

*Caltagirone Editore:
the Board of Directors approves 2021 results*

THE GROUP CLOSSES THE YEAR WITH EUR 28.7 MILLION NET PROFIT (EUR -44.3 MILLION IN 2020), INCREASING REVENUES AND EBITDA

DIVIDEND: EUR 0,03 PER SHARE

- Revenues reached EUR 122.7 million (EUR 119.9 million in 2020)
- Ebitda reached EUR 15.5 million (EUR 5.5 million in 2020)
- Ebit reached EUR 8.3 million (EUR -59.6 million in 2020)
- Net financial result reached EUR 13.1 million (EUR 2.9 million in 2020)
- Group net profit reached EUR 28.7 million (EUR -44.3 million in 2020) also due to non-recurring income of approximately EUR 12.5 million

- The Board of Directors has resolved to propose to the Shareholders' Meeting to distribute a dividend of EUR 0,03 per share

Rome, March 8th 2022 – The Board of Directors of Caltagirone Editore, chaired by Mrs Azzurra Caltagirone, examined and approved the draft financial statements for the year ended on December 31st, 2021.

The year recorded a net profit of EUR 28.7 million, a sharp increase compared to the negative result of EUR -44.3 million in the previous year, which was also affected by the EUR 57.4 million write-down of intangible assets with indefinite life.

Group Performance

Operating revenues reached EUR 122.7 million (EUR 119.9 million in 2020) and increased by 2.3%.

Circulation revenues, included the sales of digital copies and digital subscriptions, decreased by 4.6% compared to previous year and registered a significant growth in the number of digital products customers which offset the decrease of the buyers of traditional copies.

The Group's advertising revenues were substantially in line with the previous year. Advertising sales on the internet is now 24.8% of the total advertising revenues.

Ebitda reached EUR 15.5 million (EUR 5.5 million in 2020) thanks also the Operating Costs decrease by 6.2%. The costs for personnel, including non-recurring charges that amounts to EUR 583 thousand (EUR 4.2 million in 2020) decreased by 9.8%

thanks the measures carried out during the year. The Other operating costs decreased by 3.5% due to the actions taken by subsidiaries to reduce the costs for services. The cost of raw materials also decreased by 0.4% mainly due to the lower quantities used in the production process net the increase of the price of paper.

Ebit reached EUR 8.3 million (EUR -59.6 million as of December 2020) after amortizations of EUR 6.6 million (EUR 6.7 million as of 2020), provisions of EUR 98 thousand (EUR 118 thousand as of 2020) and depreciations for EUR 452 thousand (EUR 914 thousand as of 2020). 2020 financial year included EUR 57.4 million write-down of intangible assets with indefinite life as a consequence of the Covid-19 pandemic and in accordance with the provisions of the accounting standards.

Net financial result reached EUR 13.1 million (EUR 2.9 million as of December 31st 2020) and includes EUR 12.6 million as dividends received on listed shares (EUR 3.3 million as of 2020).

Group net result reached EUR 28.7 million (EUR -44.3 million as of December 2020) also due to the effect of non-recurring income linked to the use of the rules for the realignment of tax values to those statutory provisions of intangible assets with an indefinite life carried out by some subsidiaries for an amount of approximately EUR 10 million and the registration of tax credits of approximately EUR 2.5 million.

Net financial position reached EUR 45.2 million and decreased by EUR 40.8 million mainly as a result of investments in listed shares and for the share of debt due to the IFRS 16 accounting standard application, net the dividends collected and positive cash flow.

Consolidated Group Shareholders' Equity reached EUR 402.9 million (EUR 339.3 million as of December 31st 2020). The increase is mainly due to the positive result of the year and to the positive effect in the *fair value* valuation of the equity investments held.

On December 31st 2021 the Group employed 584 people (596 on December 31st 2020).

The Board of Directors resolved to propose to the Shareholders' Meeting the distribution of a dividend of EUR 0.03 for each of the n. 106,790,262 ordinary shares currently in circulation, considering the treasury shares in portfolio, currently equal to n. 18.209.738. The dividend will be paid on 25th May (coupon detachment on the Stock Exchange on 23th May) and with record date on 24th May.

The Ordinary Shareholders' Meeting is convened at the Company's registered office on first call, for April 20st, 2022 and on second call on May the 5th, 2022 to

approve the financial statements at December 31st, 2021 and the Remuneration Report.

