

Press Release

Pursuant to Consob resolution 11971/99 as amended

**Il Sole 24 ORE S.p.A.: the Board of Directors approves the Financial Statements as at 31 December 2021**

**The results for 2021 were impacted by non-recurring charges relating to organizational restructuring and the impairment testing carried out during the period. Net of non-recurring items, the results close with an improvement over 2020, thanks to the growth in revenues related to the launch of the new newspaper format, growth of the Professional Services area, the good performance of advertising sales and events and the improvement in the pandemic situation.**

**Key consolidated figures of the 24 ORE Group:**

- **EBITDA positive at Euro 11.3 million (positive Euro 20.1 million as at 31 December 2020)**
- **EBIT negative at Euro 15.3 million (positive Euro 2.3 million as at 31 December 2020)**
- **Net loss of Euro 21.0 million (loss of Euro 1.0 million as at 31 December 2020)**

**Key consolidated figures of the 24 ORE Group net of non-recurring income and expenses:**

- **EBITDA positive at Euro 22.6 million (positive Euro 17.7 million as at 31 December 2020)**
- **EBIT positive at Euro 5.0 million (positive Euro 0.6 million as at 31 December 2020)**
- **Net loss of Euro 0.7 million (loss of Euro 2.9 million as at 31 December 2020)**

**Negative net financial position of Euro 63.8 million, compared to a negative Euro 50.9 million as at 31 December 2020 primarily due to cash flows from investing activities and the payment of non-recurring charges relating to incentive payments made during the year**

**Consolidated shareholders' equity of Euro 13.9 million compared to Euro 35.3 million as at 31 December 2020**

**Proposed settlement approved of the corporate liability action pursuant to articles 2392 and 2393 of the Italian Civil Code pursuant to shareholders' meeting resolution of 30 April 2019**

Milan, 15 March 2022 - The Board of Directors of Il Sole 24 ORE S.p.A. met today under the chairmanship of Edoardo Garrone and approved the Draft Financial Statements for the year ended 31 December 2021 and the Group's Consolidated Financial Statements.

### Key summary figures of the 24 ORE Group

The 24 ORE Group closed 2021 with a positive *EBITDA* of Euro 11.3 million, a negative *EBIT* of Euro 15.3 million and a net loss of Euro 21.0 million. Equity amounted to Euro 13.9 million, a decrease of Euro 21.5 million compared to equity in the consolidated financial statements at 31 December 2020, which amounted to Euro 35.3 million.

The following are the Group's key financial figures at 31 December 2021 derived from the consolidated financial statements:

KEY CONSOLIDATED FIGURES OF THE 24 ORE GROUP		
Euro millions	FY 2021	FY 2020
Revenues	203.5	191.0
Gross operating margin (EBITDA)	11.3	20.1
Operating profit (loss) (EBIT)	(15.3)	2.3
Profit (loss) before taxes	(19.0)	0.3
Net profit (loss)	(21.0)	(1.0)
	31.12.2021	31.12.2020
Non-current assets	131.1	146.7
Current assets	117.0	127.7
<b>Total assets</b>	<b>248.1</b>	<b>274.4</b>
Group equity	13.9	35.3
Minority interests	-	-
<b>Total equity</b>	<b>13.9</b>	<b>35.3</b>
Non-current liabilities	121.3	112.9
Current liabilities	112.9	126.1
<b>Total liabilities</b>	<b>234.3</b>	<b>239.1</b>
<b>Total equity and liabilities</b>	<b>248.1</b>	<b>274.4</b>

## Market context

Starting in the second half of February 2020, the market was affected by the health emergency linked to the spread of the Covid-19 virus, but starting in April 2021 it showed signs of growth thanks to the improvement in the pandemic situation and growing confidence in the recovery, which are positively affecting the market as a whole.

ADS data for major national newspapers indicate a decline in total circulation of print copies added to digital copies of 5.1% for the period January-December 2021 compared to 2020, with a decline in circulation of the print version of 10.0% offset in part by an increase in digital circulation of 8.8% (*Source: ADS data processing January - December 2021*).

The most recent listening figures for radio refer to the year 2021 and recorded a total of 33,850,000 listeners on the average day, down 2.9% from 2019 (*Source: RadioTer 2019-2021*); figures for 2020 are not available due to the temporary interruption of surveys by research institutions due to the Covid-19 health emergency.

The reference market for the Group's advertising sales closed 2021 with growth of 10.3% (net of local newspaper advertising), thus consolidating the signs of recovery recorded starting from the second quarter of 2021, after a year adversely affected by the Covid-19 health emergency: newspapers closed at +4.5% (net local), magazines at +3.6%, radio at +10.4% and Internet at +17.6% (*Source: Nielsen January/December 2021*).

The year 2021 was a difficult one for operators in the professional publishing sector, due to the long wave triggered by the ongoing Covid-19 health emergency crisis, which however showed positive trends compared to 2020 figures, particularly for the legal (+3.9% compared to 2020) and tax (+6.0% compared to 2020) sectors.

In terms of media, in 2021 the current trends do not seem to change: overall, electronic publishing is continuing to grow (+4.1% compared to 2020), driven by online and digital content, while traditional media (books and magazines) is continuing its contraction trend. Growth continues for management software (+5.3% compared to 2020), which is seeing an increasing integration of digital editorial content within it (*Source: "Rapporto Databank Editoria Professionale" - Cerved S.p.A, December 2021*).

## Consolidated results as at 31 December 2021

### Key summary figures of the 24 ORE Group net of non-recurring income and expenses

Below are the Group's key profit and loss (net of non-recurring income and expenses), financial position and cash flow figures for 2021:

KEY CONSOLIDATED FIGURES NET OF NON-RECURRING INCOME AND EXPENSES			
Euro millions	FY 2021	FY 2020	
Revenues	203.5	191.0	
EBITDA net of non-recurring income and expenses	22.6	17.7	
EBIT net of non-recurring income and expenses	5.0	0.6	
Profit (loss) before taxes net of non-recurring income and expenses	1.3	(1.4)	
Net profit (loss) net of non-recurring income and expenses	(0.7)	(2.9)	
	31.12.2021	31.12.2020	
Equity	13.9	35.3	
Net financial position	(63.8)	(50.9)	

### Revenue trend

In 2021 the 24 ORE Group, while still feeling the negative effects of the health emergency linked to the spread of Covid-19 which began in March 2020, saw signs of growth thanks both to the improvement of the pandemic context and growing confidence in the recovery, which are positively affecting the market as a whole, and to the authoritativeness, the high quality of content, the launch of the new format of the newspaper, the positive advertising revenue performance, the continued development of products in the Professional Services area, the acceleration of the Events area and effective commercial policies in all areas. The 24 ORE Group achieved **consolidated revenues** of Euro 203.5 million compared to Euro 191.0 million in 2020, up by Euro 12.6 million (+6.6%).

In particular, in 2021 advertising revenues are up by Euro 9.3 million or 11.8% compared to the previous year, to Euro 88.2 million, publishing revenues are down by Euro 1.1 million (-1.0% from 102.0 to Euro 100.9 million) mainly due to the drop in revenues generated by the sale of the print newspaper and magazines, partly offset by the development of revenues from digital subscriptions to the newspaper, the website *www.ilsole24ore.com* and products in the Professional Services area, and other revenues grew by Euro 4.3 million (+42.3% from Euro 10.1 to 14.4 million), primarily due to the development of new initiatives in the Professional Services area and higher revenues in the Culture area.

The health emergency caused by the spread of the Covid-19 virus produced negative impacts on ongoing sales to business segments that were affected by the lockdown and restrictive measures. As regards the digital version of the newspaper, on the other hand, there was an increase in new subscriptions with an increase in the number of copies circulated compared with the period before Covid-19.

