

## **Caltagirone Editore: the Board of Directors approves the results for first half of 2022**

- Revenues: Euro 55.9 million (Euro 55.8 million for first half of 2021)
- Group net result: Euro 8.1 million (Euro 16.2 million for first half of 2021)

**Rome, July 26<sup>th</sup>, 2022** - The Board of Directors of Caltagirone Editore, chaired by Mrs. Azzurra Caltagirone, examined and approved the results of the first half of 2022.

### **Performance of operations**

In the first half of the 2022 financial year Group's **Revenues** amounted to Euro 55.9 million in line with the same period of 2021. Group advertising revenue increased by 0.9%. The contribution of the internet sector to the total advertising turnover, including advertising carried out on behalf of third parties, increased by 10.6% and is now 26.4% of the total advertising turnover. The Total Audience (pc or mobile) of the Group's web sites recorded, in the period January – May 2022, 3.46 million unique average daily users.

**Costs** increased by 6.3% on the first half of 2022 and amounted to Euro 56.1 million (Euro 52.7 million as of June 30<sup>th</sup>, 2021). The cost of raw materials grew due the price of paper that increased for the current geopolitical tensions. The cost of labor increased by 2.1% due to non-recurring charges for 583 thousand euros (289 thousand euros as of June 30<sup>th</sup>, 2021) related to activities carried out by some companies of the Group. Net of these charges, the cost of labor would decrease by 0.9% compared to the corresponding period of 2021. Other operating costs increased by 5.5% due to the higher costs incurred for services.

**EBITDA** was Euro -212 thousand (Euro 3.1 million as of June 30<sup>th</sup>, 2021).

**EBIT** recorded a loss of Euro 3.9 million (Euro -528 thousand in the first half 2021) and includes amortizations of Euro 3.2 million (Euro 3.3 million as of June 30<sup>th</sup> 2021), provisions of Euro 398 thousand (Euro 52 thousand as of June 30<sup>th</sup> 2021) and depreciations for Euro 164 thousand (Euro 271 thousand as of June 30<sup>th</sup> 2021).

**Net income from financial operations**, positive for Euro 11.2 million, went up compared to Euro 8.1 million in the first half of 2021 due to the higher dividends received on listed shares (Euro 12 million in the first half 2022 compared to Euro 8.3 million in the first half of 2021).

**Group net result** was positive for Euro 8.1 million. In the first half of 2021 the result was of Euro 16.2 million also due to the use of the realignment rules operated by some subsidiaries.

**The net financial position** amounts to Euro -1.6 million (net financial position Euro 45.2 million as of December 31<sup>th</sup>, 2021). The decrease is due to the investments in listed shares and to the distribution of dividends net of dividends collected on listed shares.

**Shareholders' equity** amounts to Euro 373.3 million (Euro 403 million as of December 31<sup>th</sup>, 2021). The decrease is due to the negative effect achieved during the semester in the *fair value* valuation of the equity investments held net the result of the period.

### **Forecasts for the current year**

The Group will continue its initiatives to enhance the multimedia versions and improve internet activities in order to increase advertising flows and acquire new readers. The Group will continue to improve the containing of all discretionary costs and to reduce direct and operating costs.

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*The Executive responsible for the preparation of the corporate accounting documents, Luigi Vasta, declares in accordance with article 154 bis, paragraph 2, of the “Testo Unico della Finanza”, that the accounting information contained in the present press release corresponds to the underlying documents, records and accounting entries*

*Attached the statutory balance sheets and income statement currently under review of the Board of Statutory Auditors and the Independent Auditors.*

**CALTAGIRONE EDITORE GROUP  
CONSOLIDATED BALANCE SHEET**



**Assets**

(in Euro thousands)

**Non-current assets**

	<b>30.06.2022</b>	<b>31.12.2021</b>
Intangible assets with definite life	375	487
Intangible assets with indefinite life	103,003	103,003
<i>Newspaper titles</i>	103,003	103,003
Property, plant and equipment	47,571	46,705
Equity investments and non-current securities	215,250	196,647
Other non-current assets	148	135
Deferred tax assets	55,148	52,844
<b>TOTAL NON-CURRENT ASSETS</b>	<b>421,495</b>	<b>399,821</b>