The Board of Directors has approved the Report on corporate governance pursuant to Art. 123-bis of Legislative Decree n. 58/1998 as well as the Remuneration Report pursuant to art. 123-ter of Legislative Decree n. 58/1998 and article 84-quater of the Issuers Regulation, which will be made available, together with the Annual Report 2021, in the time required by law at the registered office, on the Company website of www.caltagironeeditore.com in the Investors section, and on the storage mechanism authorized operated by Spafid Connect Spa at www.emarketstorage.com.

The Board of Directors confirmed that Mr Francesco Gianni, Mrs Federica Barbaro, Mr Massimo Confortini, Mrs Annamaria Malato and Mrs Valeria Ninfadoro possess the requisites of independence in compliance with the provisions contained in the Legislative Decree n. 58 of February 24th, 1998 “Testo unico delle disposizioni in materia di intermediazione finanziaria”.

The Board of Directors confirmed for 2022 Luigi Vasta as the Executive responsible for preparing the Company’s financial reports.

Outlook

The Group continues its initiatives to enhance the multimedia versions and improve internet activities to increase new advertising flows and to acquire new readers. The Group will also continue to implement measures to contain all discretionary costs and to reduce direct and operating costs.

Luigi Vasta, as the Executive responsible for preparing the Company’s financial reports, declares in accordance with article 154 bis, paragraph 2, of the “Testo Unico della Finanza”, that the accounting information contained in this press release corresponds to the underlying documents, records and accounting entries.

Enclosed the financial statements, currently being examined by the independent audit firm and by the Board of Statutory Auditors.

**CALTAGIRONE EDITORE GROUP
CONSOLIDATED BALANCE SHEET**



Assets

(in Euro thousands)

Non-current assets

	31.12.2021	31.12.2020
Intangible assets with definite life	487	866
Intangible assets with indefinite life	103,003	103,003
<i>Newspaper titles</i>	103,003	103,003
Property, plant and equipment	46,705	40,419
Equity investments and non-current securities	196,647	108,159
Other non-current assets	135	135
Deferred tax assets	52,844	53,389
TOTAL NON-CURRENT ASSETS	399,821	305,971

Current assets

Inventories	1,695	1,592
Trade receivables	37,065	41,031
<i>of which related parties</i>	167	208
Current financial assets		
Tax receivables	-	41
Other current assets	3,629	1,024
<i>of which related parties</i>	3	3
Cash and cash equivalents	66,610	100,496
TOTAL CURRENT ASSETS	108,999	144,184

TOTAL ASSETS

508,820	450,155
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**CALTAGIRONE EDITORE GROUP
CONSOLIDATED BALANCE SHEET**



**SHAREHOLDERS' EQUITY AND
LIABILITIES**

(in Euro thousands)

Shareholders' Equity

	31.12.2021	31.12.2020
Share capital	125,000	125,000
Share capital issue costs	(18,865)	(18,865)
Other reserves	268,129	277,411
Profit/(loss) for the year	28,733	(44,277)
Group shareholders' equity	402,997	339,269
Minority interest shareholders' equity	-	-
TOTAL SHAREHOLDERS' EQUITY	402,997	339,269

LIABILITIES

Non-current liabilities

Employee provisions	13,870	14,802
Other non-current provisions	115	155
Non-current financial liabilities	12,149	3,562
<i>of which related parties</i>	10,979	1,936
Other non-current liabilities	1,368	1,859
Deferred tax liabilities	20,089	27,548
TOTAL NON-CURRENT LIABILITIES	47,591	47,926

Current liabilities

Current provisions	9,782	11,769
Trade payables	19,844	19,647
<i>of which related parties</i>	674	248
Current financial liabilities	9,215	10,916
<i>of which related parties</i>	2,800	2,783
Tax payables	1,064	-
Other current liabilities	18,327	20,628
<i>of which related parties</i>	26	33
TOTAL CURRENT LIABILITIES	58,232	62,960

TOTAL LIABILITIES

105,823	110,886
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**TOTAL SHAREHOLDERS' EQUITY AND
LIABILITIES**

508,820	450,155
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CALTAGIRONE EDITORE GROUP
CONSOLIDATED INCOME STATEMENT



(in Euro thousands)