In 2021, the portal *www.ilsole24ore.com* recorded a daily average of 1.4 million unique browsers, down 24.1 % compared to the average of the same period of 2020 (Source: *Mapp Intelligence* – formerly *Webtrekk*). The result is affected by the comparison with 2020 which from March 2020 shows data that are not directly comparable since in that month an all-time record was reached with 3.77 million unique browsers on average per day, +281.4% compared with the same period of the previous year, due to the spread of the Covid-19 emergency which continued in the following months. On the other hand, thanks to good performance in the last quarter, the video segment has seen substantial stability in overall media views (-0.8% compared to the figure for 2020). Social media indicators were up compared to 2020, particularly LinkedIn (+20%), passing the milestone of one million followers and confirming our primacy among publishers in Italy for the breadth of followers on the platform, followed by Instagram (+19%), Facebook (+4%) and Twitter (+6%).

The main dynamics that characterized consolidated revenues are:

- circulation revenues of the newspaper (print + digital) amounted to Euro 45.1 million, down by Euro 4.2 million (-8.5%) compared to 2020. Circulation revenues of the print newspaper amounted to Euro 24.2 million, down Euro 5.4 million (-18.3%) compared to 2020. Circulation revenues of the digital newspaper amounted to Euro 20.9 million, up by Euro 1.2 million (+6.3%) compared to the previous year;
- the Group's advertising revenues of Euro 88.2 million were up on 2020. This result was achieved thanks to the authoritativeness and high quality of the content and effective commercial policies that allowed Il Sole 24 ORE to contain the negative effects of the pandemic better than the market, in addition to the launch of the new format of the newspaper on 16 March 2021. The Group's advertising revenues outperformed the reference market, up by 10.3% (Source: *Nielsen - January/December 2021*).  
The spread of the Covid-19 pandemic led to the suspension of the "physical" events of the subsidiary Il Sole 24 ORE Eventi S.r.l. already starting in 2020, in compliance with legal requirements. In order to mitigate the economic impacts, management's attention was promptly focused on converting initiatives to digital through the renewal of the offer and the launch of new event formats. These activities resulted in revenues of Euro 6.4 million in 2021 (Euro 4.3 million in 2020);
- revenues from electronic publishing in the Professional Services area amounted to Euro 43.3 million, up by Euro 1.5 million (+3.6%) vs. 2020 by virtue of the renewal of the product portfolio and the sales network launched in previous years and despite the impacts of the crisis related to the Covid-19 health emergency;
- Culture Area revenues of Euro 5.5 million were up Euro 3.0 million (+121.1%) on 2020. Area results were adversely affected by the Covid-19 emergency, as a result of the mandatory closure of all museums and exhibition venues during the lockdown period.

Circulation (paper + digital) of the daily newspaper Il Sole 24 ORE from January to December 2021 was 142,090 average copies per day (-2.3% compared to the year 2020). Specifically, the average daily print circulation reported to ADS for the period January - December 2021 is 53,538 copies (-10.9% vs. 2020). Digital circulation reported to ADS was 88,551 average copies per day (+3.7% compared to the period January-December 2020). News-stand sales in January to December 2021 were down 15.1% compared to the same period of the previous year with the market contracting in the same channel by 11.9% (Source: *ADS, News-stand Sales*).

The Group asked an independent third-party company to express an opinion on the effective application of the appropriate procedures adopted for the calculation of the Total Paid For Circulation ("TPFC", i.e. the total number of daily paid sales of Il Sole 24 ORE in all markets

through print and digital channels) at 31 December 2021; on conclusion of its checks, the independent third-party company issued an unqualified Assurance Report (ISAE 3000 - Limited assurance) on 23 February 2022.

Based on these procedures, the average Total Paid For Circulation for the period January-December 2021 was determined to be 182,721 copies (-0.6% compared to 2020), including all multiple digital copies sold, but not reportable as circulated for ADS purposes and therefore not included in the relevant statement.

## Profit margin trends

The 2021 **gross operating margin (EBITDA)** was a positive Euro 11.3 million and compares to a positive EBITDA of Euro 20.1 million in the previous year. The change in EBITDA is mainly attributable to the growth in revenues of Euro 12.6 million (+6.6%), lower operating income of Euro 4.2 million and an increase in costs totalling Euro 17.3 million. EBITDA for 2021 includes negative non-recurring expense and income of Euro 11.3 million (positive Euro 2.4 million in 2020) deriving from the release of the provision for social security risks for Euro 1.1 million, restructuring expenses of Euro 13.9 million, included under personnel costs, and income of Euro 1.4 million collected from 24 ORE Cultura S.r.l. for the period from 1 August to 30 November relating to the "Allocation of a portion of the emergency fund for companies and cultural institutions" referred to in article 183, paragraph 2, of Decree-Law no. 34 of 2020, intended to compensate operators in the art exhibition sector of 18 November 2020. The 2021 EBITDA net of non-recurring expenses and income was Euro 22.6 million, an improvement of Euro 4.9 million compared to the 2020 figure of Euro 17.7 million.

**Personnel costs** of Euro 90.4 million were up by Euro 11.7 million (+14.9%) compared to 2020, when they amounted to Euro 78.7 million. Net of non-recurring restructuring charges of Euro 13.9 million (Euro 2.7 million in 2020), personnel costs are up Euro 0.6 million (+0.8%). The change from the previous year is attributable to the decreased recourse to the work support measures made available by law in 2021, partially offset by the lower cost resulting from the decrease in average headcount. The average number of employees, 821, decreased by 43 (mainly graphic designers and printers) compared with the previous year when it amounted to 863.

**Costs for services** amounted to Euro 89.6 million, up by Euro 7.8 million (+9.5%) compared to the previous year. The main changes include higher commissions and other sales expenses (Euro +1.2 million), higher printing costs (Euro +3.3 million) linked to the new production structure, higher promotional and marketing expenses (Euro +3.4 million), partly in relation to the launch of the new newspaper, and higher costs for conventions and exhibitions (Euro +1.3 million). On the other hand, distribution costs (Euro -1.3 million), administrative costs (Euro -0.4 million) and utility costs (Euro -0.7 million) are down compared to 2020.

**EBIT** was negative by Euro 15.3 million in 2021 and compares with a positive EBIT of Euro 2.3 million in 2020. Depreciation and amortization for the period amounted to Euro 17.7 million compared to Euro 17.2 million in 2020. Starting from 2021, the accounting treatment of radio broadcasting concessions and frequencies has been changed from "indefinite useful life" to "finite useful life", by introducing the mechanism of amortization over a period of 15 years. Amortization of radio concessions and frequencies amounted to Euro 1.9 million in 2021. In 2021, impairment losses of Euro 6.7 million were recorded as a result of impairment testing, including Euro 5.4 million relating to radio frequencies and Euro 1.3 million relating to Events

CGU goodwill. Furthermore, intangible assets were written down by Euro 2.1 million in connection with software developments that are no longer used. Net of non-recurring income and expenses, EBIT was a positive Euro 5.0 million, an improvement of Euro 4.4 million compared to a positive Euro 0.6 million in the previous year.

The **loss before taxes** was Euro 19.0 million and compares with a profit of Euro 0.3 million at 31 December 2020. Negative net financial expenses and income of Euro 3.7 million (negative Euro 2.0 million in 2020) had an impact. In 2021, **income taxes** reflect the reversal of deferred tax assets on taxed temporary differences of Euro 2.1 million and the reversal of deferred tax liabilities of Euro 0.4 million, as well as the effect of IRAP.

