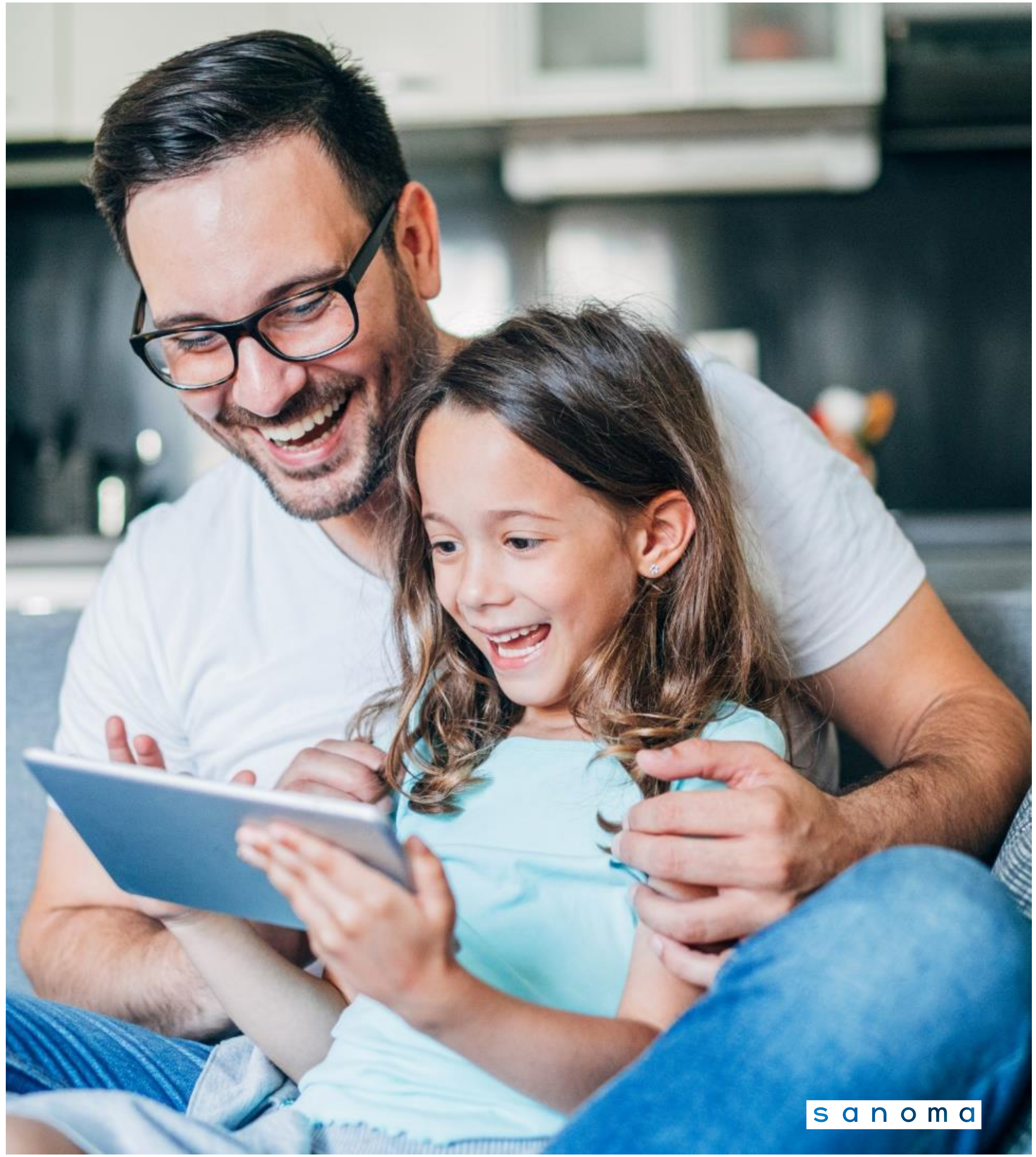
Outlook for 2024

(narrowed on 31 October)