	2021	2020
Revenues		
Revenues from sales and supply of services	115,407	116,355
<i>of which related parties</i>	283	241
Other operating revenues	7,270	3,541
<i>of which related parties</i>	73	76
TOTAL REVENUES	122,677	119,896
Costs		
Raw material costs	(7,804)	(7,833)
Personnel costs	(48,099)	(53,338)
<i>of which restructuring charges</i>	(583)	(4,212)
Other operating charges	(51,315)	(53,190)
<i>of which related parties</i>	(1,139)	(706)
TOTAL COSTS	(107,218)	(114,361)
EBITDA	15,459	5,535
Amortisation and depreciations	(2,993)	(3,056)
Leasing depreciations	(3,570)	(3,673)
Provisions	(98)	(118)
Intangible assets with indefinite life depreciation	-	(57,400)
Other write-downs	(452)	(914)
Amortisation, depreciation, write-downs & provisions	(7,112)	(65,161)
EBIT	8,347	(59,626)
Financial income	13,693	3,521
<i>of which related parties</i>	11,623	3,250
Financial charges	(549)	(651)
<i>of which related parties</i>	(134)	(62)
Net financial result	13,144	2,870
PROFIT/(LOSS) BEFORE TAX	21,491	(56,756)
Income taxes for the period	7,242	12,479
PROFIT/(LOSS) FROM CONTINUING OPERATIONS	28,733	(44,277)
NET PROFIT/(LOSS) FOR THE YEAR	28,733	(44,277)
Group net loss	28,733	(44,277)
Minority interest share	-	-
Earnings per share/Diluted earnings per share	0.269	(0.415)

CALTAGIRONE EDITORE GROUP
Consolidated Comprehensive Income Statement



(in Euro thousands)

	2021	2020
Net loss for the year	28,733	(44,277)
Items which are not reclassified subsequently to profit/(loss) for the period		
Effect of actuarial gain/loss, net of tax effect	36	(205)
Gain/Loss on disposal of investments in equity instruments, net of fiscal effect	(13)	-
Gain/(loss) from recalculation of capital instruments assets, net of fiscal effect	35,065	(24,459)
Total other items of the Comprehensive Income Statement	35,088	(24,664)
Total comprehensive loss for the year	63,821	(68,941)
Attributable to:		
Parent Company shareholders	63,821	(68,941)
Minority interest	-	-

CALTAGIRONE EDITORE GROUP
Statement of changes in consolidated shareholders' equity



<i>(in Euro thousands)</i>	Share Capital	Quotation charges	Treasury shares	Fair Value reserve	Other reserves	Net profit/loss	Group net equity	Minority interest net equity	Total net equity
Balance at January 1st 2020	125,000	(18,865)	(23,641)	21,087	335,278	(30,649)	408,210	-	408,210
Previous year result carried forward					(30,649)	30,649			-
Total operations with shareholders					(30,649)	30,649			-
Change in fair value reserve				(24,459)			(24,459)	-	(24,459)
Change in employment termination reserve					(205)		(205)		(205)
Net Result						(44,277)	(44,277)		(44,277)
Comprehensive Profit/(Loss) for the year	-	-	-	(24,459)	(205)	(44,277)	(68,941)	-	(68,941)
Balance at December 31st 2020	125,000	(18,865)	(23,641)	(3,372)	304,424	(44,277)	339,269	-	339,269
Balance at January 1st 2021	125,000	(18,865)	(23,641)	(3,372)	304,424	(44,277)	339,269	-	339,269
Previous year result carried forward					(44,277)	44,277			-
Total operations with shareholders	-	-	-	-	(44,277)	44,277			-
Change in fair value reserve				35,065			35,065	-	35,065
Change in employment termination reserve					36		36		36
Change in other reserve					(13)		(13)		(13)
Net Result						28,733	28,733	-	28,733
Comprehensive Profit/(Loss) for the year	-	-	-	35,065	23	28,733	63,821	-	63,821
Other Changes					(93)		(93)		(93)
Balance at December 31st 2021	125,000	(18,865)	(23,641)	31,693	260,077	28,733	402,997	-	402,997

Caltagirone Editore Group
Consolidated Cash Flow Statement



(in Euro thousands)