The **net loss attributable to shareholders of the parent company** was Euro 21.0 million, a deterioration of Euro 20.0 on the loss of Euro 1.0 million in 2020. The net loss attributable to the shareholders of the parent company net of non-recurring income and expenses was Euro 0.7 million, an improvement of Euro 2.1 million over the loss of Euro 2.9 million reported in 2020.

### Statement of financial position

The **net financial position** at 31 December 2021 was a negative Euro 63.8 million and compares with a negative Euro 50.9 million at 31 December 2020, a deterioration of Euro 13.0 million. The change in net financial position was mainly related to the cash flow from investments and the payment of non-recurring expenses relating to incentive payments made during the year.

Non-current financial debt includes the non-convertible senior unsecured bond with a principal amount of Euro 45 million and a duration of 7 years, intended exclusively for qualified investors, and financial payables arising from the present value of lease payments under contracts for headquarters, broadcasting equipment and cars totalling Euro 36.9 million (Euro 37.9 million at 31 December 2020) in application of IFRS 16. It should also be noted that the payable to MPS Leasing & Factoring was extinguished on 30 November 2021 following the early termination of the lease agreement on the Medicina (BO) rotary press.

The Group's current net financial position was a positive Euro 18.6 million, compared with a positive Euro 30.9 million at 31 December 2020. Compared to 31 December 2020, the change in other current financial assets is mainly due to the collection of Euro 16.5 million, representing the deferred component from the sale of the equity investment in Business School24 S.p.A., of which Euro 5.4 million restricted as a guarantee for the residual financial payable relating to the indemnity for the early termination of the lease agreement on the Milan - via Monte Rosa office. Current financial receivables include Euro 25 thousand in application of IFRS 16. Current financial payables deriving from the present value of lease payments in application of IFRS 16 amounted to Euro 3.0 million.

**Equity** amounted to Euro 13.9 million, a decrease of Euro 21.5 million compared to 31 December 2020, when it amounted to Euro 35.3 million, due to the result for 2021, which was negative by Euro 21.0 million, and the actuarial valuation of employee severance indemnity (TFR), which resulted in a negative effect of Euro 0.5 million.

## **Approval of the Consolidated Non-Financial Statement**

The Board of Directors also approved the Consolidated Non-Financial Statement, prepared in accordance with Legislative Decree no. 254/2016.

In accordance with Consob Regulation 20267 of 18/1/2018, the Statement will be disseminated in the same manner as the 2021 Annual Report.

### **Proposed settlement of the corporate liability action pursuant to articles 2392 and 2393 of the Italian Civil Code pursuant to Shareholders' Meeting resolution of 30 April 2019**

The Board of Directors of Il Sole 24 ORE S.p.A., which met today, unanimously resolved to convene the Shareholders' Meeting for 27 April 2022, also in order to submit to it the proposed settlement of the corporate liability action pursuant to articles 2392 and 2393 of the Italian Civil Code promoted, subject to authorization by the Shareholders' Meeting pursuant to article 2393 of the Italian Civil Code on 30 April 2019, through civil proceedings RGN 30810/2019 lodged before the Court of Milan, under the terms specified in the illustrative report that will be published in accordance with the law.

### **Approval of the Corporate Governance and Ownership Structure Report and the Report on Remuneration**

Pursuant to article 123-bis of Legislative Decree no. 58/1998 (Consolidated Law on Finance), please note that the Board of Directors approved the Corporate Governance and Ownership Structure Report for the year 2021. Moreover, pursuant to article 123-ter of the Consolidated Law on Finance (TUF), the Board also approved the Report on the Remuneration Policy and Remuneration Paid of Il Sole 24 ORE S.p.A.

The Shareholders' Meeting will be called to approve, pursuant to article 123-ter par. 3 of the Consolidated Law on Finance, the first part of the Report on the Remuneration Policy and Remuneration Paid (Remuneration Policy), subject to the binding vote of the Shareholders' Meeting, and, pursuant to article 123-ter, paragraph 6 of the Consolidated Law on Finance, to express its opinion on the second section of such Report (Remuneration Paid). Both documents will be published in the manner and with the timing required by law, with adequate public disclosure.

### **Results of the parent company as at 31 December 2021**

Il Sole 24 ORE S.p.A. closed 2021 with a loss of Euro 21.0 million and had **Equity of Euro 13.9 million**, down Euro 21.5 million from equity of Euro 35.3 million at 31 December 2020.



## **Proposed allocation of the profit (loss) of FY 2021**

The Board of Directors has decided to submit to the Shareholders' Meeting, which will be convened on 27 April 2022, the proposal to carry forward the net loss of Il Sole 24 ORE S.p.A. equal to Euro 21,021,083.

## **Notice of Shareholders' Meeting**

The Board of Directors of Il Sole 24 ORE S.p.A. has granted a mandate to the Chairman to convene the Ordinary Shareholders' Meeting on 27 April 2022, in a single call, to discuss and decide, inter alia, on the approval of the Financial Statements for the year ended 31 December 2021 and the appointment of the corporate bodies. The meeting notice will be published in the manner and within the terms established by law.

## **Outlook**

The first signs of market recovery began to be seen in April 2021, positively influencing the trend of advertising sales. This trend is also confirmed with reference to 2022. In particular, the improving pandemic environment and growing confidence in the recovery are positively affecting the market as a whole.

In Italy, the first easing of anti-Covid-19 restrictions began in April 2021 and the most recent ISTAT forecasts for Italy indicate GDP growth in 2022 (+4.7% -*source: ISTAT - Italian economy outlook in 2021-2022- 3 December 2021*).

The current uncertainty related to the possible evolution of the spread of the Covid-19 virus and its variants and any impacts deriving from the recent conflict under way in Ukraine, calls for continuing to maintain a certain degree of caution with respect to the positive macroeconomic scenario forecasts. Therefore, the publishing sector—in particular the advertising market and the exhibition and event organization activities—remain characterized by uncertainty as to the possible effects of the continuing Covid-19 epidemic and the possible repercussions that the recent conflict under way in Ukraine could have on the Italian and European economies.

The Group constantly monitors both the performance of the reference markets in relation to the assumptions of the Plan and the prospects for a post-pandemic recovery as well as any repercussions that may arise from the conflict in Ukraine, and the implementation of the actions set forth in the Plan, while maintaining proactive and constant attention to the containment of all costs and the identification of initiatives that can further mitigate the risk linked to revenues to protect profitability and expected cash flows.

## Consolidated Financial Statements as at 31 December 2021

(data for which auditing has not been completed)

<b>CONSOLIDATED STATEMENT OF FINANCIAL POSITION</b>		
Euro millions	31.12.2021	31.12.2020
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	55.9	59.6
Goodwill	20.7	22.0
Intangible assets	31.9	40.9
Non-current financial assets	0.7	0.7
Other non-current assets	1.3	0.8
Deferred tax assets	20.5	22.6
<b>Total</b>	<b>131.1</b>	<b>146.7</b>
<b>Current assets</b>		
Inventories	1.7	1.9
Trade receivables	65.8	58.9
Other receivables	2.6	5.2
Other current financial assets	5.6	16.0
Other current assets	5.6	4.8
Cash and cash equivalents	35.7	40.9
<b>Total</b>	<b>117.0</b>	<b>127.7</b>
Assets available for sale	-	-
<b>TOTAL ASSETS</b>	<b>248.1</b>	<b>274.4</b>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)**

