CALTAGIRONE EDITORE

2024 ANNUAL REPORT
TWENTY-FIFTH FISCAL YEAR

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2024 ANNUAL REPORT | TWENTY-FIFTH FISCAL YEAR

CALTAGIRONE EDITORE SPA

Head office Via Barberini, 28 - 00187 Rome (Italy)
Share capital Euro 125,000,000
Internal Revenue Code and VAT n. 05897851001
Registered with the C.C.I.A.A. of Rome REG 935017

SHAREHOLDERS' MEETING OF APRIL 16TH 2025

AGENDA

1. Presentation of the Separate and Consolidated Financial Statements for the year ended December 31st 2024, together with the Directors' Report, Board of Statutory Auditors' Report and the Independent Auditors' Report; resolutions thereon;

2. Remuneration Policy and Report; resolutions thereon;

3. The dismissal for just cause of top management (Chairperson and ViceChairpersons of Caltagirone Editore SpA);

4. Partial allocation to shareholders of shares in portfolio through an extraordinary dividend of Euro 1.00.

CORPORATE BOARDS

Board of Directors
for the 2024-2026 three-year period

CHAIRPERSON

Azzurra Caltagirone

VICE CHAIRPERSON

Alessandro Caltagirone
Francesco Caltagirone

DIRECTORS

Federica Barbaro *
Tatiana Caltagirone
Fabrizio Caprara
Massimo Confortini *
Francesco Gianni *
Annamaria Malato *
Pierpaolo Mori
Valeria Ninfadoro *

Board of Statutory Auditors
for the 2024-2026 three-year period

CHAIRPERSON

Giuseppe Melis

STATUTORY AUDITORS

Antonio Staffa
Dorina Casadei

Executive Officer for Financial Reporting

Luigi Vasta

Independent Audit Firm

KPMG SpA

* Independent Directors

DELEGATED POWERS

In accordance with Consob recommendation No. 97001574 of February 20th 1997 the nature of the powers delegated to the members of the Board of Directors are reported below.

Chairperson

The Chairperson has the power to undertake, with single signature, all acts of ordinary and extraordinary administration, with the exception of those reserved to the Shareholders' Meeting and to the Board of Directors.

Vice Chairpersons

The Vice Chairpersons are granted separately the same powers as the Chairperson, to be exercised only in the case of the declared impediment of the Chairperson.

CONTENTS

DIRECTOR'S REPORT ON THE GROUP RESULTS FOR THE YEAR ENDED DECEMBER 31ST 2024

INTRODUCTION

The present Directors' Report refers to the Consolidated and Separate Financial Statements of Caltagirone Editore SpA (hereafter also "the Group") at December 31st 2024, prepared in accordance with International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and of the Standing Interpretations Committee (SIC), approved by the European Commission (hereinafter "IFRS").
The present Report should be read together with the Consolidated and Separate Financial Statements and the relative Notes, which constitute the Annual Accounts for 2024.

HIGHLIGHTS

The table below illustrates the key consolidated financial results for the year 2024 compared to the previous year.

	31.12.2024	31.12.2023	cge.	cge.%
OPERATING REVENUES	**112,002**	**116,465**	**(4,463)**	**(3.8%)**
Circulation Revenues	39,340	42,444	(3,104)	(7.3%)
Advertising Revenues	58,234	61,918	(3,684)	(5.9%)
Revenues from Services	1,535	1,484	51	3.4%
Other Circulation Revenues	3,110	2,806	304	10.9%
Other Revenues and Income	9,783	7,813	1,970	25.2%
OPERATING COSTS	**(111,218)**	**(110,897)**	**(320)**	**(0.3%)**
Raw Materials, Supplies & Consumables	(9,214)	(11,177)	1,963	17.6%
Labour Costs	(49,916)	(48,292)	(1,624)	(3.4%)
Other Operating Costs	(52,088)	(51,428)	(659)	(1.3%)
EBITDA	**784**	**5,568**	**(4,783)**	**(85.9%)**
Amortisation, Depreciation, Write-Downs & Provisions	(22,267)	(7,181)	(15,086)	(210.1%)
EBIT	**(21,483)**	**(1,613)**	**(19,869)**	**n.a.**
Financial Income	24,177	18,437	5,740	31.1%
Financial Charges	(2,342)	(1,690)	(652)	(38.6%)
NET FINANCIAL INCOME/(CHARGES)	**21,835**	**16,747**	**5,088**	**30.4%**
PROFIT BEFORE TAXES	**352**	**15,134**	**(14,781)**	**(97.7%)**
Income Taxes	7,839	1,097	6,742	614.6%
PROFIT FOR THE YEAR	**8,191**	**16,231**	**(8,039)**	**(49.5%)**
GROUP NET PROFIT	**8,191**	**16,231**	**(8,039)**	**(49.5%)**

Euro thousands

The Group reports for 2024 Operating Revenues of Euro 112 million, down 3.8% on Euro 116.5 million in 2023, mainly due to the decrease in circulation and advertising revenues, partially offset by the growth in other revenues and income. 2024 was affected by the government's blocking of the amendment to the "*Milleproroghe*" (the annual decree extending the life of various government measures) that would have extended to the end of 2024 the requirement for contracting authorities to publish abstracts of tender notices in newspapers.
Raw material costs decreased 17.6%, due to the lower quantities utilised in the production process and to the reduced cost of paper.
Labor costs increased by 3.4%, due to the reorganisation and strengthening of the marketing area initiated by the Group's advertising agency to focus on defining and implementing new strategy development plans in order to make the Group more productive and proactive.

Other operating costs of Euro 52.1 million were slightly up from Euro 51.4 million in 2023.
EBITDA in 2024 reports a profit of Euro 784 thousand (Euro 5.6 million in 2023).
EBIT reports a loss of Euro 21.5 million (loss of Euro 1.6 million in 2023) and includes write-downs on indefinite intangible assets for Euro 15 million (no write-downs in 2023), depreciation and amortisation for Euro 6.5 million (Euro 6.4 million in 2023), provisions for risks for Euro 291 thousand (Euro 623 thousand in 2023) and doubtful debts for Euro 437 thousand (Euro 138 thousand in 2023).
Net Financial Income amounts to Euro 21.8 million, an increase of 30.4% on 2023 (Euro 16.7 million); this mainly includes dividends on listed shares collected in the year of Euro 18.9 million (Euro 17.2 million in 2023) and income from bonds and government securities of Euro 2.7 million (Euro 753 thousand in 2023).
The Caltagirone Editore Group reports for 2024 a net profit of Euro 8.2 million (Euro 16.2 million in 2023).

NET FINANCIAL POSITION

The Group Net Financial Position at December 31st 2024 is as follows:

	31.12.2024	31.12.2023
Current financial assets	19,833	18,162
Cash and cash equivalents	3,966	16,041
Non-current financial lease liabilities	(8,624)	(9,606)
Current financial lease liabilities	(3,958)	(3,751)
Current financial liabilities to banks	(13,936)	(7,614)
Other current financial liabilities	-	(535)
Net Financial Position*	**(2,718)**	**12,698**

Euro thousands

* *The Net Financial Position in accordance with Consob Communication DEM 6064293 of July 28th 2006, updated on the basis of the Call to attention No. 5/21 of April 29th 2023, is illustrated at Note 10 of the Notes to the Consolidated Financial Statements*

The net financial debt amounted to Euro 2.7 million, a decrease of Euro 15.4 million on December 31st 2023 (cash of Euro 12.7 million), mainly due to investments in listed shares and Italian government bonds of Euro 25.6 million and the dividends distributed of Euro 4.3 million, net of dividends received on listed shares of Euro 18.9 million.

SHAREHOLDERS' EQUITY

Group shareholders' equity amounted to Euro 526.8 million (Euro 435.4 million at December 31st 2023); the increase principally concerns the profit for the year and the fair value measurement of shares held by the Group.

The balance sheet and income statement ratios are provided below:

	2024	2023
ROE* *(Net Result/Net Equity)***	1.55	3.73
ROI* *(EBIT/total assets)***	(3.37)	(0.30)
ROS* *(EBIT/Operating Revenues)***	(19.18)	(1.39)
Equity Ratio *(Net equity/total assets)*	0.83	0.81
Liquidity Ratio *(Current assets/Current liabilities)*	1.07	1.27
Capital Invested Ratio *(Net equity/Non-current assets)*	0.94	0.95

** Percentage values*

*** For definitions of "Net Result", "Operating Revenues" and "EBIT", reference should be made to the income statement attached to the present report*

The balance sheet indicators confirm the Group's financial equilibrium, with strong stability, the capacity to meet short-term commitments through liquid funds and finally equilibrium between own funds and fixed assets.
The operating ratios (positive ROE, negative ROI and ROS), reflects the decrease in operating profitability, as previously described.

GROUP OPERATING PERFORMANCE

PUBLISHING

Revenues from Group title paper edition sales in 2024 contracted by 8.6% on 2023 and by 7.3% including digital subscription and sales.
The latest available circulation data indicates a reduction of 6.49%[1] in paper and digital copies sold in the January-December 2024 period compared with 2023.