**Current assets**

Inventories	1,764	1,695
Trade receivables	30,080	37,065
<i>of which related parties</i>	121	167
Other current assets	2,400	3,629
<i>of which related parties</i>	1	3
Cash and cash equivalents	22,471	66,610
<b>TOTAL CURRENT ASSETS</b>	<b>56,715</b>	<b>108,999</b>
<b>TOTAL ASSETS</b>	<b>478,210</b>	<b>508,820</b>

**CALTAGIRONE EDITORE GROUP  
CONSOLIDATED BALANCE SHEET**



**SHAREHOLDERS' EQUITY AND  
LIABILITIES**

(in Euro thousands)

**Shareholders' Equity**

	<b>30.06.2022</b>	<b>31.12.2021</b>
Share capital	125,000	125,000
Share capital issue costs	(18,865)	(18,865)
Other reserves	259,085	268,129
Profit/(loss) for the year	8,129	28,733
<b>Group shareholders' equity</b>	<b>373,349</b>	<b>402,997</b>
Minority interest shareholders' equity	-	-
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>373,349</b>	<b>402,997</b>

**LIABILITIES**

**Non-current liabilities**

Employee provisions	13,952	13,870
Other non-current provisions	94	115
Non-current financial liabilities	14,048	12,149
<i>of which related parties</i>	<i>12,515</i>	<i>10,979</i>
Other non-current liabilities	1,436	1,368
Deferred tax liabilities	19,026	20,089
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>48,556</b>	<b>47,591</b>

**Current liabilities**

Current provisions	9,672	9,782
Trade payables	17,404	19,844
<i>of which related parties</i>	<i>311</i>	<i>674</i>
Current financial liabilities	10,072	9,215
<i>of which related parties</i>	<i>2,899</i>	<i>2,800</i>
Tax payables	577	1,064
Other current liabilities	18,580	18,327
<i>of which related parties</i>	<i>18</i>	<i>26</i>
<b>TOTAL CURRENT LIABILITIES</b>	<b>56,305</b>	<b>58,232</b>

**TOTAL LIABILITIES**

<b>104,861</b>	<b>105,823</b>
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**TOTAL SHAREHOLDERS' EQUITY AND  
LIABILITIES**

<b>478,210</b>	<b>508,820</b>
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**CALTAGIRONE EDITORE GROUP**  
**CONSOLIDATED INCOME STATEMENT**



(in Euro thousands)

	<b>1st half 2022</b>	<b>1st half 2021</b>
<b>Revenues</b>		
Revenues from sales and supply of services	53,067	54,392
<i>of which related parties</i>	127	160
Other operating revenues	2,789	1,408
<i>of which related parties</i>	35	36
<b>TOTAL REVENUES</b>	<b>55,856</b>	<b>55,800</b>
<b>Costs</b>		
Raw material costs	(5,003)	(3,525)
Personnel costs	(25,275)	(24,761)
<i>of which restructuring charges</i>	(583)	(289)
Other operating charges	(25,791)	(24,442)
<i>of which related parties</i>	(563)	(706)
<b>TOTAL COSTS</b>	<b>(56,068)</b>	<b>(52,728)</b>
<b>EBITDA</b>	<b>(212)</b>	<b>3,072</b>
Amortisation and depreciations	(1,356)	(1,472)
Leasing depreciations	(1,814)	(1,805)
Provisions	(398)	(52)
Intangible assets with indefinite life depreciation	-	-
Other write-downs	(164)	(271)
<b>Amortisation, depreciation, write-downs &amp; provisions</b>	<b>(3,732)</b>	<b>(3,600)</b>
<b>EBIT</b>	<b>(3,944)</b>	<b>(528)</b>
Financial income	12,031	9,086
<i>of which related parties</i>	-	7,575
Financial charges	(815)	(979)
<i>of which related parties</i>	(81)	(21)
<b>Net financial result</b>	<b>11,217</b>	<b>8,107</b>
<b>PROFIT/(LOSS) BEFORE TAX</b>	<b>7,273</b>	<b>7,579</b>
Income taxes for the period	856	8,665
<b>PROFIT/(LOSS) FROM CONTINUING OPERATIONS</b>	<b>8,129</b>	<b>16,244</b>
<b>NET PROFIT/(LOSS) FOR THE YEAR</b>	<b>8,129</b>	<b>16,244</b>
Group net loss	8,129	16,244
Minority interest share	-	-
Earnings per share/Diluted earnings per share	0.08	0.15