Euro millions	31.12.2021	31.12.2020
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
<b>Equity attributable to shareholders of the parent company</b>		
Share capital	0.6	0.6
Capital reserves	19.5	19.5
Employee severance indemnity (TFR) reserve - IAS adjustment	(5.3)	(4.8)
Profits (losses) carried forward	20.2	21.1
Profit (loss) attributable to shareholders of the parent company	(21.0)	(1.0)
<b>Total</b>	<b>13.9</b>	<b>35.3</b>
<b>Equity attributable to minority shareholders</b>		
Capital and reserves attributable to minority shareholders	-	-
Profit (loss) attributable to minority shareholders	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>13.9</b>	<b>35.3</b>
<b>Non-current liabilities</b>		
Non-current financial liabilities	82.5	81.8
Employee benefits	15.3	15.8
Deferred tax liabilities	5.2	5.6
Provisions for risks and charges	8.8	9.6
Other non-current liabilities	9.5	0.1
<b>Total</b>	<b>121.3</b>	<b>112.9</b>
<b>Current liabilities</b>		
Current bank overdrafts and loans	15.8	17.2
Other current financial liabilities	7.0	8.8
Trade payables	68.7	79.1
Other current liabilities	0.2	0.4
Other payables	21.3	20.6
<b>Total</b>	<b>112.9</b>	<b>126.1</b>
Liabilities available for sale	-	-
<b>Total liabilities</b>	<b>234.3</b>	<b>239.1</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>248.1</b>	<b>274.4</b>

**CONSOLIDATED STATEMENT OF PROFIT (LOSS)**

Euro millions	FY 2021	FY 2020
<b>1) Continuing operations</b>		
<b>Revenues</b>	<b>203.5</b>	<b>191.0</b>
Other operating income	5.2	9.4
Personnel costs	(90.4)	(78.7)
Change in inventories	(0.2)	(1.0)
Purchases of raw and consumable materials	(3.7)	(4.4)
Costs for services	(89.6)	(81.8)
Costs for rents and leases	(5.8)	(6.1)
Other operating expenses	(3.1)	(2.5)
Provisions	(2.4)	(2.7)
Bad debt	(2.4)	(3.0)
<b>Gross operating margin</b>	<b>11.3</b>	<b>20.1</b>
Amortization of intangible assets	(8.4)	(6.3)
Depreciation of tangible assets	(9.2)	(10.9)
Impairment of tangible and intangible assets	(9.0)	(0.7)
Gains/losses on disposal of non-current assets	0.1	0.0
<b>Operating profit (loss)</b>	<b>(15.3)</b>	<b>2.3</b>
Financial income	0.7	0.8
Financial expenses	(4.4)	(2.8)
<b>Total financial income (expenses)</b>	<b>(3.7)</b>	<b>(2.0)</b>
Other income from investment assets and liabilities	0.0	0.1
<b>Profit (loss) before taxes</b>	<b>(19.0)</b>	<b>0.3</b>
Income taxes	(2.0)	(1.3)
<b>Profit (loss) from continuing operations</b>	<b>(21.0)</b>	<b>(1.0)</b>
<b>2) Assets held for sale</b>	<b>-</b>	<b>-</b>
<b>Profit (loss) from assets held for sale</b>	<b>-</b>	<b>-</b>
<b>Net profit (loss)</b>	<b>(21.0)</b>	<b>(1.0)</b>
<b>Profit (loss) attributable to minority shareholders</b>	<b>-</b>	<b>-</b>
<b>Profit (loss) attributable to the shareholders of the parent company</b>	<b>(21.0)</b>	<b>(1.0)</b>

**CONSOLIDATED STATEMENT OF CASH FLOWS**

Euro millions	FY 2021	FY 2020
<b>Statement items</b>		
Profit (loss) before taxes from continuing operations attributable to the Group [a]	(19.0)	0.3
<b>Adjustments [b]</b>	<b>44.7</b>	<b>23.4</b>
Amortization/Depreciation	17.7	17.2
(Gains) losses	(0.1)	(0.0)
Effect of valuation of investments	(0.0)	(0.0)
Gain on disposal of minority investments	-	(0.1)
Allocation and (release) of provisions for risks and charges	0.5	0.7
Restructuring expenses	13.9	2.7
Provision for employee benefits	0.1	0.2
Impairment of tangible and intangible assets	9.0	0.7
Financial income and expenses	3.7	2.0
<b>Changes in operating net working capital [c]</b>	<b>(22.8)</b>	<b>(10.1)</b>
Change in inventories	0.2	1.0
Change in trade receivables	(6.9)	(3.7)
Change in trade payables	(10.4)	0.7
Other changes in net working capital	(5.6)	(8.0)
<b>Total cash flow from operating activities [d=a+b+c]</b>	<b>3.0</b>	<b>13.7</b>
<b>Cash flow from investing activities [e]</b>	<b>0.2</b>	<b>(14.0)</b>
Investments in intangible and tangible assets	(10.9)	(14.9)
Proceeds from disposal of minority investments	-	0.1
Security deposits paid	-	(0.6)
Change in receivables guaranteeing financial payables	(5.4)	-
Collection of deferred receivable from sale of BS24 investment	16.5	-
Other changes in investing activities	0.0	1.3
<b>Cash flow from financing activities [f]</b>	<b>(7.7)</b>	<b>25.5</b>
Net financial interest paid	(2.3)	(2.2)
SACE guaranteed financing	(37.5)	36.8
Non-convertible senior unsecured bond	42.5	-
Change in medium/long-term bank loans	(3.7)	(0.6)
Change in short-term bank loans	(0.8)	0.8
Changes in other financial payables and receivables	(3.5)	(0.1)
Other changes in financial assets and liabilities	(0.0)	0.0
Change in payables IFRS 16	(2.3)	(9.3)
<b>Change in financial resources [g=d+e+f]</b>	<b>(4.5)</b>	<b>25.1</b>
Cash and cash equivalents at the beginning of the year	40.2	15.1
Cash and cash equivalents at the end of the year	35.7	40.2
<b>Increase (decrease) for the year</b>	<b>(4.5)</b>	<b>25.1</b>

## Financial Statements of the Parent Company as at 31 December 2021

(data for which auditing has not been completed)

<b>STATEMENT OF FINANCIAL POSITION - IL SOLE 24 ORE S.p.A.</b>		
Euro millions	31.12.2021	31.12.2020
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	53.8	57.2
Goodwill	15.5	15.5
Intangible assets	31.8	40.8
Non-current financial assets	0.7	0.7
Other non-current assets	10.3	12.4
Deferred tax assets	20.0	22.0
<b>Total</b>	<b>132.1</b>	<b>148.6</b>
<b>Current assets</b>		
Inventories	1.0	1.7
Trade receivables	64.5	57.0
Other receivables	2.8	4.6
Other current financial assets	5.5	16.3
Other current assets	5.3	4.8
Cash and cash equivalents	30.6	36.6
<b>Total</b>	<b>109.6</b>	<b>121.1</b>
Assets available for sale	-	-
<b>TOTAL ASSETS</b>	<b>241.7</b>	<b>269.7</b>

**STATEMENT OF FINANCIAL POSITION - IL SOLE 24 ORE S.p.A. (CONTINUED)**

Euro millions	31.12.2021	31.12.2020
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	0.6	0.6
Capital reserves	19.5	19.5
Employee severance indemnity (TFR) reserve - IAS adjustment	(5.3)	(4.9)
Profits (losses) carried forward	20.2	21.2
Profit (loss) for the year	(21.0)	(1.0)
<b>Total equity</b>	<b>13.9</b>	<b>35.3</b>
<b>Non-current liabilities</b>		
Non-current financial liabilities	81.6	80.7
Employee benefits	14.8	15.3
Deferred tax liabilities	5.2	5.6
Provisions for risks and charges	8.4	9.2
Other non-current liabilities	9.4	0.0
<b>Total</b>	<b>119.3</b>	<b>110.8</b>
<b>Current liabilities</b>		
Bank overdrafts and loans - due within one year	15.8	17.2
Other current financial liabilities	10.2	9.1
Trade payables	62.1	76.6
Other current liabilities	0.2	0.4
Other payables	20.3	20.3
<b>Total</b>	<b>108.5</b>	<b>123.6</b>
Liabilities available for sale	-	-
<b>Total liabilities</b>	<b>227.8</b>	<b>234.4</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>241.7</b>	<b>269.7</b>