ADVERTISING

Group advertising revenues in 2024 were down 5.9% on 2023.
Paper edition advertising revenues, including also third party advertising net of the cost of space acquired, contracted 13.8% on 2023.
Internet advertising, including also third party advertising net of the cost of space acquired, increased 6.2% on 2023. The contribution of this segment to overall advertising revenues was 34.6%.
Advertising in other media (Radio and Magazines), net of the share to the respective publishers, increased from Euro 1.6 million to Euro 2.4 million. The increase is mainly due to an increase in scope due to new concessions activated during the year.
The market in the January - December 2024 period contracted 8.7%[2] for print newspaper advertising, while internet advertising rose 1%[3].

1. ADS figures (Newspaper Sales Figures) Total Paid Subscriptions Italy as defined in applicable Regulation (January-December 2024 vs January-December 2023).
2. FCP Assoquotidiani research institute figures - December 2024 compared with 2023.
3. FCP Assointernet research institute figures - December 2024 compared with 2023.

In terms of web presence, the Caltagirone Editore network websites to December 2024 reported 4.054 million unique average daily users Total Audience (PC and mobile)[4], up 2% on the previous year.

RISK MANAGEMENT

The activities of Caltagirone Editore and its subsidiaries are subject to various financial risks: market risks (raw materials prices and movements in listed share prices), credit risk, interest rate risk, liquidity risk and environmental and safety risks. The management of financial risks is undertaken through organisational directives which govern the management of these risks and the control of all operations which have importance in the composition of the financial and/or commercial assets and liabilities.

Market risk (price of raw materials-paper)
The Group is exposed to fluctuations in the price of paper - the principal raw material; this risk is managed through supply contracts with foreign companies with fixed prices and quantities for a maximum period of 6 months, and through procurement from suppliers based in different geographic areas in order to avoid the risks related to an excessive concentration of suppliers and to obtain the most competitively priced supplies.

Risks concerning the price of investments in equity instruments
In relation to the risk of changes in the fair value of the equity instruments, the Group monitors the changes of share prices and for this reason constantly records the movements in the listed shares in portfolio. Based on this data, the investment and divestment policies of the Group are defined with the objective to optimise medium and long-term cash flows, also considering the distribution of dividends from the shares in portfolio.

Credit risk
Receivables principally are of a commercial nature. In general, they are recorded net of any write-downs, calculated on the basis of the risk of non-fulfilment by the counterparty, determined considering the information available on the clients' solvency and historical insolvency data in relation to the varying expiry dates of receivables. Historically, there are no significant situations which are particularly problematic in relation to the solvency of the clients, as the policy of the Group is only to sell to clients after a prudent evaluation of their credit capacity and therefore within the established credit limits. Finally, no significant debtor positions were recorded which would equate to an excessive concentration of credit. On this basis, the credit risk to which the Group is exposed can be considered limited.

4. Audicom Total Audience average day data: average data January-December 2024 (including TALs).

Interest rate risk

The interest rate risk principally relates to an uncontrolled increase of the charges deriving from variable interest rates on medium/long-term loans. The Group currently does not have medium/long-term loans with credit institutions, while having an insignificant exposure to short-term debt interest rate risk.

Liquidity risk

Liquidity risk is linked to the difficulty in obtaining funds to cover commitments at a given moment. The Caltagirone Editore Group possesses liquidity and this risk is therefore not considered significant for the Group.

Environment and security risk

The Caltagirone Editore Group is constantly seeking out solutions to reduce energy consumption. In recent years, re-lamping actions have been carried out in the Group's various locations, but particularly at the production plant, through the replacement of light sources with low-consumption solutions (LEDs) and the adoption of automatic shut-off solutions (motion sensors), while programmes to rationalise the use of various utilities have also been initiated.
Existing regulations and laws are rigorously applied to workplace health and security and hence govern this area of risk.

Cybersecurity risks (Cybersecurity)

Cybersecurity is undoubtedly one of the greatest risks in recent times, particularly in the areas of cyber security & data privacy. Indeed, the increasing use of information systems increases the Company's and Group's exposure to different types of risks related to information security. The most significant is the risk of cyber attack, which is a threat for the Group. The risk is potential data leaks with possible significant impacts on privacy management, possible business disruptions, and consequent reputational damage. The Group is implementing progressive upgrading of IT infrastructure, strengthening of protection systems, constant updating of internal procedures, and continuous staff training to strengthen the corporate culture on issues in cyber security.

GOING CONCERN

There are no issues regarding the Company's going concern status as, also based on the guidance contained in the new "Business Crisis and Insolvency Code", the Company has adequate own funds and lines of credit and does not present any uncertainties that would jeopardize its ability to undertake operations.

RELATED PARTY TRANSACTIONS

"Related" party transactions, as set out in IAS 24, including inter-company transactions, are not atypical or unusual and form part of the ordinary business activities of the companies of the Group. They are regulated at market conditions and take account of the characteristics of the goods and services provided and in the interest of the Group.
The Parent Company in the period did not carry out significant transactions nor significant levels of ordinary transactions requiring communication to the Supervisory Authority under the Consob Regulation concerning transactions with related parties adopted with Resolution No. 17221 of March 12th 2010.

The information on transactions with related parties, including those required by Consob Communication of July 28th 2006, are shown in the Notes to the consolidated and separate financial statements.

OTHER INFORMATION

During the year, the Companies of the Caltagirone Group did not carry out any research and development activity.

At December 31st 2024, there were 577 employees (576 at December 31st 2023), with an average number in 2024 of 576 (577 in 2023).

For segment information on the costs, revenues and investments, reference should be made to the Notes to the consolidated financial statements.

The reconciliation of the shareholders' equity and net profit of the Group and of the Parent Company as per Consob Communication No. 6064293 of 28/07/2006 is attached to the present report.

OUTLOOK

The Group has maintained the initiatives targeting the growth of multi-media editions and an improved internet presence in order to expand new advertising streams and acquire new readers.

The Group will also continue to implement measures to limit all discretionary costs and to reduce direct and operative overheads.

PARENT COMPANY OVERVIEW

For 2024 Caltagirone Editore SpA reports financial income of Euro 71.7 million and financial charges of Euro 30 million, with a net profit of Euro 40.2 million, as shown in the following table which compares the key financial results with the previous year, reclassified in accordance with Consob Communication No. 94001437 of February 23rd 1994:

	2024	**2023**
Dividends from other companies	3,648	3,306
Dividends from subsidiaries	65,591	-
Write-down of investments in subsidiaries and associates	2,362	3,704
Other financial income	68	224
Total financial income	**71,669**	**7,234**
Interest and financial charges from subsidiaries and associates	(1,487)	(1,379)
Interest and financial charges from third parties	(11)	(11)
Write-down of investments in subsidiaries	(28,530)	(776)
Total financial charges	**(30,028)**	**(2,166)**
NET FINANCIAL INCOME/(CHARGES)	**41,641**	**5,068**
Result from operating activities	(1,948)	(1,727)
PROFIT BEFORE TAXES	**39,693**	**3,341**
Income taxes	476	636
PROFIT FOR THE YEAR	**40,169**	**3,977**

Euro thousands

The dividends from other companies relate to those received on listed shares.

Write-downs of investments in subsidiaries, amounting to Euro 28.5 million, refer to the adjustment of the carrying amount to Shareholders' Equity for any capital gains; it should be noted that the subsidiaries distributed Euro 65.6 million in dividends to the parent company during the year, including Euro 41 million from capital reserves.

The shareholders' equity of the Company at December 31st 2024 was Euro 434.1 million (Euro 375.3 million at December 31st 2023). The increase is mainly attributable to the result for the year and the positive fair value measurement of the Company's equity investments in listed issuers.

NET FINANCIAL POSITION

The net financial position is as follows:

	31.12.2024	31.12.2023
Current financial assets	47,334	17,511
Cash and cash equivalents	68	181
Non-current financial liabilities	(969)	(1,197)
Current financial liabilities	(21,734)	(53,978)
Net Financial Position*	**24,698**	**(37,483)**

Euro thousands

* *The Net Financial Position in accordance with Consob Communication DEM 6064293 of July 28th 2006, updated on the basis of the Call to attention No. 5/21 of April 29th 2021, is illustrated at Note 8 of the Notes to the Consolidated Financial Statements*

The net financial position at December 31st 2024 was a cash position of Euro 24.7 million (debt of Euro 37.5 million Euro at December 31st 2023); the improvement of Euro 62.2 million is mainly attributable to the receipt of dividends from subsidiaries and listed shares, net of dividend distribution and negative operating cash flow.

PRINCIPAL EQUITY INVESTMENTS

The key results of the subsidiary companies are reported below.

IL MESSAGGERO SPA

The Company publishes the daily newspaper Il Messaggero, founded in 1878 and the historic daily newspaper of the Capital. Il Messaggero is the leading daily newspaper in the Central Italian Region.

