

Caltagirone Editore: the Board of Directors approves the results for first half of 2023

- Revenues: Euro 55.9 million (Euro 55.8 million for first half of 2022)
- Group net result: Euro 9.2 million (Euro 8.1 million for first half of 2022)

Rome, July 26th, 2023 - The Board of Directors of Caltagirone Editore, chaired by Mrs. Azzurra Caltagirone, examined and approved the results of the first half of 2023.

Performance of operations

In the first half of the 2023 financial Group's **Revenues** amounted to Euro 55.9 million in line with the same period of 2022. Group advertising revenue increased by 8.5%. The contribution of the internet sector to the total advertising turnover, including advertising carried out on behalf of third parties, increased by 21.1% and is now 29.4% of the total advertising turnover. The Total Audience (pc or mobile) of the Group's web sites recorded, in the period January – May 2023, 4.17 million unique average daily users with an improvement by 21.5% as of the same period 2022. Revenues from the sale of paper and digital copies decreased by 7.6%.

Costs amounted to Euro 55.4 million (Euro 56.1 million as of June 30th, 2022) and decreased by 1.2% on the first half of 2022. The cost of labor decrease by 2.6% and the decrease of the other operating costs by 3.7% compensated the increase of raw materials costs due to higher prices of paper. Cost of labor include non-recurring charges for Euro 397 thousand (Euro 583 thousand as of June 30th, 2022) related to activities carried out by some companies of the Group.

EBITDA was Euro 491 thousand (Euro -212 thousand as of June 30th, 2022).

EBIT recorded a loss of Euro 2.7 million (Euro -3.9 million in the first half 2022) and includes amortizations of Euro 3.1 million (Euro 3.2 million as of June 30th 2022), provisions of Euro 52 thousand (Euro 398 thousand as of June 30th 2022) and depreciations for Euro 36 thousand (Euro 164 thousand as of June 30th 2022).

Net income from financial operations, positive for Euro 10.8 million (Euro 11.2 million in the first half of 2022) includes Euro 11.2 million of dividends received on listed shares (Euro 12 million in the first half 2022).

Group net result is positive for Euro 9.2 million. In the first half of 2022 the result was of Euro 8.1 million.

The net financial position amounts to Euro 5.5 million (Euro 58 thousand as of December 31th, 2022) and is influenced by the receipt of dividends on listed shares net of investments in listed shares and private bonds and the distribution of Euro 3.2 million dividends.

Shareholders' equity amounts to Euro 419.5 million (Euro 385.3 million as of December 31th, 2022). The increase is due to the positive effect achieved during the semester in the *fair value* valuation of the equity investments held and 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.

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.

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CALTAGIRONE EDITORE GROUP
CONSOLIDATED BALANCE SHEET



Assets

(in Euro thousands)

Non-current assets

	30.06.2023	31.12.2022
Intangible assets with definite life	441	235
Intangible assets with indefinite life	91,803	91,803
<i>Newspaper titles</i>	<i>91,803</i>	<i>91,803</i>
Property, plant and equipment	42,275	44,733
Equity investments and non-current securities	263,952	231,882
Other non-current assets	142	151
Deferred tax assets	55,015	53,215
TOTAL NON-CURRENT ASSETS	453,628	422,019

Current assets

Inventories	2,651	2,532
Trade receivables	32,105	34,246
<i>of which related parties</i>	<i>79</i>	<i>75</i>
Current financial assets	17,933	-
Tax receivables	207	20
Other current assets	1,956	2,986
Cash and cash equivalents	8,690	23,994
TOTAL CURRENT ASSETS	63,542	63,777

TOTAL ASSETS

517,170	485,796
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CALTAGIRONE EDITORE GROUP
CONSOLIDATED BALANCE SHEET



SHAREHOLDERS' EQUITY AND LIABILITIES

(in Euro thousands)

Shareholders' Equity

	30.06.2023	31.12.2022
Share capital	125,000	125,000
Share capital issue costs	(18,865)	(18,865)
Other reserves	304,188	272,128
Profit/(loss) for the year	9,213	6,996
Group shareholders' equity	419,536	385,259
TOTAL SHAREHOLDERS' EQUITY	419,536	385,259

LIABILITIES

Non-current liabilities

Employee provisions	10,466	11,318
Other non-current provisions	210	210
Non-current financial liabilities	10,456	12,126
<i>of which related parties</i>	9,195	10,688
Other non-current liabilities	1,228	1,293
Deferred tax liabilities	18,787	17,118
TOTAL NON-CURRENT LIABILITIES	41,147	42,065

Current liabilities

Current provisions	8,519	8,651
Trade payables	18,166	19,910
<i>of which related parties</i>	626	1,100
Current financial liabilities	10,664	11,810
<i>of which related parties</i>	3,183	2,954
Other current liabilities	19,138	18,101
<i>of which related parties</i>	33	22
TOTAL CURRENT LIABILITIES	56,487	58,472

TOTAL LIABILITIES

TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES

	97,634	100,537
	517,170	485,796

CALTAGIRONE EDITORE GROUP
CONSOLIDATED INCOME STATEMENT



(in Euro thousands)