**STATEMENT OF PROFIT (LOSS) - IL SOLE 24 ORE S.p.A.**

Euro millions	FY 2021	FY 2020
<b>1) Continuing operations</b>		
<b>Revenues</b>	<b>193.3</b>	<b>185.3</b>
Other operating income	5.0	6.4
Personnel costs	(88.0)	(76.8)
Change in inventories	(0.7)	(0.9)
Purchases of raw and consumable materials	(3.3)	(4.4)
Costs for services	(82.6)	(77.8)
Costs for rents and leases	(5.3)	(5.8)
Other operating expenses	(2.3)	(2.3)
Provisions	(2.4)	(2.7)
Bad debt	(2.3)	(2.8)
<b>Gross operating margin</b>	<b>11.5</b>	<b>18.2</b>
Amortization of intangible assets	(8.4)	(6.3)
Depreciation of tangible assets	(8.8)	(10.4)
Impairment of tangible and intangible assets	(7.7)	(0.0)
Gains/losses on disposal of non-current assets	0.1	0.0
<b>Operating profit (loss)</b>	<b>(13.3)</b>	<b>1.5</b>
Financial income	0.7	0.7
Financial expenses	(4.4)	(2.8)
<b>Total financial income (expenses)</b>	<b>(3.7)</b>	<b>(2.0)</b>
Other income (expenses) from investment assets and liabilities	(2.6)	0.6
<b>Profit (loss) before taxes</b>	<b>(19.6)</b>	<b>0.2</b>
Income taxes	(1.4)	(1.2)
<b>Profit (loss) from continuing operations</b>	<b>(21.0)</b>	<b>(1.0)</b>
<b>2) Assets held for sale</b>		
<b>Profit (loss) from assets held for sale</b>	<b>-</b>	<b>-</b>
<b>Net profit (loss)</b>	<b>(21.0)</b>	<b>(1.0)</b>



**STATEMENT OF CASH FLOWS - IL SOLE 24 ORE S.p.A.**

Euro millions	FY 2021	FY 2020
<b>Statement items</b>		
Profit (loss) before taxes from continuing operations attributable to the Group [a]	(19.6)	0.2
<b>Adjustments [b]</b>	<b>45.5</b>	<b>21.6</b>
Amortization/Depreciation	17.2	16.6
(Gains) losses	(0.1)	(0.0)
Effect of valuation of investments	2.6	(0.6)
Gain on disposal of minority investments	-	(0.1)
Allocation and (release) of provisions for risks and charges	0.5	0.7
Restructuring expenses	13.9	2.7
Provision for employee benefits	0.1	0.1
Impairment of tangible and intangible assets	7.7	0.0
Financial income and expenses	3.7	2.0
<b>Changes in operating net working capital [c]</b>	<b>(27.5)</b>	<b>(6.7)</b>
Change in inventories	0.7	0.9
Change in trade receivables	(7.5)	(3.3)
Change in trade payables	(14.5)	4.1
Other changes in net working capital	(6.1)	(8.4)
<b>Total cash flow from operating activities [d=a+b+c]</b>	<b>(1.6)</b>	<b>15.0</b>
<b>Cash flow from investing activities [e]</b>	<b>0.4</b>	<b>(14.1)</b>
Investments in intangible and tangible assets	(10.7)	(14.8)
Proceeds from disposal of minority investments	-	0.1
Security deposits paid	-	(0.6)
Change in receivables guaranteeing financial payables	(5.4)	-
Collection of deferred receivable from sale of BS24 investment	16.5	-
Other changes in investing activities	-	1.2
<b>Cash flow from financing activities [f]</b>	<b>(4.1)</b>	<b>22.7</b>
Net financial interest paid	(2.3)	(2.1)
SACE guaranteed financing	(37.5)	36.8
Non-convertible senior unsecured bond	42.5	-
Change in medium/long-term bank loans	(3.7)	(0.6)
Change in short-term bank loans	(0.8)	0.8
Changes in other financial payables and receivables	(3.5)	(0.2)
Other changes in financial assets and liabilities	3.4	(3.0)
Change in payables IFRS 16	(2.2)	(9.1)
<b>Change in financial resources [g=d+e+f]</b>	<b>(5.4)</b>	<b>23.6</b>
Cash and cash equivalents at the beginning of the year	36.0	12.4
Cash and cash equivalents at the end of the year	30.6	36.0
<b>Increase (decrease) for the year</b>	<b>(5.4)</b>	<b>23.6</b>

**Additions at the request of Consob pursuant to article 114 of Legislative Decree 58/1998**

**Update as at 31 December 2021**

**The net financial position of Il Sole 24 ORE S.p.A. and the 24 ORE Group, showing the short-term components separately from the medium/long-term components**

The statement of Net Financial Position incorporates the ESMA guidelines on Disclosure Requirements under the "Prospectus Regulation" of 4 March 2021 (ESMA 32-382-1138) and Consob Warning Notice no. 5/21 of 29 April 2021. The application of the new scheme has not resulted in any changes with respect to the scheme previously provided.

<b>NET FINANCIAL POSITION OF THE 24 ORE GROUP</b>		
Euro thousands	31.12.2021	31.12.2020
A. Cash	102	47
B. Cash equivalents	35,642	40,842
C. Other current financial assets	5,641	16,004
<b>D. Liquidity (A + B + C)</b>	<b>41,385</b>	<b>56,893</b>
E. Current financial payable	(15,779)	(16,545)
F. Current portion of the non-current financial payable	(6,991)	(9,445)
<b>G. Current financial debt (E + F)</b>	<b>(22,771)</b>	<b>(25,991)</b>
<b>H. Current net financial position (G + D)</b>	<b>18,614</b>	<b>30,902</b>
I. Non-current financial payable	(39,828)	(81,799)
J. Debt instruments	(42,635)	-
K. Trade payables and other non-current payables	-	-
<b>L. Non-current financial debt (I + J + K)</b>	<b>(82,464)</b>	<b>(81,799)</b>
<b>M. Net financial position (H + L)</b>	<b>(63,849)</b>	<b>(50,897)</b>

The **net financial position** at 31 December 2021 was a negative Euro 63.8 million and compares with a negative Euro 50.9 million at 31 December 2020, a deterioration of Euro 13.0 million. The change in net financial position was mainly related to the cash flow from investments and the payment of non-recurring expenses relating to incentive payments made during the year.

Non-current financial debt includes the non-convertible senior unsecured bond with a principal amount of Euro 45 million and a duration of 7 years, intended exclusively for qualified investors, and financial payables arising from the present value of lease payments under contracts for headquarters, broadcasting equipment and cars totalling Euro 36.9 million (Euro 37.9 million at 31 December 2020) in application of IFRS 16. It should also be noted that the payable to MPS Leasing & Factoring was extinguished on 30 November 2021 following the early termination of the lease agreement on the Medicina (BO) rotary press.