The Company in 2024 reports a net loss of Euro 4.5 million (net loss of Euro 2.3 million in 2023), against Operating Revenues of Euro 46 million, down 7.3% on Euro 49.6 million in 2023. EBITDA was a loss of Euro 843 thousand (EBITDA profit of Euro 1.2 million in 2023).

IL MATTINO SPA

The Company publishes Il Mattino, the daily newspaper of Naples and since 1892 the leading newspaper in Campania and the most popular newspaper in Southern Italy, thanks to its long tradition and extensive regional reach.

Il Mattino SpA in 2024 reported a Net Loss of Euro 1.7 million (Net Loss of Euro 1.4 million in 2023), against Operating Revenues of Euro 15.1 million compared to Euro 14.6 million in 2023 (-3.3%). EBITDA was a loss of Euro 513 thousand (loss of Euro 534 thousand in 2023).

IL GAZZETTINO SPA

The Company publishes the daily newspaper Il Gazzettino, founded in 1887 and the historic newspaper of Venice. Il Gazzettino is among the leading 10 daily newspapers in Italy in terms of circulation and the largest newspaper in the North-East. Entering the Caltagirone Editore Group in 2006, as is the case for the other Group newspapers -it is available also in an online and digital edition.

Il Gazzettino SpA in 2024 reported a Net Profit of Euro 12.1 million, mainly due to dividends received from subsidiaries for Euro 14 million (Net Profit of Euro 150

thousand in 2023), against Operating Revenues of Euro 23.2 million, down 3.7% compared to Euro 24.1 million in 2023.
EBITDA reports a loss of Euro 172 thousand (loss of Euro 60 thousand in 2023).

LEGGO SRL

The Company publishes the free newspaper Leggo. Founded in March 2001, Leggo is the leading free newspaper in Italy.
In 2024, the Company reported a net profit of Euro 329 thousand (Euro 412 thousand in 2023), against Operating Revenues from advertising sales of Euro 3.1 million, in line with 2023.
EBITDA amounted to Euro 228 thousand (Euro 314 thousand in 2023).

CORRIERE ADRIATICO SRL

The Company publishes the newspaper Corriere Adriatico which, founded in 1860, occupies a dominant position in the Le Marche region. Il Corriere Adriatico joined the Group in 2004.
In 2024, Corriere Adriatico Srl reported a Net Profit of Euro 82 thousand (Net Profit of Euro 383 thousand in 2023). EBITDA amounted to Euro 51 thousand (Euro 208 thousand in 2023).

QUOTIDIANO DI PUGLIA SRL

The Company publishes Il Nuovo Quotidiano di Puglia, founded in 1979 and the most widely read newspaper in the Ionico Salentina region.
In 2024, Quotidiano di Puglia Srl, publisher of the newspaper of the same name distributed in the provinces of Lecce, Brindisi, Taranto and Bari, returned Operating Revenues of Euro 4.3 million, up on Euro 4.2 million in 2023 (+2%), and a net profit of Euro 845 thousand (net profit of Euro 514 thousand in 2023), mainly due to dividends on listed shares.

PIEMME SPA

Piemme, founded in 1988, is the Group advertising agency with a portfolio comprising: Daily newspapers, each of which the undisputed leader in their respective regions, the Social Press, a modern social platform which everyday involves readers and web users, and online news websites and from March 2015 Piemme has also undertaken the local advertising on behalf of the RCS Group newspapers. Piemme is the leader on the central-south market.
Gross advertising revenue in 2024 was Euro 69.4 million, up 6.3% from Euro 65.3 million in 2023. Advertising sales, net of the cost of purchasing advertising space on third-party publishers' titles, amounted to Euro 53.3 million, down on Euro 57.1 million in 2023 (-6.7%). The EBITDA loss was Euro 2.1 million (loss of Euro 724 thousand in 2023).
The Company in 2024 reported a net profit of Euro 2.4 million (net loss of Euro 776 thousand in 2023).

OTHER INVESTMENTS

Finced Srl, a Group finance company, in 2024 reported a Net Profit of Euro 14.1 million (Net Profit of Euro 11.3 million in 2023), principally due to the receipt of dividends on listed shares.
For information relating to the market trends and performances of the principal subsidiaries and the business strategies, reference should be made to the Directors' Report.

RELATED PARTY TRANSACTIONS

For the transactions between the Companies of Caltagirone Editore SpA and other related parties, reference should be made to the Notes to the Separate Financial Statements and the Directors' Report of the Consolidated Financial Statements.

TREASURY SHARES

At December 31st 2024 Caltagirone Editore SpA had 18,209,738 treasury shares in portfolio, comprising 14.57% of the share capital for a value of Euro 23,640,924.

CORPORATE GOVERNANCE

The Shareholders' Meeting of April 19th 2024 appointed the new Board of Directors for the 2024 -2026 three-year period, comprising 11 members, to remain in office until the approval of the 2026 Annual Accounts. The following directors were elected from the slate presented by Parted 1982 Srl: Alessandro Caltagirone, Azzurra Caltagirone, Francesco Caltagirone, Tatiana Caltagirone, Federica Barbaro, Massimo Confortini, Fabrizio Caprara, Francesco Gianni, Annamaria Malato and Valeria Ninfadoro. Pierpaolo Mori was elected from the minority slate submitted by the Shareholder Michele Bacciardi on his own behalf, and on behalf of the shareholders Pierpaolo Mori, Moreno Giacomelli, Tito Populin and Claudio Varaldi.
The same Shareholders' Meeting appointed the Board of Statutory Auditors for the 2024-2026 three-year period which will remain in office until the approval of the 2026 Annual Accounts The following were elected from the slate presented by Parted 1982 Srl: Antonio Staffa and Dorina Casadei as Statutory Auditors, Fabiana Flamini and Gerardo Pennasilico as Alternate Auditors. Moreno Giacomelli, who assumed the role of Chairperson of the Board of Statutory Auditors, was elected from the minority slate submitted by the Shareholder Michele Bacciardi on his own behalf, and on behalf of the shareholders Pierpaolo Mori, Moreno Giacomelli, Tito Populin and Claudio Varaldi.
On April 30th 2024 the Board of Directors appointed Azzurra Caltagirone as Chairperson and Alessandro Caltagirone and Alessandro Caltagirone as Vice Chairs. The Board thereafter appointed, for the 2024 - 2026 three-year period, the members of the Control and Risks Committee as Directors Massimo Confortini (Chairperson), Tatiana Caltagirone, Federica Barbaro, Fabrizio Caprara and Valeria Ninfadoro, and the members of the Independent Directors Committee to assess related party transactions as Directors Francesco Gianni, Federica Barbaro, Massimo Confortini, Annamaria Malato, Valeria Ninfadoro and Pierpaolo Mori. The same Board meeting confirmed for 2024 the Executive Officer for Financial Reporting of the Company as Luigi Vasta.
The Board of Directors' meeting of May 17th 2024, called to express its opinion on the independence of the management and control bodies, declared, also on the basis of legal opinions provided by external professionals, the non-independence of

the Director Mr. Pierpaolo Mori and the lapsing of such for the Chairperson of the Board of Statutory Auditors Mr. Moreno Giacomelli, given the existence of relationships of a financial nature connected to the shareholdings held by them in the Company's capital such as to compromise their independence pursuant to Article 148, paragraph 3, letter C) of the CFA. As a result, Director Mori was excluded from the Related Party Transactions Committee.

The Shareholders' Meeting of June 21st 2024, on the proposal of the shareholder Parted 1982 Srl, appointed Mr. Giuseppe Melis as Statutory Auditor and Chairperson of the Board of Statutory Auditors, whose mandate shall conclude, together with the other members of the Board of Statutory Auditors, with the Shareholders' Meeting called to approve the 2026 Annual Accounts.

For further information on the Corporate Governance system of Caltagirone Editore SpA and the shareholders, pursuant to Article 123 bis of the Consolidated Finance Act, reference should be made to the "Annual Corporate Governance and Ownership Structure Report", prepared in accordance with the indications and recommendations of Borsa Italiana SpA and published in accordance with Article 89 of the Issuers' Regulations and available on the company website *https://www.caltagironeeditore.com/en/governance-eng/shareholders-meetings/*

OTHER INFORMATION

Caltagirone Editore SpA ensures the protection of personal data in accordance with current legislative provisions.

The Remuneration Report was made available at the registered offices and on the internet site of the company *https://www.caltagironeeditore.com/en/governance-eng/shareholders-meetings/* as required by Article 123 ter of the CFA, which reports the information concerning the policy adopted by the company for the remuneration of members of the management and control boards, the remuneration paid to the members of these boards and the information on investments held by these parties.

The Parent Company did not undertake research and development activity in the year and does not have any secondary offices.

At December 31st 2024, the company had 2 employees (unchanged on the previous year).

The parent company is not subject to management and co-ordination in accordance with the applicable regulation, as its management body has full decision-making autonomy.

The reconciliation of the shareholders' equity and net profit of the Group and of the Parent Company as per Consob Communication No. 6064293 of 28/07/2006 is attached to the present report.

SUBSEQUENT EVENTS

No significant subsequent events took place.