- In 2024, Sanoma expects that the Group's reported net sales will be 1.32–1.34bn€ (2023: 1.4)
- The Group's operational EBIT excluding PPA is expected to be 170–180m€ (2023: 175)

- Regarding the operating environment Sanoma expects that:
  - The advertising market in Finland will decline slightly
  - The development in the economies of the Group's operating countries is expected to be relatively stable



Key factors influencing 2024 performance

Learning

- Comparable net sales impacted by
  - Lower cycle in Spain mitigated by growth in other learning content businesses
  - Discontinuation of low value distribution contracts
- Successful implementation of price increases and first benefits of Program Solar mitigating the inflation impact
- Divestment of German exam preparation business Stark

Expected 2024 financial impact y-o-y

- Lower reported net sales
- Relatively stable margin

Long-term targets for SBUs unchanged

- Organic growth 2−5%
- Operational EBIT margin excl. PPA >23% from 2026 onwards

Media Finland

- Comparable net sales relatively stable in-line with expected economic environment in Finland
  - Subscription sales to grow modestly driven by digital
  - Slightly lower B2B advertising sales and smaller portfolio in live events
- Continuous efficiency improvement mitigating the inflation impact
- Divestment of Netwheels

Expected 2024 financial impact y-o-y

- Slightly lower reported net sales
- Modest earnings and margin improvement

Long-term targets for SBUs unchanged

- Organic growth +/-2%
- Operational EBIT margin excl. PPA 12−14%

Appendix

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We are a leading European K12 learning company and #1 digital media company in Finland