	2021	2020
CASH AND CASH EQUIV. AT BEGINNING OF YEAR	100,496	112,368
Net loss for the year	28,733	(44,277)
Amortisation & Depreciation	6,563	6,729
(Revaluations) and write-downs	452	58,313
Net financial income/(charges)	(13,144)	(2,870)
(Gains)/losses on disposals	-	(14)
Income taxes	(7,242)	(12,479)
Changes in employee provisions	(897)	(989)
Changes in current and non-current provisions	(2,026)	754
OPER. CASH FLOW BEFORE CHAN. IN W.CAPITAL	12,439	5,167
(Increase) Decrease in inventories	(104)	60
(Increase) Decrease in Trade receivables	3,514	905
Increase (Decrease) in Trade payables	197	(1,637)
Change in other current and non-current liabilities	(5,507)	(244)
Change in deferred and current income taxes	(44)	(121)
OPERATING CASH FLOW	10,495	4,130
Dividends received	12,571	3,250
Interest paid	(549)	(549)
Other incomes received/(expenses paid)	1,122	271
Income taxes paid	(626)	(71)
A) CASH FLOW FROM OPERATING ACTIVITIES	23,013	7,031
Investments in intangible fixed assets	(183)	(600)
Investments in tangible fixed assets	(217)	(448)
Non-current investments and securities	(66,333)	(12,369)
Sale of intangible and tangible assets	-	63
Sale of equity investments and non-current securities	14,998	-
(Inc.)/Dec in current investments and securities	-	(36)
B) CASH FLOW FROM INVESTING ACTIVITIES	(51,735)	(1,532)
Change in current fin. liabilities	(5,164)	(5,513)
C) CASH FLOW FROM FINANCING ACTIVITIES	(5,164)	(5,513)
Change in net liquidity	(33,886)	(11,872)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	66,610	100,496

CALTAGIRONE EDITORE SPA
BALANCE SHEET



Assets

(in Euro)

Non-current assets

Property, plant and equipment	416,293	633,490
Equity investments valued at cost:		
<i>subsidiary companies</i>	332,301,290	262,236,785
<i>other companies</i>	10	10
Equity investments and non-current securities	62,410,500	47,771,000
Deferred tax assets	44,046,185	43,786,902
TOTAL NON-CURRENT ASSETS	439,174,278	354,428,187

Current assets

Trade receivables	312,788	77,462
<i>of which related parties</i>	312,788	76,218
Current financial assets	13,729,734	33,111,181
<i>of which related parties</i>	13,729,734	33,111,181
Tax receivables	2,358	32,416
Other current assets	2,256,066	2,488,085
<i>of which related parties</i>	2,107,995	2,432,977
Cash and cash equivalents	416,870	1,694,355
TOTAL CURRENT ASSETS	16,717,816	37,403,499

TOTAL ASSETS

455,892,094 **391,831,686**



SHAREHOLDERS' EQUITY AND LIABILITIES

(in Euro)

Shareholders' Equity

Share capital	125,000,000	125,000,000
Share capital issue costs	(18,864,965)	(18,864,965)
Other reserves	248,498,114	254,574,952
Profit/(loss) for the year	3,681,374	(20,538,992)
SHAREHOLDERS' EQUITY	358,314,523	340,170,995

LIABILITIES

Non-current liabilities

Employee provisions	106,864	99,425
Non - Current financial liabilities	203,078	422,515
<i>of which related parties</i>	203,078	422,515
Deferred tax liabilities	191,418	15,744
TOTAL NON-CURRENT LIABILITIES	501,360	537,684

Current liabilities

Current provisions	-	36,071
Trade payables	1,080,136	588,520
<i>of which related parties</i>	799,207	318,117
Current financial liabilities	52,737,251	7,045,688
<i>of which related parties</i>	52,736,861	7,045,688
Other current liabilities	43,258,824	43,452,728
<i>of which related parties</i>	37,756,451	37,457,605
TOTAL CURRENT LIABILITIES	97,076,211	51,123,007

TOTAL LIABILITIES

97,577,571 **51,660,691**

TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES

455,892,094 **391,831,686**

INCOME STATEMENT

(in Euro)

	2021	2020
Other operating revenues	458,817	465,918
<i>of which related parties</i>	458,000	458,000
TOTAL REVENUES	458,817	465,918
Personnel costs	(207,775)	(174,443)
Other operating charges	(1,621,390)	(1,701,443)
<i>of which related parties</i>	(724,024)	(570,222)
TOTAL COSTS	(1,829,165)	(1,875,886)
EBITDA	(1,370,348)	(1,409,968)
Leasing depreciation	(217,197)	(217,197)
EBIT	(1,587,545)	(1,627,165)
Financial income	4,960,606	1,675,000
<i>of which related parties</i>	4,924,500	1,675,000
Financial charges	(15,934)	(20,958,186)
<i>of which related parties</i>	(6,823)	(7,755)
Net financial result	4,944,672	(19,283,186)
PROFIT/(LOSS) BEFORE TAX	3,357,127	(20,910,351)
Income taxes for the period	324,247	371,359
PROFIT/(LOSS) FROM CONTINUING OPERATIONS	3,681,374	(20,538,992)
NET PROFIT/(LOSS) FOR THE YEAR	3,681,374	(20,538,992)