PROPOSALS TO THE SHAREHOLDERS' MEETING

Dear Shareholders,
we propose to you the approval of the Financial Statements at December 31st 2024, consisting of the Balance Sheet, Income Statement, Comprehensive Income Statement, Statement of Changes in Shareholders' Equity and the Cash Flow Statement, as well as the relative attachments and the Directors' Report.
As the Legal Reserve has reached the limit of one-fifth of the Share Capital as per Article 2430 of the Civil Code, the Board of Directors proposes to the Shareholders' Meeting to allocate the net profit for the year of the Parent Company Caltagirone Editore SpA of Euro 40,169,130 as follows:

- Euro 803,382.60 as 2% available to the Board of Directors in accordance with Article 25 of the company's By-Laws;
- Euro 4,271,610.48 as the total dividend, corresponding to Euro 0.04 for each of the 106,790,262 ordinary shares currently in circulation, taking into account the treasury shares in portfolio, currently numbering 18,209,738;
- Euro 35,094,136.92 Euro to retained earnings.

The Board finally proposes May 19th 2025 for the allocation of the dividend coupon, based on the record date of May 20th 2025, for the granting of profit distribution rights and the establishment of the dividend payment date, net of withholding taxes where applicable, as from May 21st 2025 by the intermediaries appointed through the Sistema di Gestione Accentrata Monte Titoli SpA.

Rome, March 12th 2025

For the Board of Directors

The Chairperson
Ms. Azzurra Caltagirone

ATTACHMENTS

RECONCILIATION BETWEEN THE NET RESULT AND THE NET EQUITY OF THE PARENT COMPANY AND THE CONSOLIDATED NET RESULT AND NET EQUITY 31.12.2023

	Net Result	Net Equity
Net Result and Net Equity for the year as per financial statements of the parent company	**3,976**	**375,309**
Contribution of subsidiary and associated companies	10,326	(12,492)
Adjustment to the international accounting standards IFRS/IAS	1,928	72,557
NET RESULT AND NET EQUITY AS PER THE CONSOLIDATED FINANCIAL STATEMENTS	**16,231**	**435,373**

Euro thousands

RECONCILIATION BETWEEN THE NET RESULT AND THE NET EQUITY OF THE PARENT COMPANY AND THE CONSOLIDATED NET RESULT AND NET EQUITY 31.12.2024

	Net Result	Net Equity
Net Result and Net Equity for the year as per financial statements of the parent company	**40,169**	**434,137**
Contribution of subsidiary and associated companies	57,367	(34,747)
Adjustment to the international accounting standards IFRS/IAS	(9,722)	127,379
Elimination of inter-company dividends	(79,623)	-
NET RESULT AND NET EQUITY AS PER THE CONSOLIDATED FINANCIAL STATEMENTS	**8,191**	**526,769**

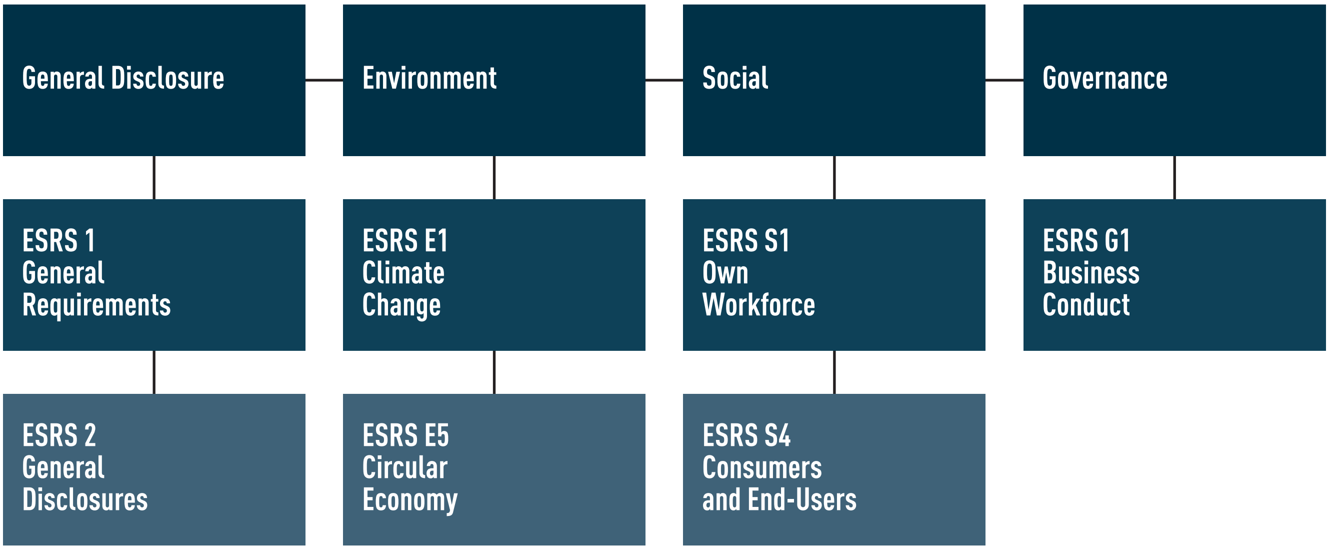
Euro thousands

CONSOLIDATED SUSTAINABILITY STATEMENT

The **Corporate Sustainability Reporting Directive (CSRD)** is the regulatory framework established by the European Union to improve and standardise sustainability reporting by companies, effective from fiscal year 2024.
In recent years, the Caltagirone Editore Group has embarked on a path of growth and consolidation in the sustainability reporting process, with the aim of ensuring increasingly structured, transparent and reliable communication. This process, which until last year saw the Group contribute metrics attributable to it to the consolidated reporting of the Caltagirone Group pursuant to Legislative Decree No. 254/2016, as of this year will be carried out with the publication of a Sustainability Statement of the Caltagirone Editore Group alone as required by Legislative Decree No. 125/2024 (Decree transposing Directive 2022/2464 known as CSRD).
The Group's approach to CSRD has made it possible to optimise and develop the processes of the administrative bodies of the different entities, strengthening the understanding of ESG (environmental, social and governance) issues, which are essential for value creation in the short, medium and long term.
This approach required extensive involvement of all business functions of Group companies to ensure effective data collection and strategic integration of sustainability information. In compliance with the provisions of the CSRD Directive, specific reporting standards - the European Sustainability Reporting Standards, ESRS - have been adopted that cover a wide range of sustainability issues, ensuring consistency and comparability across companies and sectors.
Central to the Sustainability Statement and ESRS standards is the **Double Materiality Analysis**, which requires identifying the sustainability issues most relevant to an organisation's business and its value chain and assessing their impacts, risks and opportunities (IROs). Indeed, this approach provides a better understanding of the effects of activities on the environment and society, the risks associated with sustainability issues and the opportunities arising from responsible initiatives.
For the purposes, therefore, of this Sustainability Statement, following the **Double Materiality** analysis process, the following ESRS topics have been identified as relevant ESG issues:

- **General disclosures**
- **Climate Change**
- **Resource use and circular economy**
- **Own workforce**
- **Consumers and end-users**
- **Business Conduct**

Below, in graphic form, are the specific disclosures broken down by scope that will be reported in this Statement:



GENERAL DISCLOSURE

BP-1; BP-2

The Caltagirone Editore Group Sustainability Statement has been prepared on a consolidated basis and **includes data from the parent company and its fully consolidated subsidiaries.** In particular, it is reported that the scope of companies included in the consolidation scope **coincides with that of the consolidated financial statements as of December 31st, 2024**.

The Caltagirone Editore Group

Caltagirone Editore is one of Italy's leading publishing groups, active in newspaper publishing, digital information and advertising.
The Group operates through national and local newspapers, reaching a wide base of readers and advertisers, ensuring wide-reaching and consistent dissemination of information to its readers.
Group companies have embarked on a path of integrating ESG principles into their business model, with the aim of improving the sustainability of their activities and meeting the growing expectations of their stakeholders. Specifically, the sustainability strategy consists of the following areas:

- **Environmental:** Constant pursuit of energy efficiency in publishing activities and reduction of environmental footprint.
- **Social:** Promotion of quality information, protection of press freedom and enhancement of human resources.
- **Governance:** Adoption of policies of transparency and responsible management of the company.

Time horizons

This Sustainability Statement covers the reporting period January 1st, 2024 - December 31st, 2024, is prepared annually, and the period coincides with that of the Caltagirone Group's Consolidated Financial Report.

The time horizons considered in the reporting **are defined by ESRS 1 and match those of the consolidated financial statements:**

- **Short term**: reporting period of one year;
- **Medium-term**: period of one to five years;
- **Long term:** period longer than five years.

Data Restatement

Where adjustments or restatements of data reported in the previous year are necessary, these are clearly indicated and justified within the Sustainability Statement. Reasons may include:

- **Material errors identified in previous data;**
- **Changes in measurement and reporting criteria;**
- **Methodological adjustments to improve accuracy and comparability of reporting.**

It is emphasised that, for the purposes of this Statement, no adjustment or restatement was necessary.