Sanoma in 2023

NET SALES
1,393m€

NON-PRINT SALES
51%

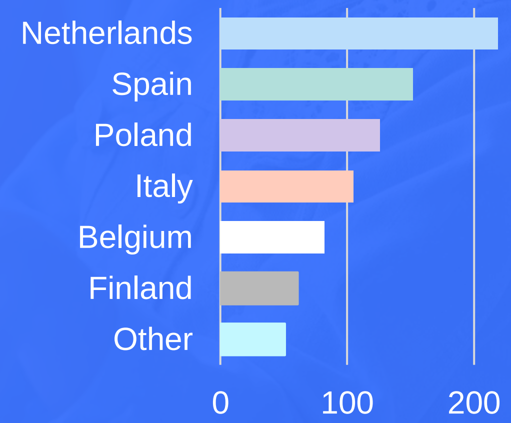
OPERATIONAL EBIT MARGIN
12.6%

PERSONNEL
over 5,000

Learning

Net sales **795m€**
Non-print **48%**
Margin **18.7%**

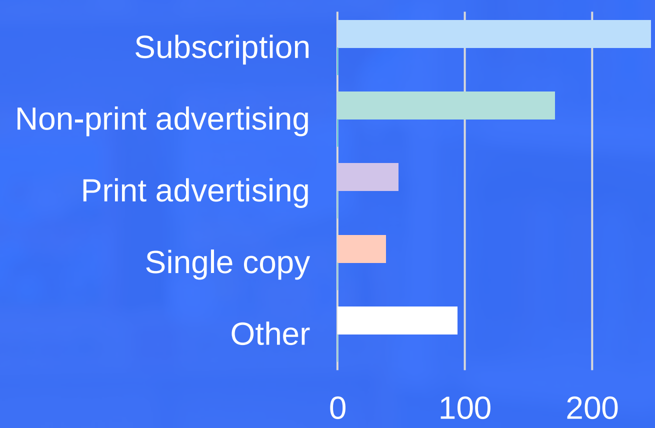
Net sales, m€



Media Finland

Net sales **598m€**
Non-print **54%**
Margin **6.7%**

Net sales, m€



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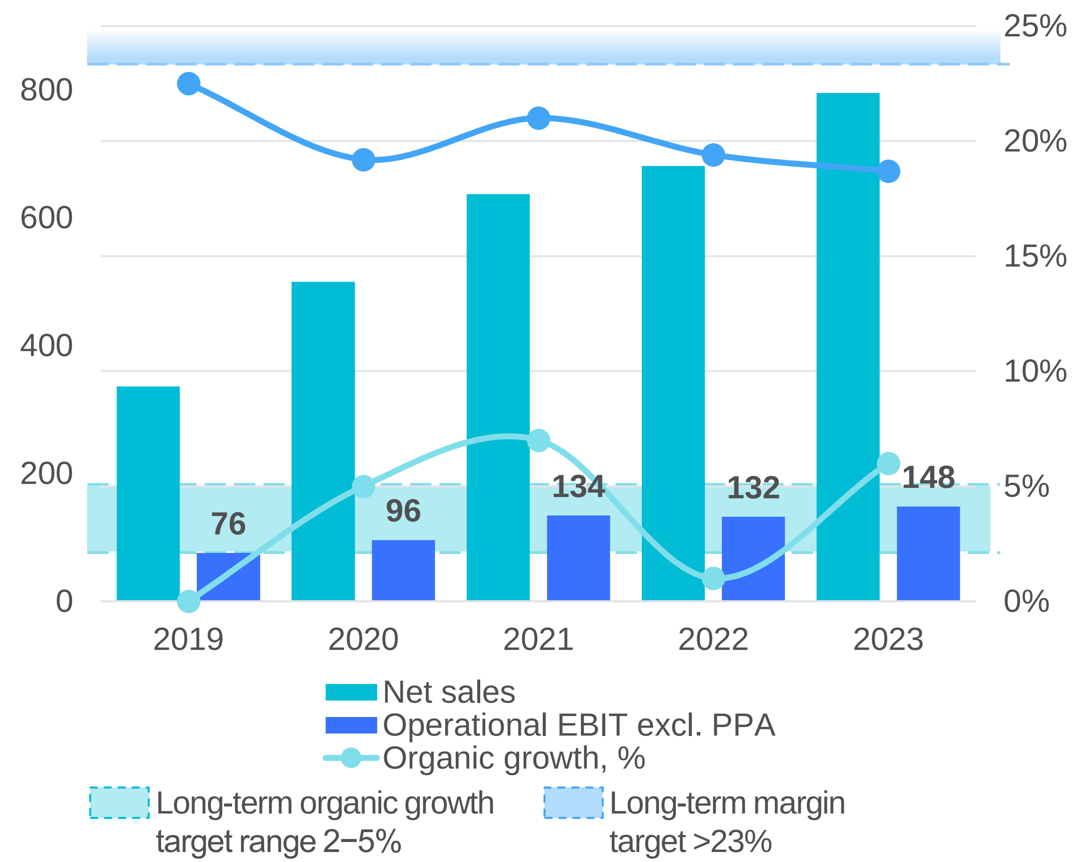
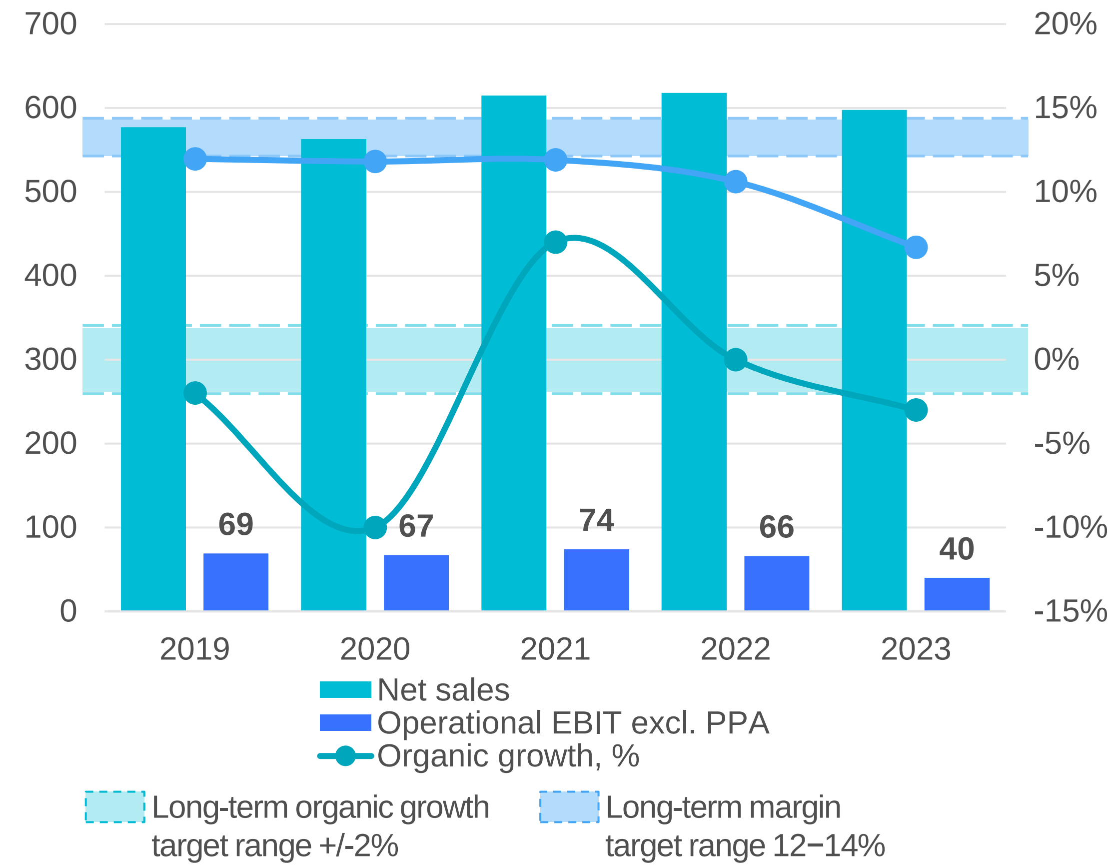
Unchanged long-term targets in both businesses…