The Group's current net financial position was a positive Euro 18.6 million, compared with a positive Euro 30.9 million at 31 December 2020. Compared to 31 December 2020, the change in other current financial assets is mainly due to the collection of Euro 16.5 million, representing the deferred component from the sale of the equity investment in Business School24 S.p.A., of

which Euro 5.4 million restricted as a guarantee for the residual financial payable relating to the indemnity for the early termination of the lease agreement on the Milan - via Monte Rosa office. Current financial receivables include Euro 25 thousand in application of IFRS 16. Current financial payables deriving from the present value of lease payments in application of IFRS 16 amounted to Euro 3.0 million.

### Net financial position of the Parent Company

The statement of Net Financial Position incorporates the ESMA guidelines on Disclosure Requirements under the "Prospectus Regulation" of 4 March 2021 (ESMA 32-382-1138) and Consob Warning Notice no. 5/21 of 29 April 2021. The application of the new scheme has not resulted in any changes with respect to the scheme previously provided.

<b>NET FINANCIAL POSITION OF IL SOLE 24 ORE S.p.A.</b>		
Euro thousands	31.12.2021	31.12.2020
A. Cash	26	29
B. Cash equivalents	30,590	36,595
C. Other current financial assets	5,501	16,328
<b>D. Liquidity (A + B + C)</b>	<b>36,117</b>	<b>52,951</b>
E. Current financial payable	(15,779)	(16,545)
F. Current portion of the non-current financial payable	(10,196)	(9,780)
<b>G. Current financial debt (E + F)</b>	<b>(25,976)</b>	<b>(26,325)</b>
<b>H. Current net financial position (G + D)</b>	<b>10,141</b>	<b>26,626</b>
I. Non-current financial payable	(38,952)	(80,713)
J. Debt instruments	(42,635)	-
K. Trade payables and other non-current payables	-	-
<b>L. Non-current financial debt (I + J + K)</b>	<b>(81,587)</b>	<b>(80,713)</b>
<b>M. Net financial position (H + L)</b>	<b>(71,446)</b>	<b>(54,087)</b>

The **Parent Company's net financial position** at 31 December 2021 was negative by Euro 71.4 million and compares with a negative Euro 54.1 million at 31 December 2020, a deterioration of Euro 17.4 million. The change in net financial position was mainly related to the cash flow from investments and the payment of non-recurring expenses relating to incentive payments made during the year.

Non-current financial debt includes the non-convertible senior unsecured bond with a principal amount of Euro 45 million and a duration of 7 years, intended exclusively for qualified investors, and financial payables arising from the present value of lease payments under contracts for headquarters, broadcasting equipment and cars totalling Euro 36.0 million (Euro 36.8 million at 31 December 2020) in application of IFRS 16. It should also be noted that the payable to MPS Leasing & Factoring was extinguished on 30 November 2021 following the early termination of the lease agreement on the Medicina (BO) rotary press.

The Parent Company's current net financial position was a positive Euro 10.1 million, compared with a positive Euro 26.6 million at 31 December 2020. Compared to 31 December 2020, the change in other current financial assets is mainly due to the collection of Euro 16.5 million, representing the deferred component from the sale of the equity investment in Business

School24 S.p.A., of which Euro 5.4 million restricted as a guarantee for the residual financial payable relating to the indemnity for the early termination of the lease agreement on the Milan - via Monte Rosa office. Current financial payables deriving from the present value of lease payments in application of IFRS 16 amounted to Euro 2.8 million.

The past due debt positions of the Company and the Group, broken down by type (financial, commercial, tax, social security and employee) and any related creditor reaction initiatives (reminders, injunctions, suspension of supplies, etc.)

**Past due debt positions of the 24 ORE Group broken down by type at 31 December 2021**

<b>PAST DUE DEBT POSITIONS OF THE 24 ORE GROUP</b>									
values in Euro thousands	Breakdown of payables by days past due								total past due
	0-30	31-60	61-90	91-120	121-150	151-180	181-210	Over 210	
Financial payables	-	-	-	-	-	-	-	-	-
Trade payables	474	82	11	24	3	103	4	646	1,346
Social security payables	-	-	-	-	-	-	-	-	-
Payables to employees	-	-	-	-	-	-	-	-	-
Tax payables	-	-	-	-	-	-	-	-	-
	<b>474</b>	<b>82</b>	<b>11</b>	<b>24</b>	<b>3</b>	<b>103</b>	<b>4</b>	<b>646</b>	<b>1,346</b>

**Past due debt positions of Il Sole 24 ORE S.p.A. broken down by type at 31 December 2021**

<b>PAST DUE DEBT POSITIONS OF IL SOLE 24 ORE S.p.A.</b>									
values in Euro thousands	Breakdown of payables by days past due								total past due
	0-30	31-60	61-90	91-120	121-150	151-180	181-210	Over 210	
Financial payables	-	-	-	-	-	-	-	-	-
Trade payables	422	27	11	4	2	103	4	592	1,164
Social security payables	-	-	-	-	-	-	-	-	-
Payables to employees	-	-	-	-	-	-	-	-	-
Tax payables	-	-	-	-	-	-	-	-	-
	<b>422</b>	<b>27</b>	<b>11</b>	<b>4</b>	<b>2</b>	<b>103</b>	<b>4</b>	<b>592</b>	<b>1,164</b>

The past due debt positions of the 24 ORE Group and the Parent Company Il Sole 24 ORE S.p.A. refer to trade payables.

With regard to past due amounts exceeding 210 days, it is noted that this past due amount includes suppliers blocked for disputed claims that amount to a total of Euro 336 thousand for the Parent Company. With regard to the amounts in dispute, the Parent Company has received an injunction for Euro 51 thousand, which it has opposed. The dispute was resolved with a settlement and on 10 February 2022 the Court declared the extinction of enforcement actions.

On 29 April 2021, a summons was served to the Court of Milan for the resumption of an injunction, issued in 2018 by the Court of Rome and then, by judgement no. 1547/2021 of 28 January 2021, revoked by the same Court which had declared itself not to have territorial jurisdiction. At the hearing on 23 February 2022, the Court of Milan adjourned the case and granted the parties the ordinary terms for the electronic filing of closing statements and reply briefs.

As far as creditor initiatives are concerned, it is noted that the reminders received are part of normal administrative operations. At the date of this annual report at 31 December 2021 there is no evidence of any further injunctions received in relation to the above debt positions and no suspensions in supply have been implemented that would compromise normal business operations.

**The main changes in the related party transactions of this Company and Group since the last annual or half-yearly financial report approved in accordance with article 154-ter of the Consolidated Law on Finance (TUF) are as follows**

<b>TRANSACTIONS WITH RELATED PARTIES - CONSOLIDATED AT 31 December 2021</b>								
Company	Receivables and other assets	Financial receivables	Payables and other liabilities	Financial payables	Operating revenues and income	Costs	Financial income	Financial expenses
Confederazione Generale dell'Industria Italiana (General Confederation of Italian Industry)	-	-	-	-	51	-	-	-
<b>Total Parent Company</b>	-	-	-	-	51	-	-	-
Key Executives	-	-	(65)	-	-	(1,783)	-	-
Board of Directors	-	-	(68)	-	-	(1,492)	-	-
Board of Statutory Auditors	-	-	(213)	-	-	(219)	-	-
Other related parties	392	-	(281)	-	513	(442)	-	-
<b>Total other related parties</b>	392	-	(628)	-	513	(3,936)	-	-
<b>Total related parties</b>	392	-	(628)	-	564	(3,936)	-	-

Trade receivables and other assets from other related parties mainly refer to:

- sale of newspapers, books and magazines;
- sale of subscription electronic products;
- sale of advertising space.

Revenues relate primarily to the sale of advertising space in proprietary publications and subscriptions to the newspaper.