External Assurance and Verification

The Sustainability Statement is subject to a limited audit (limited assurance) by KPMG SpA The audit also includes information and data related to the EU Taxonomy, in accordance with Article 8 of Regulation (EU) 2020/852.

Use of Estimates and Uncertainty

In some cases, the determination of the values contained in the Sustainability Statement is based on estimates, carried out in accordance with the relevant reporting standards. These estimates have been clearly highlighted in the document, with the relative degree of uncertainty indicated.

In particular, in reporting **GHG Scope 3 Emissions**[5] for the first time, the Group used different estimation methodologies, all of which are allowed by the standard, to ensure the increasing level of detail and accuracy. For the purpose of maximum transparency, whenever the figure is an estimate, the specific methodology will be footnoted.

GOVERNANCE OF THE SUSTAINABILITY STATEMENT

GOV-1

Structure and composition of the administration body

Caltagirone Editore SpA, while guaranteeing maximum transparency towards the market, has not deemed it necessary to formally adopt the Corporate Governance Code for Listed Companies, approved by the Corporate Governance Committee and promoted by Borsa Italiana SpA, in accordance, moreover, with the optional nature of the Code considering also its nature as mere holding company of shareholdings and its essential structure for managing them.

5. GHG Scope 3 Emissions include all indirect emissions that occur in an organisation's value chain.

In accordance **with Article 14 of the By-Laws**, Caltagirone Editore SpA is administered by a **Board of Directors consisting of a minimum of 3 and a maximum of 15 members**, elected by the Shareholders' Meeting. Directors hold office for a maximum period of three financial years and their term expires on the date of the Shareholders' Meeting called to approve the financial statements for the last financial year of their mandate[6]. The Shareholders' Meeting of April 19th, 2024 set the number of Board of Directors members at **11**.

GOVERNANCE	
BOARD OF STATUTORY AUDITORS	**BOARD OF DIRECTORS**
Chairperson **Melis Giuseppe**	Chairperson **Caltagirone Azzurra**
Statutory Auditors **Staffa Antonio** **Casadei Dorina**	Vice-Chairperson **Caltagirone Alessandro** **Caltagirone Francesco**
Alternate Auditors **Flamini Fabiana** **Pennasilico Gerardo**	Directors **Ninfadoro Valeria** **Caltagirone Tatiana** **Barbaro Federica** **Confortini Massimo** **Caprara Fabrizio** **Gianni Francesco** **Malato Annamaria** **Mori Pierpaolo**

6. For further information on the role and responsibility of the Board of Directors, see the Corporate Governance and Ownership Structure Report of Caltagirone Editore SpA.

Board of Directors							
Name	**Age**	**Gender**	**Position**	**Executive/ Non-Executive**	**Indipendence**	**Term start date**	**Term end date**
Caltagirone Alessandro	55	M	Vice-Chairperson	Non-Executive	Non-Independent	19/04/2024	31/12/2026
Caltagirone Azzurra	51	F	Chairperson	Executive	Non-Independent	19/04/2024	31/12/2026
Caltagirone Francesco	56	M	Vice-Chairperson	Non-Executive	Non-Independent	19/04/2024	31/12/2026
Caltagirone Tatiana	57	F	Director	Non-Executive	Non-Independent	19/04/2024	31/12/2026
Barbaro Federica	53	F	Director	Non-Executive	Independent	19/04/2024	31/12/2026
Caprara Fabrizio	65	M	Director	Executive	Non-Independent	19/04/2024	31/12/2026
Confortini Massimo	70	M	Director	Non-Executive	Independent	19/04/2024	31/12/2026
Gianni Francesco	73	M	Director	Non-Executive	Independent	19/04/2024	31/12/2026
Malato Annamaria	56	F	Director	Non-Executive	Independent	19/04/2024	31/12/2026
Mori Pierpaolo	67	M	Director	Non-Executive	Independent	19/04/2024	31/12/2026
Ninfadoro Valeria	55	F	Director	Non-Executive	Independent	19/04/2024	31/12/2026

Collegio Sindacale						
Name	**Age**	**Gender**	**Position**	**Executive/ Non-Executive**	**Term start date**	**Term end date**
Melis Giuseppe	53	M	Chairperson	n.a.	21/06/2024	31/12/2026
Staffa Antonio	81	M	Statutory Auditor	n.a.	19/04/2024	31/12/2026
Casadei Dorina	63	F	Statutory Auditor	n.a.	19/04/2024	31/12/2026
Flamini Fabiana	56	F	Alternate Auditor	n.a.	19/04/2024	31/12/2026
Pennasilico Gerardo	65	M	Alternate Auditor	n.a.	19/04/2024	31/12/2026

It is worth noting that, in compliance with specific legal requirements, but also in observance of a principle of diversity and inclusion, the Board of Directors includes 40% women and 44% Independent Directors among its members. At the same time, the Board of Statutory Auditors also includes among its standing members a female presence of 1/3, a percentage that is aligned to 40% considering the alternate members.

Internal Committees to the Board of Directors

The approach to governance adopted by the Directors, at the clear indication of the shareholder base, has long since seen the structuring of two Committees, to support and strengthen the Board, described below:

- **The Related Party Transactions Committee**, as required by the applicable regulation, exclusively comprises Independent Directors in accordance with the Consolidated Finance Act;
- **The Control and Risks Committee,** composed of an Executive Director and four Non-Executive Directors, of which three independents.

The specific characteristics and powers of the two committees are discussed in more detail in the following sections of this Statement[7].

7. For further information regarding the role and responsibilities of the Board of Directors, see the Corporate Governance Report of Caltagirone Editore SpA.

The Control and Risks Committee

Composed, as described above, of one Executive Director and four Non-Executive Directors, three of whom are Independent Directors, its function is to support the Board in assessing the adequacy of internal controls and corporate risk management.

In fact, the following investigative activities for the Board of Directors are the responsibility of the Committee:

a) assisting the Board of Directors in defining the guidelines of the internal control system;
b) expressing opinions on specific aspects of the identification of the main corporate risks as well as the design, implementation and management of the internal control system;
c) providing, where required by the relative procedures, an opinion to the Board of Directors in relation to pre-established operations.

The Board of Statutory Auditors, in the person of the Chairperson of the Board of Statutory Auditors or other Statutory Auditor, participates in the work of the Committee, and the minutes of the meetings are regularly maintained in a special book kept at the Group's administrative secretariat.

The Committee has the power to access, including through the Internal Control Officer, all information and company functions necessary for the performance of its duties. The Board of Directors did not define the terms and limits in which the Committee may utilise external consultants, considering that the Committee may from time to time freely request, based on the matters on hand, the necessary information and advice from external consultants.

The Board of Directors has also appointed the Internal Control Officer, who, being an Executive of the Group, has direct access to all information relevant to the performance of his duties and reports on his work to the Internal Control and Risk Management Committee.

The Board of Directors, given the Holding structure of the Company Caltagirone Editore SpA and given the control structure principally undertaken by the individual operating units and subsidiary companies, did not consider it necessary to create an internal auditing function.

The Internal Control System

The Internal Control and Risk Management System consists of the set of rules, procedures and organisational structures designed to ensure sound, proper business management aligned with established objectives. This is done through an appropriate process of identifying, measuring, managing and monitoring major risks.

The Board of Directors has outlined and illustrated the basic features of the Internal Control and Risk Management System, with particular reference to the financial disclosure process, including consolidated financial disclosure.

The internal control system involves several parties, each with specific roles and within their own areas of responsibility, namely:

a) the Board of Directors, which carries out a directive role and evaluates the adequacy of the Internal Control and Risk Management System;
b) the Control and Risks Committee, working with an Internal Control Manager, with a duty to support, with appropriate investigative activities, the evaluations and decisions of the Board of Directors concerning the Internal Control and Risk

Management System, in addition to those concerning the approval of the relative periodic financial reports;

c) the Board of Statutory Auditors, which oversees the efficacy of the Internal Control and Risk Management System;

d) the other roles and corporate duties with specific regard to Internal Control and Risk Management, established in relation to the size, complexity and risk profile of the company (Executive Officer for Financial Reporting, Directors and Statutory Auditors of the Group's subsidiaries).

The Group's operational activities are performed in strict compliance with established procedures that include:

- "first level control", comprising a series of controls on production processes carried out by the individual Group companies. These control activities are undertaken primarily by the operating management and are an integral part of each corporate process;
- "second level control" carried out by the Internal Control Committee through the Internal Control Manager, principally with the purpose of identifying all business risks through periodic verification of processes, both in terms of control adequacy and in terms of efficiency.

Board of Statutory Auditors

Article 22 of the By-Laws provides that the Board of Statutory Auditors consists of a Chairperson, two Statutory Auditors and two Alternate Auditors. The Board of Statutory Auditors exercises all the functions required by law and by the company By-Laws. The duration of the appointment is in accordance with law; the Statutory Auditors may be re-elected.

The By-Laws establishes that the composition of the Board of Statutory Auditors must comply with the applicable gender equality laws and regulations.

The Statutory Auditors must meet the requirements of integrity, independence and professionalism established by current regulations.