**CALTAGIRONE EDITORE GROUP**  
**Consolidated Comprehensive Income Statement**



*(in Euro thousands)*

	<b>1st half 2022</b>	<b>1st half 2021</b>
<b>Net loss for the year</b>	<b>8,129</b>	<b>16,244</b>
<b>Items which are not reclassified subsequently to profit/(loss) for the period</b>		
Gain/Loss on disposal of investments in equity instruments, net of fiscal effect	5,723	(14)
Gain/(loss) from recalculation of capital instruments assets, net of fiscal effect	(40,226)	20,282
<b>Total other items of the Comprehensive Income Statement</b>	<b>(34,503)</b>	<b>20,268</b>
<b>Total comprehensive loss for the year</b>	<b>(26,374)</b>	<b>36,512</b>
<b>Attributable to:</b>		
Parent Company shareholders	(26,374)	36,512
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
<b>Balance at January 1st 2021</b>	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	-	-	-
<b>Total operations with shareholders</b>	-	-	-	-	(44,277)	44,277	-	-	-
Change in fair value reserve				20,282			20,282		20,282
Other Changes					(14)		(14)		(14)
Net Result						16,244	16,244		16,244
<b>Comprehensive Income/(Loss) for the year</b>	-	-	-	20,282	(14)	16,244	36,512	-	36,512
Other Changes					(19)		(19)		(19)
<b>Balance at June 30th 2021</b>	125,000	(18,865)	(23,641)	16,910	260,114	16,244	375,762	-	375,762

<b>Balance at January 1st 2021</b>	125,000	(18,865)	(23,641)	31,693	260,077	28,733	402,997	-	402,997
Dividends distributed					(3,204)		(3,204)		(3,204)
Previous year result carried forward					28,733	(28,733)	-		-
Sums available to the board of directors					(74)		(74)		(74)
<b>Total operations with shareholders</b>	-	-	-	-	25,455	(28,733)	(3,278)	-	(3,278)
Change in fair value reserve				(40,226)			(40,226)		(40,226)
Change in other reserve					5,723		5,723		5,723
Net Result						8,129	8,129		8,129
<b>Comprehensive Profit/(Loss) for the year</b>	-	-	-	(40,226)	5,723	8,129	(26,374)	-	(26,374)
Other Changes					4		4		4
<b>Balance at December 31st 2021</b>	125,000	(18,865)	(23,641)	(8,533)	291,259	8,129	373,349	-	373,349

**Caltagirone Editore Group**  
**Consolidated Cash Flow Statement**



(in Euro thousands)

	<b>1st half 2022</b>	<b>1st half 2021</b>
<b>CASH AND CASH EQUIV. AT BEGINNING OF YEAR</b>	<b>66,610</b>	<b>100,496</b>
Net loss for the year	8,129	16,244
Amortisation & Depreciation	3,170	3,277
(Revaluations) and write-downs	164	271
Net financial income/(charges)	(11,217)	(8,106)
Income taxes	(858)	(8,665)
Changes in employee provisions	(383)	(479)
Changes in current and non-current provisions	(131)	(167)
<b>OPER. CASH FLOW BEFORE CHAN. IN W.CAPITAL</b>	<b>(1,124)</b>	<b>2,375</b>
(Increase) Decrease in inventories	(68)	(402)
(Increase) Decrease in Trade receivables	6,821	7,174
Increase (Decrease) in Trade payables	(2,440)	(1,435)
Change in other current and non-current liabilities	1,541	(2,002)
Change in deferred and current income taxes	190	30
<b>OPERATING CASH FLOW</b>	<b>4,920</b>	<b>5,740</b>
Dividends received	12,015	8,338
Interest paid	(297)	(259)
Other incomes received/(expenses paid)	(37)	748
Income taxes paid	(805)	(521)
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>15,796</b>	<b>14,046</b>
Investments in intangible fixed assets	(72)	(75)
Investments in tangible fixed assets	(92)	(97)
Non-current investments and securities	(63,082)	(20,605)
Sale of equity investments and non-current securities	7,531	-
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(55,715)</b>	<b>(20,777)</b>
Change in current fin. liabilities	(1,016)	(4,079)
Dividends Distributed	(3,204)	-
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(4,220)</b>	<b>(4,079)</b>
<b>Change in net liquidity</b>	<b>(44,139)</b>	<b>(10,810)</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>22,471</b>	<b>89,686</b>