In Learning, M&A has accelerated our transformation



In Media Finland, financial performance temporarily impacted by uncertain operating environment



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…and good progress towards ambitious long-term targets of the Group

Our key long-term financial and sustainability targets (FY 2023 in brackets)

Net debt / Adj. EBITDA	Equity ratio	Increasing dividend
< 3.0	**35–45%**	**40–60%**
(2.8)	(42.5%)	of free cash flow (58%)

Employee Experience Index	Management gender balance	Annual Scope 1 & 2 emission reductions of	Annual Scope 3 emission reductions of
>7.5	**50/50**	**-4.6%**	**-4.2%**
by 2030 (7.5)	by 2030 (45 women / 55 men)	in line with SBTi by 2030 (-31%*)	in line with SBTi by 2030 (-29%*)

95% of our total GHG emissions from the value chain (Scope 3)

*Compared to 2021 baseline. Own operations referring to Scope 1 & 2 and value chain Scope 3. Scope 3 target boundary purchased goods and services, fuel and energy related activities and transportation and distribution

Our Sustainability Strategy is designed to maximise our positive impact and minimise negative impacts

Trustworthy data

Target: Continuous privacy and security training for employees

Privacy by Design process

Principles of Ethical AI

Valued people

Target: Employee Engagement Index (EEI) above 7.5

DE&I development programme

EEI at **7.5**

Positive impact of

Inclusive learning

Empowering learning of about 25 million students

&

Sustainable media

Trusted journalism and inspiring entertainment for all Finns

Responsible business practices

Target: All employees participating in annual conduct trainings

98%

Vital environment

Science-based climate target 2030:

-42% own operations
-38% in value chain*

Carbon neutral 2030

-31% in CO_2 from own operations

-29% in CO_2 from the value chain

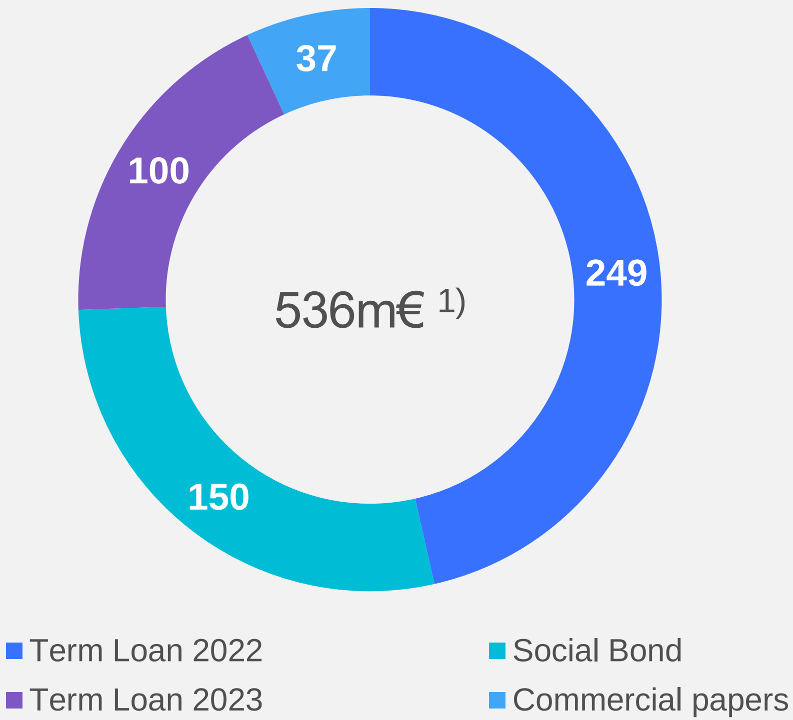
Performance in 2023

*Compared to 2021 baseline. Own operations referring to Scope 1 & 2 and value chain Scope 3. Scope 3 target boundary purchased goods and services, fuel and energy related activities and transportation and distribution

Group debt portfolio Q3 2024

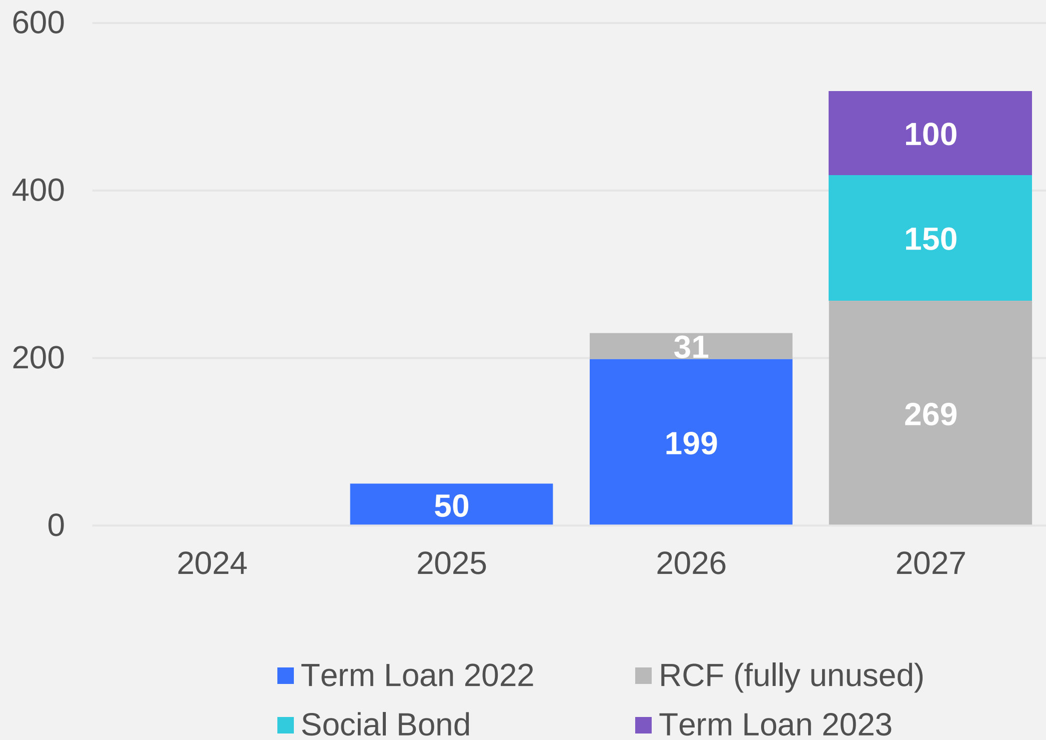
External debt structure [1)]