The Board of Statutory Auditors is called upon not only to supervise compliance with the law and the By-Laws and adherence to the principles of proper administration in the conduct of corporate activities, but also the effectiveness of the Internal Control and Risk Management System, as well as the processes of financial disclosure, the legally-required audit, and the independence of the company or independent audit firm.

Executive Officer for Sustainability Reporting

In compliance with the Transparency Directive (Legislative Decree No. 254/2016, transposing Directive 2014/95/EU), the Caltagirone Group has appointed the Executive Officer for Sustainability Reporting, who is in charge of ensuring the proper implementation of ESG policies and reporting of non-financial information.

Specifically, the Executive Officer is responsible for **coordinating the process of collecting, validating and communicating information in the environmental**, **social and governance fields,** ensuring compliance with Italian and European regulations. The Executive is also responsible for overseeing ESG risk management, monitoring the Group's sustainable performance, and ensuring the transparency of publicly disclosed information.

His/her function includes verifying the proper implementation of ESG strategies, with a focus on the accuracy and reliability of data and ensuring that information is promptly reported to the Board of Directors for approval.

Article 23 of the By-Laws stipulates that the Executive Officer shall be appointed annually by the Board of Directors after consultation with the Board of Statutory Auditors.

The position is awarded to an individual with executive status who holds a hierarchical position of direct reporting to top management and who possesses:

a) professionalism requirements, demonstrated by at least three years of qualified experience in administration and control, in management or advisory roles within listed companies and/or their Groups, or in companies, entities or enterprises of significant size and importance, including in the preparation and control of accounting and corporate documents;
b) honourability requirements for members of the administration body and not being, either at the time of appointment or thereafter, in one of the legal situations governed by Article 2382 of the Civil Code.

Finally, it is emphasised that in complying with the obligations of the Transparency Directive, the Group Executive Officer ensures that relevant information is complete, clear, and easily accessible, helping to strengthen the transparency of the Group's sustainable management and facilitating communication to stakeholders.

DEFINING AND MONITORING STRATEGIC OBJECTIVES

Defining Objectives

The **Double Materiality** analysis process and its results are relevant not only for the purpose of sustainability reporting but, more importantly, as a starting point for the definition of strategic objectives in the ESG sphere and for their periodic verification. The materiality, in fact, of IROs for sustainability disclosure purposes must also be considered for the purposes of strategic planning, which will be measured over time with quantitative and qualitative indicators.

Current Status and Future Prospects

Currently, Group-wide targets have not yet been formalised, although there is a link between the main relevant IROs and the ESG pillars taken into account for business planning purposes. The parent company and the Group companies, however, aware that such planning is not only an issue of compliance with reporting standards but also a necessary step on the path of transition to increasingly sustainable management models, are willing to proceed with detailed planning that will draw on a solid database and the creation of efficient control environments, which are essential to ensure the quality of information and support for strategic decisions, as well as the forthcoming definition of precise targets. In addition, it is reported that although Group Companies have not formalized policies to monitor, manage and mitigate risks attached to their line of business, a corporate structure is however already in place that guides them in their relationship with suppliers and end-users aligned with ESG best practices.

BOARD OF DIRECTORS' APPROACH TO SUSTAINABILITY

GOV-2, GOV-3, GOV-4

The process, developed vertically to involve all stakeholders, has been structured internally as of this year and is in the process of being formalised to enable **stakeholder involvement**. Through the development of ad hoc surveys, Group companies aim to ensure that their Boards of Directors, management and auditors are constantly monitoring ESG priorities and IROs.

Sending of information					
Corporate body	Manager	Gender	Type of information provided		
Risks Committee	Executive Officer for Financial Reporting	Not scheduled	Materiality Analysis	Data collection process	Final Reporting
Board of Statutory Auditors	Executive Officer for Financial Reporting	Not scheduled			

The analysis process involved:

- The mapping of **direct and indirect impacts** generated by Group activities;
- The assessment of **financial and operational risk** associated with sustainability matters;
- The involvement of key **business functions** in the validation of material issues.

In particular, the impacts reported in the IRO 2024 long-list, i.e. the analysis useful for mapping the entire range of impacts, risks and opportunities related to Group Companies and its value chain over the reporting period, allowed management to focus on the issues that emerged as most relevant from the bottom-up analysis.

Below is the IRO 2024 long-list, broken down by impact materiality and financial materiality:

IMPACT MATERIALITY	POSITIVE IMPACTS	NEGATIVE IMPACTS
Climate change adaptation	Increasing the value generated by the company through exploitation of climate change by taking into account the risks and planning in a timely manner to prevent them.	Loss of competitive advantage and exposure to environmental risks that can generate increased costs, due to failure to assess physical risks.
Energy Consumption	Reduced operating costs and improved corporate image through the use of sustainable energy solutions, which can translate into significant savings in the long term, improving the competitiveness and economic sustainability of the enterprise.	Increasing costs from fossil fuel energy use, with increasing exposure to possible regulatory restrictions.
Energy Consumption	Emissions related to newspaper distribution.	Emissions related to transportation of paper used by the Group for newspaper production.
Water		Water resource pollution related to ink disposal.
Paper use and circularity of materials	Significant reduction in waste generated and resource use through the use of printable materials of recycled origin, as well as reusable shipping and logistics solutions and packaging.	Increased plastic waste and inefficient utilisation of resources resulting from failure to implement a strategy to reuse recycled materials.
Paper use and circularity of materials	Discouragement of deforestation through circular paper use and sector-wide promotion of initiatives aimed at resource use efficiency.	Negative impact on the issue of deforestation caused by the inefficient use of paper.
Data Protection	Improved operational efficiency and security of corporate and end-user information by adopting advanced technologies and data protection protocols. This approach also allows for the optimisation of organisational processes.	Violation of information security measures, which can cause a slowdown in business activities.
Intellectual property and copyright protection	Enhancement of enterprise-produced content by encouraging the development of original and quality products through the promotion of intellectual property compliance through licensing agreements and collaborations.	Loss of originality of content produced by the Group due to a failure to enhance the intellectual property of publishers.
Digitalisation	Reaching a wider customer base by investing in innovative digital content and products.	Creation of inequalities to customers with limited access to IT services offered.

IMPACT MATERIALITY	POSITIVE IMPACTS	NEGATIVE IMPACTS
Transparent governance	Promoting fair and transparent business management that incentivises adherence to the ethical principles of the profession and fosters innovation within the market environment.	Loss of reputation and trust of its stakeholders, undermining the long-term sustainability of the business.
Responsible Value Chain	Improving the quality and resilience of the value chain by recycling materials, diversifying suppliers, and adopting sustainable sourcing practices.	Variation in supply prices and increasing alienation of consumers due to over-reliance on single, non-sustainability-compliant suppliers with possible harm to the environment and community
Management and development of human capital	Increasing the quality of editorial content by maximising the potential of its workers, boosting productivity and quality of work through ongoing training, mentoring and support for skills improvement.	Loss of competitiveness and innovation, resulting in reduced business attractiveness to end consumers.
Occupational health and safety	Reduction of occupational accidents and work-related ill health, as well as improvement of working conditions within printing houses by implementing additional safety measures beyond that already required by current regulations.	Creation of a work environment that can generate significant health to safety risks for workers due to a failure to assess risks and exposure to critical activities and working conditions.
Attraction and enhancement of human capital	Creating a dynamic, stimulating and innovative work environment that attracts new talent and maximises skills, while increasing efficiency and production.	High turnover rate due to an unmotivating work environment with little opportunity for growth and development, which generates a loss of skills and difficulty in retaining qualified talent with negative repercussions toward the effectiveness of meeting the dynamic demands of the industry.
Labour and industrial relations	Developing an open and transparent dialogue with the workforce by building constructive labour relations that contribute to increased productivity and quality of content produced.	Development of conflict situations between the company and workers arising from individual and/or collective problems associated with the organisation of work and the relationship with trade unions.
Local communities	Consolidation of a reputational advantage with local communities by promoting activities aimed at enhancing the communities and the surrounding area.	Reputational damage to communities, with potential loss of customer trust due to failure to value and pay attention to surrounding community.