	1st Half 2023	1st Half 2022
Revenues		
Revenues from sales and supply of services	53,389	53,067
<i>of which related parties</i>	111	127
Other operating revenues	2,494	2,789
<i>of which related parties</i>	23	35
TOTAL REVENUES	55,883	55,856
Costs		
Raw material costs	(5,948)	(5,003)
Personnel costs	(24,617)	(25,275)
<i>of which restructuring charges</i>	(397)	(583)
Other operating charges	(24,827)	(25,791)
<i>of which related parties</i>	(557)	(563)
TOTAL COSTS	(55,392)	(56,068)
EBITDA	491	(212)
Amortisation and depreciations	(1,207)	(1,356)
Leasing depreciations	(1,871)	(1,814)
Provisions	(52)	(398)
Other write-downs	(36)	(164)
Amortisation, depreciation, write-downs & provisions	(3,166)	(3,732)
EBIT	(2,675)	(3,944)
Financial income	11,575	12,031
Financial charges	(741)	(815)
<i>of which related parties</i>	(77)	(81)
Net financial result	10,834	11,217
PROFIT/(LOSS) BEFORE TAX	8,159	7,273
Income taxes for the period	1,054	856
PROFIT/(LOSS) FROM CONTINUING OPERATIONS	9,213	8,129
NET PROFIT/(LOSS) FOR THE YEAR	9,213	8,129
Group net loss	9,213	8,129
Minority interest share	-	-
Earnings per share/Diluted earnings per share	0.086	0.076

CALTAGIRONE EDITORE GROUP
Consolidated Comprehensive Income Statement



(in Euro thousands)

	1st Half 2023	1st Half 2022
Net loss for the year	9,213	8,129
Items which are not reclassified subsequently to profit/(loss) for the period		
Gain/Loss on disposal of investments in equity instruments, net of fiscal effect	-	5,723
Gain/(loss) from recalculation of capital instruments assets, net of fiscal effect	28,737	(40,226)
Total other items of the Comprehensive Income Statement	28,737	(34,503)
Total comprehensive loss for the year	37,950	(26,374)
Attributable to:		
Parent Company shareholders	37,950	(26,374)
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 2022	125,000	(18,865)	(23,641)	31,693	260,077	28,733	402,997	-	402,997
Previous year result carried forward					28,733	(28,733)	-	-	-
Dividends distributed					(3,204)		(3,204)	-	(3,204)
Sums available to the board of directors					(74)		(74)	-	(74)
Total operations with shareholders	-	-	-	-	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
Comprehensive Profit/(Loss) for the year	-	-	-	(40,226)	5,723	8,129	(26,374)	-	(26,374)
Other Changes					4		4	-	4
Balance at June 30th 2022	125,000	(18,865)	(23,641)	(8,533)	291,259	8,129	373,349	-	373,349
Balance at January 1st 2023	125,000	(18,865)	(23,641)	5,387	290,382	6,996	385,259	-	385,259
Previous year result carried forward					6,996	(6,996)	-	-	-
Dividends distributed					(3,204)		(3,204)	-	(3,204)
Amount set aside to BoD					(411)		(411)	-	(411)
Total operations with shareholders	-	-	-	-	3,381	(6,996)	(3,615)	-	(3,615)
Change in fair value reserve				28,737			28,737	-	28,737
Net Result						9,213	9,213	-	9,213
Comprehensive Profit/(Loss) for the year	-	-	-	28,737	-	9,213	37,950	-	37,950
Other Changes					(58)		(58)	-	(58)
Balance at June 30th 2023	125,000	(18,865)	(23,641)	34,124	293,705	9,213	419,536	-	419,536

Caltagirone Editore Group
Consolidated Cash Flow Statement



(in Euro thousands)

	1st Half 2023	1st Half 2022
CASH AND CASH EQUIV. AT BEGINNING OF YEAR	23,994	66,610
Net loss for the year	9,213	8,129
Amortisation & Depreciation	3,078	3,170
(Revaluations) and write-downs	37	164
Net financial income/(charges)	(10,836)	(11,217)
Income taxes	(1,054)	(856)
Changes in employee provisions	(958)	(383)
Changes in current and non-current provisions	(131)	(131)
OPER. CASH FLOW BEFORE CHAN. IN W.CAPITAL	(651)	(1,124)
(Increase) Decrease in inventories	(119)	(68)
(Increase) Decrease in Trade receivables	2,105	6,821
Increase (Decrease) in Trade payables	(1,744)	(2,440)
Change in other current and non-current liabilities	1,503	1,541
Change in deferred and current income taxes	(562)	190
OPERATING CASH FLOW	532	4,920
Dividends received	11,176	12,015
Interest received	189	-
Interest paid	(421)	(297)
Other incomes received/(expenses paid)	(30)	(37)
Income taxes paid	(194)	(805)
A) CASH FLOW FROM OPERATING ACTIVITIES	11,252	15,796
Investments in intangible fixed assets	(263)	(72)
Investments in tangible fixed assets	(164)	(92)
Non-current investments and securities	(10,102)	(63,082)
Sale of equity investments and non-current securities	-	7,531
Change in current fin. assets	(9,829)	-
B) CASH FLOW FROM INVESTING ACTIVITIES	(20,358)	(55,715)
Change in current fin. liabilities	(2,995)	(1,016)
Dividends Distributed	(3,204)	(3,204)
C) CASH FLOW FROM FINANCING ACTIVITIES	(6,199)	(4,220)
D) Effect exc. diffs. on cash & cash equivalents	-	-
Change in net liquidity	(15,305)	(44,139)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	8,689	22,471