In accordance with the RPT Regulation and the Consob Regulation, the Company updates the Company's Register of Related Parties at least every six months. In line with the RPT Regulation and the Consob Regulation, the Company lastly identified, on 31 December 2021, through specific declaration forms addressed to "Related Parties" as per Annex 1 of the Consob Regulation to which the RPT Regulation refers, its direct and indirect Related Parties.

As at 31 December 2021, Key Executives ("DIRS") are: Paolo Fietta - General Manager Corporate & CFO; Federico Silvestri - General Manager System 24 and General Manager Radio 24; Karen Sylvie Nahum - General Manager Publishing & Digital; Eraldo Minella - General Manager Professional Services; Romeo Marrocchio - Central Director Personnel and Organization.

On 28 April 2021, the Shareholders' Meeting resolved to appoint as Directors of the Company, pursuant to and in accordance with article 2386, paragraph 1, of the Civil Code and article 19 of the Articles of Association, Mirja Cartia d'Asero and Veronica Diquattro, who were co-opted on 23 July 2020 and 7 October 2020, respectively, to replace Vanja Romano and Marcella Panucci. The Directors thus appointed will remain in office until the expiry of the term of office of the other Directors currently in office and, therefore, until the date of the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2021.

There have been no changes in existing contractual relationships since the situation relating to the last approved half-yearly financial report.

**TRANSACTIONS WITH RELATED PARTIES - PARENT COMPANY AT 31 December 2021**

Company	Receivables and other assets	Financial receivables	Payables and other liabilities	Financial payables	Operating revenues and income	Costs	Financial income	Financial expenses
Confederazione Generale dell'Industria Italiana (General Confederation of Italian Industry)	-	-	-	-	51	-	-	-
<b>Total Parent Company</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>51</b>	<b>-</b>	<b>-</b>	<b>-</b>
24 ORE Cultura S.r.l.	1,332	-	(24)	(1,845)	958	(585)	(29)	-
Il Sole 24 ORE Eventi S.r.l.	1,024	-	(303)	(1,570)	1,234	(2,445)	(13)	-
Il Sole 24 ORE UK Ltd	-	-	(266)	-	-	(474)	-	-
Il Sole 24 ORE U.S.A. Inc	-	-	(281)	-	26	(512)	-	-
<b>Total Subsidiaries</b>	<b>2,356</b>	<b>-</b>	<b>(875)</b>	<b>(3,415)</b>	<b>2,217</b>	<b>(4,017)</b>	<b>(42)</b>	<b>-</b>
Key Executives	-	-	(65)	-	-	(1,783)	-	-
Board of Directors	-	-	(68)	-	-	(1,492)	-	-
Board of Statutory Auditors	-	-	(198)	-	-	(198)	-	-
Other related parties	392	-	(281)	-	513	(442)	-	-
<b>Total other related parties</b>	<b>392</b>	<b>-</b>	<b>(612)</b>	<b>-</b>	<b>513</b>	<b>(3,914)</b>	<b>-</b>	<b>-</b>
<b>Total related parties</b>	<b>2,748</b>	<b>-</b>	<b>(1,487)</b>	<b>(3,415)</b>	<b>2,781</b>	<b>(7,931)</b>	<b>(42)</b>	<b>-</b>

Trade receivables and other assets from other related parties mainly refer to:

- sale of newspapers, books and magazines;
- sale of subscription electronic products;
- sale of advertising space in its proprietary publications;
- receivables for corporate services;
- receivables for advertising space brokerage activities;
- receivables from tax consolidation and VAT.

Trade payables/other payables refer mainly to:

- payables to the subsidiary Il Sole 24 ORE UK Ltd., for commercial brokerage activities relating to the sale of advertising space in the United Kingdom;
- payables to the subsidiary Il Sole 24 ORE Eventi S.r.l., for commercial brokerage activities relating to the organization of events on behalf of the Parent Company;
- trade payables for services to Il Sole 24 ORE U.S.A. Inc;
- payables for services and editorial services;
- payables for the purchase of information;
- payables from tax consolidation and VAT consolidation.

Financial payables relate to current account relations with the subsidiary 24 ORE Cultura S.r.l. and the subsidiary Il Sole 24 ORE Eventi S.r.l.

Operating revenues and income mainly refer to:

- sale of newspapers, books and magazines;
- sale of subscription electronic products;
- sale of advertising space in its proprietary publications;
- debit of centralized services to Group companies.

Costs mainly refer to:

- contractual agreement with the subsidiary Il Sole 24 ORE UK Ltd., for commercial brokerage activities relating to the sale of advertising space in the United Kingdom;

- contractual agreement with the subsidiary Il Sole 24 ORE U.S.A Inc. for the provision of services;
- contractual agreement with the subsidiary Il Sole 24 ORE Eventi S.r.l., for commercial brokerage activities relating to the sale of advertising space and for its share of the sponsorship of events.

In accordance with the RPT Regulation and the Consob Regulation, the Company updates the Company's Register of Related Parties at least every six months. In line with the RPT Regulation and the Consob Regulation, the Company lastly identified, on 31 December 2021, through specific declaration forms addressed to "Related Parties" as per Annex 1 of the Consob Regulation to which the RPT Regulation refers, its direct and indirect Related Parties.

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There have been no changes in existing contractual relationships since the situation relating to the last approved half-yearly financial report.



**Non-compliance with covenants, negative pledges and any other clause of the Group's debt that imposes restrictions on the use of financial resources, with an indication of the degree of compliance with these clauses at the date of the financial statements**

On 20 July 2020, the Company entered into an agreement with Monterosa SPV to extend the maturity of the transaction until December 2026; however, it should be noted that the agreement provides for the option to terminate operations by either party at the end of each calendar half-year.

The maximum total amount that can be financed is Euro 50.0 million; at 31 December 2021, the line of credit for the securitization of trade receivables with recourse (for a total amount of Euro 20.0 million) had been used for Euro 15.8 million.

The securitization contract does not provide for financial covenants but does provide for causes of impediment to the acquisition of the Company's portfolios of receivables, which, if not remedied, could result in the termination of the contract. At 31 December 2021, there were no causes of impediment to purchase and/or material events that would result in contract termination.

On 20 July 2020, the Group signed a medium/long-term loan agreement with a pool of lending banks, comprising Intesa Sanpaolo (also acting as Financing and Guarantee Agent Bank), Cassa Depositi e Prestiti, Banco BPM, Banca Popolare di Sondrio and Banca Monte dei Paschi di Siena, backed by a SACE guarantee pursuant to Decree Law no. 23 of 8 April 2020, "Liquidity Decree" as amended over time and converted into law by Conversion Law no. 40 of 5 June 2020.

The amount of the loan was Euro 37.5 million and the duration was 6 years with maturity of 30 June 2026 and 24 months of pre-amortization; the amortization plan provided for quarterly instalments with a constant capital quota and the interest margin was equal to 3-month Euribor +1.65%.

On 23 July 2021, Il Sole 24 ORE S.p.A. signed the agreements with Goldman Sachs International, MPS Capital Services and Banca Popolare di Sondrio functional to the issuance of a non-convertible senior unsecured bond for a principal amount of Euro 45 million and a duration of 7 years, with bullet repayment at maturity, intended exclusively for qualified investors, exempt from the rules on public offerings set forth in Regulation (EU) 2017/1129 and according to Regulation S of the U.S. Securities Act of 1933.

The bonds were issued on 29 July 2021 and placed at an issue price equal to 99% of the nominal value of these securities, with a coupon of 4.950% and annual payment. The bonds are governed by English law save in respect of matters governed by Italian law and are listed from 29 July 2021 on the "Euro MTF" multilateral trading facility of the Luxembourg Stock Exchange. The notes representing the bond have not been assigned a rating. On 1 November 2021, the bonds were also listed on the "ExtraMOT PRO" multilateral trading facility of Borsa Italiana S.p.A., under the same terms and conditions.