FINANCIAL MATERIALITY	RISKS	OPPORTUNITY
Transparent governance	Increased reputational risks with the possibility of higher economic costs, which could undermine the ability to compete effectively in the market.	Development of enduring relationships, based on ethical and transparent principles, with internal and external stakeholders, thanks in part to the establishment of contractual agreements to increase business resilience and responsiveness to changes in the industry.
Intellectual property and copyright protection	Loss of competitiveness due to unfair remuneration for published content, which does not value the work done by authors	Increasing the value generated by the Group and enhancing the value of authors' work, ensuring the independence of the content produced resulting in consolidation of the level of reader loyalty and trust throughout the editorial offerings.
Digitalisation	Reduction in profits generated due to loss of satisfaction and interest from non-digitalisation-oriented customers with inability to access digital resources.	Increased revenues through increased market share, reaching new customers oriented toward the use of digital products, and through the sale of additional advertising products to traditional print media.
Social role and responsibility to the community	Driving away investors, business partners and readers/consumers, resulting in loss of market share and profits generated at Group level.	
Occupational health and safety	Failure to take preventive measures may generate increased costs resulting from the restoration of production following any disruptions caused by accidents, as well as possible administrative penalties resulting from a failure to enforce occupational health and safety regulations, resulting in reputational damage.	
Responsible value chain	Increased logistical difficulties and operating costs due to the lack of a firm and responsible relationship with the supply chain, which directly impacts end-customer loyalty and product sales.	Reducing logistics costs by developing a transparent relationship with the supply chain that allows for efficiency in the distribution and pickup of printed paper and ensures the recycling of waste materials produced within the printing plants, contributing to circularity and reduced emissions.
Data Protection	Increased costs and lost revenue resulting from expenses required to restore business following any disruptions caused by cyber security breaches.	Reducing operational costs related to enterprise management processes by minimising any inefficiencies, both economic and in terms of operations, resulting from breaches of security measures that could jeopardise business continuity.
Management and development of human capital	Inadequate training offered to employees, identified as reduced enhancement, can lead to increased employee turnover, operational inefficiencies or the need for corrective action resulting in increased costs.	Improvement of the company's operational efficiency and creation of quality content, which allows it to increase product presence in the market and worker retention, thus decreasing costs resulting from turnover.
Paper use and circularity of materials	The increase in non-circular waste may generate increased costs for its management and disposal, as well as exposure to hypothetical risks from penalties for non-compliance with environmental regulations.	Reducing costs arising from logistics and disposal of waste generated (particularly printed paper), as well as those related to the procurement of new raw materials by contributing to more efficient resource management, increasing profit margins on units sold.

FINANCIAL MATERIALITY	RISKS	OPPORTUNITY
Local communities	Reputational damage in the eyes of stakeholders, including investors and end-users, which could result in long-term economic losses, reduced business opportunities with surrounding communities and exposure to possible penalties from environmental authorities or regulators.	Generating new shared value by supporting local communities through redevelopment initiatives while promoting environmental improvement and social cohesion. Such activities can strengthen the link between the company and the local area, thus increasing the value of the company to the outside world.
Climate change management	Increased vulnerability to extreme weather events, with the possibility of business interruption and consequent increased costs resulting from the need to restore operations.	Creating a competitive advantage to reduce operating costs through careful risk assessment and an action plan to reduce operating costs associated with extreme weather events and ensure greater economic stability and business continuity.
Labour and industrial relations	Increased costs resulting from any conflicts with unions and the company's employees may manifest as strikes or disruptions in production activities. The development of these events may generate additional litigation relating to the management and restoration of production normality, resulting in reputational damage.	Lower management costs resulting from reduced absenteeism and employee turnover, reducing conflicts with Group management and improving job satisfaction. Developing a climate of trust can facilitate innovation and creativity, helping to create better economic outcomes and consolidate a stronger market position.
Attraction and enhancement of human capital	Increased operating costs due to high turnover rate, resulting in the need to increase costs related to hiring and induction of new resources and training and development programs. Such an environment can undermine innovation, driving away valuable talent and limiting the company's ability to respond to market challenges.	Increasing the Group's repute through collaboration with universities and research institutions (by formalising internships) that allow for generational change, as well as the encouragement of mobility within the publishing Group's entities, with the possibility of developing new products and expanding the business in which it operates. This approach maximises the return on human capital investments made by the Group.
Energy consumption	Unexpected costs due to the sudden need to invest in more sustainable technologies to comply with environmental regulations, leading to high upfront costs.	The implementation of more efficient energy solutions, including the choice of a renewable energy mix (especially for printers, considered the main draw on energy needs) allows for a reduction in energy expense, leading to considerable savings in the long run, as well as a reputational boost for the company.
Social role and responsibility to the community	Driving away investors, business partners and readers/consumers, resulting in loss of market share and profits generated at Group level.	

The emerging IROs made it possible to identify material issues and consequently to identify Disclosure Requirements (DR), Data Points (DP) and related metrics to be reported.

SUSTAINABILITY STATEMENT AND OVERSIGHT

The Group's Sustainability Statement **follows a consolidated approach**, ensuring a unified view of ESG performance and its implementation among individual operating companies. This method makes it possible to:

- **Aggregate ESG data** uniformly at Group level;
- **Provide qualitative insights** into specific operational entities or activities;
- **Ensure consistency** between financial and non-financial information.

While the Parent Company and Group companies do not currently have formal sustainability guidelines, they recognise the growing importance of ESG issues and are assessing whether to:

- **Formalise a governance framework** for managing sustainability matters;
- **Define and formalise** a policy in the ESG area;
- **Define an ESG action plan** with clear and measurable goals in the medium to long term, based on the results of the DMA analysis.

SUSTAINABILITY DUE DILIGENCE PROCESS

Currently, the **parent company Caltagirone Editore SpA** has not formalised a Due Diligence process specifically dedicated to sustainability matters. However, the Group is aware of the growing importance of the management of impacts, risks and opportunities (IROs) related to ESG factors and is assessing possible developments in this direction.

Current management of sustainability aspects

Although there is no structured ESG Due Diligence, the Group Companies:

- **Monitor key ESG risks and opportunities** through the **Materiality Analysis**, which guides the identification of those aspects most relevant to their business and value chain;
- **Integrate some ESG aspects into operational management**, particularly with regard to regulatory compliance and stakeholder expectations;
- **Follow the evolving regulatory framework**, including CSRD and ESRS requirements, with the aim of progressively strengthening their sustainability management.

It should be noted, however, that in order to align with market best practices and emerging regulatory requirements, the Group companies are in the process of evaluating the introduction of:

- **A structured sustainability Due Diligence process** that can identify, prevent, mitigate and monitor ESG impacts throughout the value chain;
- **Mechanisms to control and manage ESG risk**, integrating sustainability into business decision-making processes;
- **Stakeholder and supplier engagement procedures** to improve transparency and management of indirect impacts generated along the value chain.

RISK MANAGEMENT IN SUSTAINABILITY REPORTING

GOV-5

The parent company Caltagirone Editore SpA has adopted internal control systems for sustainability reporting, inspired by the approach used for financial reporting. These systems are based on control frameworks that assess risks related to the accuracy and completeness of ESG data. The process of collecting sustainability information is governed by an internal procedure that manages the flow of information for the preparation of Caltagirone Editore SpA's consolidated Sustainability Statement, whose information is an integral part of Caltagirone

Editore SpA’s consolidated financial statements. This procedure **defines the roles and responsibilities of those involved in the collection and validation of quantitative and qualitative information for the preparation of the Sustainability Statement**.
The scope of internal control and risk management processes affects all stages and activities under the procedure, ensuring monitoring of the reliability of information for each company involved in the consolidation process. Within the procedure for preparing sustainability reporting, each step within the process is analysed in detail for each company. The stages considered include:

- **Understanding of context;**
- **Identification of actual and potential IROs related to sustainability matters;**
- **Assessment and determination of material IROs related to sustainability matters;**
- **Definition of relevant sustainability matters;**
- **Preparation of the Sustainability Report;**
- **Preparation of Taxonomic Disclosure.**

A coordinator and stakeholders (Data Owner) are identified for each phase and company, assigning specific tasks and roles. This approach allows for the timely identification of responsible parties, providing clarity on the responsibilities and competencies of each business function in the management of sustainability disclosures.
Elements most at risk include, but are not limited to, the completeness and integrity of data, the accuracy of estimates, the availability of information along the value chain, both upstream and downstream, and the timing of information collection and reporting.
All information from subsidiaries is collected and consolidated by preparing the draft Sustainability Statement. Subsequently, the document is forwarded to the subsidiaries for review and validation of their information, with the possibility of proposing any additions or changes, thus ensuring compliance with ESRS. The document is reviewed by the Executive Officer for Sustainability Reporting, who verifies the proper process of preparing the Statement and certifies that the information complies with the reporting standards applied under the CSRD Directive. Once the content validation is completed, the draft Sustainability Statement is included within the financial statements document, following the approval process provided for the Group’s consolidated financial statements.
In addition, the information contained in the Sustainability Statement is verified through a limited audit by the appointed independent audit firm, in compliance with the regulatory dictate contained in Legislative Decree No. 125/2024.
The main risks identified relate to data from the value chain, which are thus derived from external sources over which direct control is not exercised. To mitigate these risks, the Sustainability Statement Group is working to gain knowledge on operational procedures and to establish governance for **data collection and control systems**.
For **value chain** information, the Group has established a process of dialogue with its suppliers to ensure a continuous exchange of perspectives and expectations and a shared understanding of the needs of its affected stakeholders in terms of data quality.

FUTURE DEVELOPMENTS

To mitigate these risks, the company is working to gain more operational knowledge and to establish specific procedures for the collection and control of data on third party companies.