m€, 30 September 2024



Maturity profile of external debt

m€, 30 September 2024



[1)] Excl. IFRS 16 liabilities

150m€ hybrid bond was issued in March 2023

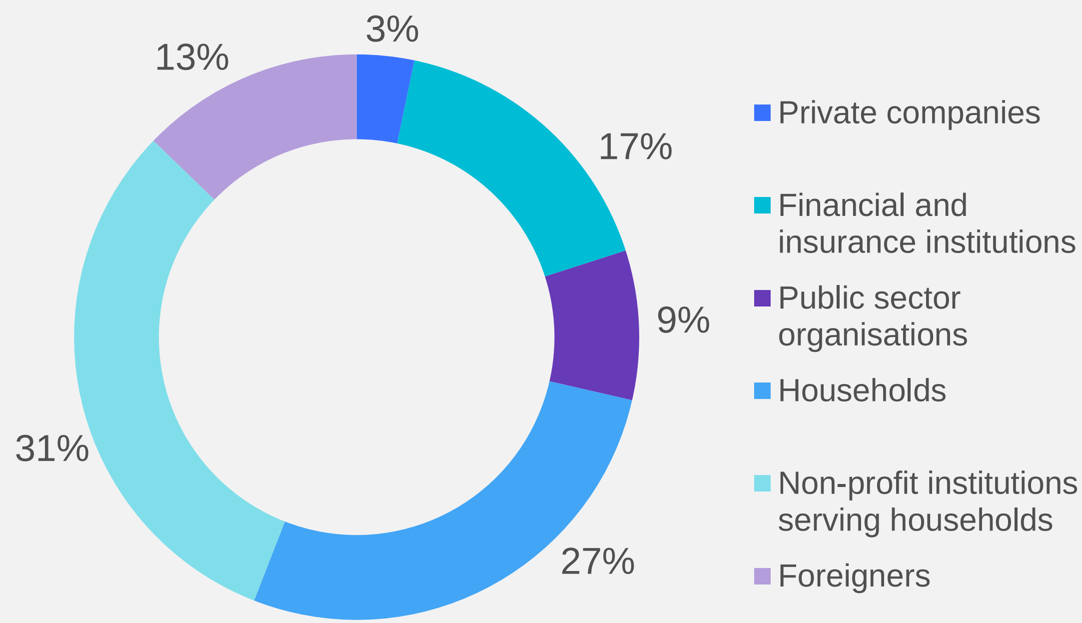
- The bond seen as the best way to strengthen the balance sheet to increase financial flexibility that supports the execution of the strategic plan at all times
- With the learning business being an increasing part of Sanoma, its annual cyclicality relating to the school year cycle requires different levels of capital during H1 and H2
- The hybrid bond is treated as equity in the consolidated financial statements and is not included in net debt or leverage
- Fixed coupon interest of 8.0% p.a.
- Reset date 16 March 2026

Largest shareholders
30 September 2024

Largest shareholders

	Shareholders	Number of shares	% of shares
1.	Jane and Aatos Erkko Foundation	39,820,286	24.35
2.	Holding Manutas Oy	21,870,000	13.37
3.	Langenskiöld Robin	12,273,371	7.50
4.	Seppälä Rafaela	7,654,746	4.68
5.	Varma Mutual Pension Insurance Company	5,538,352	3.39
6.	Helsingin Sanomat Foundation	4,701,570	2.87
7.	Ilmarinen Mutual Pension Insurance Company	4,007,300	2.45
8.	Noyer Alex	3,213,277	1.96
9.	Elo Mutual Pension Insurance Company	2,203,000	1.35
10.	Bernardin-Aubouin Lorna	1,852,470	1.13
	10 largest shareholders, total	**103,124,372**	**63.04**
	Nominee registered	15,567,057	9.52
	Other shareholders	44,874,234	27.44
	Total number of shares	**163,565,663**	**100.00**
	Total number of shareholders	**24,858**	

Holding by sector



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