The regulation of the bond requires compliance with a covenant on an incurrence basis relating to the ratio between the net financial position and EBITDA of the 24 ORE Group, applicable only in the case of any new debt.

The terms and conditions of the bond also include clauses that are standard practice for this type of transaction, such as: negative pledge, *pari passu*, change of control, and some specific provisions that provide for optional and/or mandatory early repayment upon the occurrence of

certain events. Further details regarding the terms and conditions of this bond issue are available in the "Listing Particulars" document dated 29 July 2021 and available on the Company's *website*.

This bond, which allowed for the voluntary early repayment on 29 July 2021 of the above-mentioned loan of Euro 37.5 million taken out on 20 July 2020 and backed by a SACE guarantee pursuant to the "Liquidity Decree", enables the Company to further strengthen its financial structure, ensuring it the flexibility and resources to carry out the investments and actions planned over the period of the plan, necessary for the development of revenues and the achievement of greater operating efficiency.

**The status of implementation of the business plan, highlighting any deviations from the actual figures compared to those forecast**

On 25 February 2021, the Company's Board of Directors approved the 2021-2024 Plan, which confirms the strategic direction and medium- to long-term objectives of the previous 2020-2023 post-Covid Plan approved on 30 June 2020, of which it represents an update, evolution and acceleration.

Below is a comparison of the 2021 consolidated economic results with the 2021 forecast figures of the 2021-2024 Plan approved by the Board of Directors on 25 February 2021.

FINAL 2021 VS PLAN 2021		
Euro millions	FY 2021	Plan 2021
Revenues	204	203
EBITDA	11	16
EBIT	(15)	(2)

The 24 ORE Group, while still feeling the negative effects of the health emergency linked to the spread of Covid-19 which began in March 2020, particularly with reference to the Culture area, which was able to reopen MUDEC only in May 2021, and the slower recovery of revenue in the Radio area, saw signs of growth thanks both to the improvement of the pandemic context and growing confidence in the recovery, which are positively affecting the market as a whole, and to the authoritativeness, the high quality of content, the launch of the new format of the newspaper, the positive advertising revenue performance, the acceleration of the Events area and effective commercial policies in all areas.

Consolidated revenues for the year 2021, due primarily to higher advertising revenues, are overall in line with expectations. The positive contribution to EBITDA resulting from this different revenue mix is combined with the effects described below, resulting in an EBITDA that was lower than forecast.

On 8 November 2021, following meetings with the labour unions, the strategic objective was confirmed of reducing labour costs to be achieved through structural cost-cutting measures for all professional categories, as established in the 2021-2024 Business Plan. As a result, the effects of the simplification and rationalization measures already included in the 2021-2024 Business Plan were brought forward to 2021 with the establishment of a liability for restructuring expenses of Euro 13.9 million, resulting in a lower result than previously disclosed in terms of EBITDA and EBIT.

EBITDA for the year 2021 compared to the 2021-2024 plan incorporated non-recurring income of Euro 2.5 million, of which Euro 1.4 million referring to the Company 24 ORE Cultura S.r.l. relating to the "Allocation of a portion of the emergency fund for companies and cultural institutions referred to in article 183, paragraph 2, of Decree-Law no. 34 of 2020, intended to compensate operators in the art exhibition sector of 18 November 2020" and Euro 1.1 million following the redetermination of the provision for social security risks on the basis of the potential residual critical issues relating to the application and management of social shock absorbers.

There were also higher provisions for risks and bad debts compared to the 2021-2024 Plan.

The difference between EBIT for the year 2021 and that set forth the 2021-2024 plan includes, in addition to what is laid out above with respect to EBITDA, asset impairment of Euro 9.0 million, of which Euro 6.7 million due to the results of impairment testing.

On 25 February 2022, the Company's Board of Directors approved the 2022-2025 Plan, which confirms the strategic direction of the previous 2021-2024 Plan, updated in its development also in light of the changed market environment.

The period just ended was characterized by a particularly uncertain market scenario, still impacted by the Covid-19 health emergency, which showed a slower recovery from the effects of the pandemic than initially expected, especially in terms of radio advertising sales, services to professionals and cultural activities.

The evolution of the reference context has led to a revision of some initiatives included in the 2021-2024 Plan and to a rescheduling of the timing of their launch, as well as the introduction of several new initiatives.

The overall downward revision of the Group's revenues, combined with an increase in raw material procurement and operating costs to support revenue development, results in a reduction in expected margins compared to the 2021-2024 Plan.

Nonetheless, the 2022-2025 Plan confirms a progressive year-on-year improvement in economic and financial indicators, driven by the growth in consolidated revenues and the reduction in personnel costs through structural cost-cutting measures for all professional categories already launched during 2021.

The 2022-2025 Plan as a whole confirms the growth of profitability over time in all business areas, thanks to:

- ✓ product innovation;
- ✓ the strengthening of the current offer in the financial area;
- ✓ the development of partnerships aimed at promoting the Il Sole 24 ORE brand;
- ✓ the strengthening and specialization by skills of the sales networks.

Pursuing the "digital first" strategy, as an enabling element for the continuous enrichment of the multi-format and multi-platform product system of Il Sole 24 ORE and process efficiency, the 2022-2025 Plan provides for a greater drive on investments in new publishing initiatives, supported by innovative product technologies and management systems.

The net financial position is expected to worsen in 2022 due to the acceleration of investments and disbursements related to the early exit of personnel, and then gradually improve in the following years during the Plan period.

The main forecast economic indicators expected in the 2022-2025 Plan are shown below:

<b>2022-2025 PLAN</b>		
Euro millions	Plan 2022	Plan 2025
Revenues	216	246
EBITDA	26	47
EBIT	6	26

Below are the main forecast economic indicators expected in the previous 2021-2024 Plan:

<b>2021-2024 PLAN</b>		
Euro millions	Plan 2021	Plan 2024
Revenues	203	245
EBITDA	16	54
EBIT	(2)	36

It should be noted that the forward-looking figures represented in the 2022-2025 Plan are strategic objectives established as part of corporate planning.

The development of the 2022-2025 Plan was based on, among other things: *(i)* general and hypothetical assumptions, as well as discretionary assumptions, and *(ii)* a series of estimates and hypotheses relating to the implementation by the directors of specific actions to be undertaken in the reference time period, or relating to future events that the directors can only partially influence and that may not occur or may vary during the plan period.

In particular, the 2022-2025 Plan does not reflect any impacts deriving from the recent conflict under way in Ukraine and the possible repercussions that conflict could have on the Italian and European economies, whose impact on the Group's business is difficult to predict at this time.

The realization of the objectives and the achievement of the results envisaged by the 2022-2025 Plan depend not only on the actual realization of the volume of revenues indicated, but also on the effectiveness of the actions identified and the implementation of these actions, in accordance with the time frame and economic impacts assumed.

If the Group's results were to differ significantly from those forecast in the 2022-2025 Plan, there could be adverse effects on the Group's financial position and prospects.

The Group constantly monitors both the performance of the reference markets in relation to the assumptions of the Plan and the prospects for a post-pandemic recovery as well as any repercussions that may arise from the conflict in Ukraine, and the implementation of the actions set forth in the Plan, while maintaining proactive and constant attention to the containment of all costs and the identification of initiatives that can further mitigate the risk linked to revenues to protect profitability and expected cash flows.

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The Manager in charge of financial reporting, Paolo Fietta, hereby declares, pursuant to article 154-bis, paragraph 2 of the Consolidated Law on Finance, that the accounting information

contained in this press release corresponds to the documented results, books and accounting records.

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