Comprehensive Income Statement

(in Euro)

	2021	2020
Net profit/(loss) for the year	3,681,374	(20,538,992)
Items which are not reclassified subsequently to profit/(loss) for the period		
Effect of actuarial gain/loss, net of tax effect	(1,673)	(572)
Gain/(loss) from recalculation of capital instruments assets, net of fiscal effect	14,463,826	(13,686,023)
Total other items of the Comprehensive Income Statement	14,462,153	(13,686,595)
Total comprehensive profit/(loss) for the year	18,143,527	(34,225,587)



<i>(in Euro)</i>	Share Capital	Quotation charges	Treasury shares	Fair Value reserve	Other reserve	Net Profit/Loss	Net equity
Balance at January 1st 2020	125,000,000	(18,864,965)	(23,640,924)	14,982,305	317,550,192	(40,629,621)	374,396,987
Previous year result carried forward					(40,629,621)	40,629,621	-
Total operations with shareholders	125,000,000	(18,864,965)	(23,640,924)	14,982,305	276,920,571	-	374,396,987
Change in fair value reserve				(13,686,023)			(13,686,023)
Change in employment termination reserve					(572)		(572)
Net Result						(20,538,992)	(20,538,992)
Comprehensive Profit/(Loss) for the year	-	-	-	(13,686,023)	(572)	(20,538,992)	(34,225,587)
Other Changes					(405)		(405)
Balance at December 31st 2020	125,000,000	(18,864,965)	(23,640,924)	1,296,282	276,919,594	(20,538,992)	340,170,995
Balance at January 1st 2021	125,000,000	(18,864,965)	(23,640,924)	1,296,282	276,919,594	(20,538,992)	340,170,995
Previous year result carried forward					(20,538,992)	20,538,992	-
Total operations with shareholders	125,000,000	(18,864,965)	(23,640,924)	1,296,282	256,380,602	-	340,170,995
Change in fair value reserve				14,463,826			14,463,826
Change in employment termination reserve					(1,673)		(1,673)
Net Result						3,681,374	3,681,374
Comprehensive Profit/(Loss) for the year	-	-	-	14,463,826	(1,673)	3,681,374	18,143,527
Other Changes						1	1
Balance at December 31st 2021	125,000,000	(18,864,965)	(23,640,924)	15,760,108	256,378,929	3,681,374	358,314,523

Caltagirone Editore SpA
Cash Flow Statement



(in Euro)

	2021	2020
CASH AND CASH EQUIV. AT BEGINNING OF YEAR	1,694,355	3,134,015
Net loss for the year	3,681,374	(20,538,992)
Amortisation & Depreciation	217,197	217,197
(Revaluations) and write-downs	-	20,940,815
Net financial income/(charges)	(4,944,672)	(1,657,628)
<i>of which related parties</i>	(4,917,677)	(1,667,245)
Income taxes	(324,247)	(371,359)
Changes in employee provisions	5,768	5,232
OPER. CASH FLOW BEFORE CHAN. IN W.CAPITAL	(1,364,580)	(1,404,735)
(Increase) Decrease in Trade receivables	(235,326)	423,756
Increase (Decrease) in Trade payables	491,615	(1,483,787)
Change in other current and non-current liabilities	38,078	1,155,450
Change in deferred and current income taxes	95,031	(700,643)
OPERATING CASH FLOW	(975,182)	(2,009,959)
Dividends received	4,924,500	1,675,000
<i>of which related parties</i>	4,924,500	1,675,000
Interest received	35	-
Interest paid	(9,112)	(9,193)
Other incomes received/(expenses paid)	(5,379)	-
A) CASH FLOW FROM OPERATING ACTIVITIES	3,934,862	(344,152)
Non-current investments and securities	(50,683,057)	(273,040)
Change in current fin. assets	-	(179,825)
B) CASH FLOW FROM INVESTING ACTIVITIES	(50,683,057)	(452,865)
Change in current fin. liabilities	45,470,710	(642,643)
C) CASH FLOW FROM FINANCING ACTIVITIES	45,470,710	(642,643)
Change in net liquidity	(1,277,485)	(1,439,660)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	416,870	1,694,355