Strategy, Business Model and Value Chain

SBM-1

Caltagirone Editore SpA operates as a holding company in the publishing industry. The Group controls a number of companies that operate some of Italy's leading newspapers, recognised for their long history and regional leadership. The business model is based on the integration of traditional and digital publishing activities, offering daily newspapers in print, digital and online versions. The Group operates through several business areas:

- **Content production and distribution**: the main newspapers, such as Il Messaggero, Il Mattino, Il Gazzettino, Corriere Adriatico, Nuovo Quotidiano di Puglia and Leggo, represent the core business, guaranteeing quality information and a strong presence in the territory.
- **Advertising and commercial services**: through Piemme SpA, the Group manages advertising sales not only on its own channels, but also on third-party platforms, maximising the commercial value of its media assets.
- **Digital innovation and integrated solutions**: Ced Digital & Servizi Srl leads the Group's digital transformation, developing and managing innovative solutions that integrate traditional publishing offerings with advanced digital services.
- **Operational and production support**: printing activities (carried out by Stampa Roma 2015, Stampa Napoli 2015 and Stampa Venezia 2015) and general services (provided by Servizi Italia 15 Srl) complete the Group's operating model, ensuring continuity and efficiency in content production and distribution.

Description of the Value Chain

The Caltagirone Editore Group's internal and external value chain is structured to optimise each stage of the process, from content creation to final distribution, creating value for customers and ensuring a sustainable competitive advantage.

- **Upstream phase:**
  a) **Procurement and resource management**: this concerns the activities required for information and third party data gathering, content management and the internal adoption of innovative technologies to support the publishing processes of Group Companies. In particular, paper is sourced exclusively through suppliers with environmental and reforestation certifications, such as from the FSC (Forest Stewardship Council) in Europe and Canada;
  b) **Development and innovation**: the divisions dedicated to digital innovation and the development of new solutions (Ced Digital & Servizi Srl) ensure the constant updating of skills and technologies, which are essential for maintaining relevance in the market.

- **Downstream phase:**
  a) **Production and distribution**: includes the printing and circulation of newspapers, both in print and digital formats, ensuring widespread coverage and accessibility of information.

b) **Commercialisation and marketing**: the management of advertising activities, handled by Piemme SpA, makes it possible to enhance editorial content and effectively reach the final audience.
c) **Support services**: operational, administrative and logistical support functions, carried out by companies such as Servizi Italia 15 Srl, ensure the continuity and efficiency of the entire chain.

This integrated structure allows Caltagirone Editore to create value through a dynamic and flexible business model that combines the tradition of information with digital innovation, optimising resources and strengthening competitive advantage in the market. Specifically, the actors involved in the Group's value chain are shown in the following tables.

INVOLVED ACTORS	
UPSTREAM	**DOWNSTREAM**
Journalists and Editors	Distributors and Dealers
Educational and academic institutions	Readers and Subscribers
Paper and Ink Suppliers	Educational and academic institutions
Press Agencies and Freelancers	Custmers and Institutional Partners
IT Support/Consultants	
Legal and Licencing Partners	

MATERIALITY ANALYSIS

IRO-1; SBM-3; SBM 2

Valuation Process

Materiality is the principle that guides companies in preparing their Sustainability Statement, focusing on those aspects that significantly affect their ability to generate value over time. This process involves identifying the issues most relevant to stakeholders while considering the impacts on the economy, the environment, and people, including human rights, in the context of its business activities and relationships, with an approach that has seen this process actively involve all Group Companies with an **upward shift in IROs for consolidation purposes.**

Materiality analysis, required by Legislative Decree No. 125/2024, is used to identify the key aspects to be reported, the "Material Topics". A topic is considered "material" if it is able to influence the decisions, actions, and performance of the organisation and its stakeholders. Therefore, establishing a constructive dialogue with stakeholders is essential to understand their needs and expectations and to determine the most relevant issues for the company and its stakeholders.

In line with European regulations introduced by the Corporate Sustainability Reporting Directive (CSRD), the Caltagirone Editore Group has updated and approved a materiality matrix, based on the concept of Double Materiality.

- **Impact materiality**: assesses the impact of sustainability issues on the organization's economic and financial performance and studies the effects the organisation has or could have on the economy, the environment and people ("**Inside-out**" perspective);

- **Financial materiality**: identifies material topics from the perspective of opportunities and risks that affect or could affect the company's financial position, financial performance and cash flows, and in the short, medium or long term. ("**Outside-in**" perspective).

This approach provides a more comprehensive and strategic view of relevant aspects, improving the organisation's ability to manage risks and seize sustainability-related opportunities.

For the Caltagirone Editore Group, the materiality analysis process was carried out through the following methodological steps.

Analysis of organisational context by benchmarking with leading industry peers

This first phase is the start of the materiality analysis process and aims to provide a **clear, comprehensive, and transparent view** of how **ESG** (Environmental, Social, and Governance) **issues** are addressed within the relevant industry.

To carry out this analysis, industry studies, research conducted by universities and other national and international institutions were considered. A group of companies comparable in business and size (peers) was examined, analysing key ESG impacts, material issues, and short-, medium-, and long-term sustainability goals. A comparative analysis was then undertaken of the results obtained, both quantitative and qualitative, in which the benchmarking performance was analysed with the activities and strategic and operational vision of the Caltagirone Editore Group.

Identification of impacts

The process described above identified the impacts directly related to the three ESG factors, as well as the most significant variables that emerged from Step 1. Impacts were distinguished according to the two perspectives of "Double Materiality" provided:

- **Inside-out;**
- **Outside-in.**

The analysis led to the identification of an initial IRO long-list, consisting of 31 environmental, social and governance impacts mapped in the ex ante impact materiality assessment and 27 ROs or risks and opportunities related to financial materiality that are in turn related.

Stakeholder engagement and impact assessment

The Caltagirone Editore Group takes a structured approach to stakeholder engagement, including both internal and external stakeholders:

- **Internal Stakeholders as Proxies for Outsiders**: in the materiality analysis process, the Group companies actively involved internal stakeholders, who were called upon to validate and evaluate the analysis. These internal stakeholders, representative of different business functions, acted as proxies for expressing the expectations and needs of external stakeholders, thus ensuring a comprehensive and integrated view of relevant issues;
- **Integrated Approach**: in addition to engaging key internal stakeholders, the operating companies collaborated with internal experts - key employees with various levels of responsibility and specialised expertise - to investigate and precisely define the Impacts, Risks and Opportunities (IROs) related to Group activities. This phase represents the core of the materiality process, as it involves the direct involvement of stakeholders in assessing the impacts previously identified in the two perspectives.

Specifically, for the "Inside-out" and for the "Outside-in" assessments, the management of the Group Companies were involved, who, being more involved in both the business and the decision-making process of the Companies, can better score the financial materiality of specific risks and opportunities accurately. This proactive approach is carried out through numerous daily contacts with a variety of stakeholders and is fundamental to the assessment of impacts from both perspectives, determining both the footprint the Group has on the environment and society in which it operates, and the exogenous circumstances within which it operates.
By enabling the identification of the most relevant ESG issues for the Group, this process has allowed a clear and structured definition of IROs, which are the main drivers for the company's sustainability strategy.

Evaluation of the "Inside-out" perspective

Regarding the impacts identified according to the "Inside-out" perspective, which highlight **impact materiality**, impacts were assessed through a questionnaire to stakeholders divided into two sections:

- Assessment of positive impacts;
- Assessment of negative impacts.

Thereafter the materiality of each impact will be the result of the scope identified by stakeholders in the questionnaire, which in turn is multiplied within an Ad Hoc Tool by specific factors, such as:

- **the typology**, which defines whether an impact is potential or actual;
- **the value chain**, to indicate where the impacts lie in the Group's value chain - downstream, upstream, or in its own business - so as to report on the requirements of CSRD, which specifies the need for an IRO analysis that reflects the value chain in its entirety;
- **the scope**, i.e. the extent of the impact. The scope rating is structured for each identified impact as follows:

"SCOPE" RATING

Global	3
International	2
Local	1

- **the scale**, useful for identifying the significance or magnitude of the impact, as assessed by stakeholders using a *Likert* scale of 1 to 5 (1=low; 5=high);
- **probability**, which assesses the likelihood of the impact occurring in the short, medium and long term in line with the requirements of current European legislation.

"PROBABILITY" RATING

Actual impact	1
Very likely	0,75
Likely	0,5
Unlikely	0,25

- **the characteristics of irremediable character**, i.e. effort required to be able to mitigate the consequences of an impact in relation to the event and its severity.

“IRREMEDIABLE CHARACTER“ RATING

Not Mitigable	3
Much effort required to mitigate	2
Limited effort required to mitigate	1

Specifically, the methodology adopted to determine the scale of a positive impact is based on the **relationship between the probability of occurrence of the impact and the average of the scores given in terms of scale and scope,** while to calculate the magnitude of a negative impact, the methodology takes into account the **probability of occurrence of the event and the average of the scores regarding the scale, scope and irremediability of the impact.**
In this case, the magnitude of negative impact is calculated by multiplying the probability by the average of the scores associated with scale, scope and irremediable nature.

Assessment of the “Outside-in” perspective

For impacts identified according to the “Outside-in” perspective, reflecting Financial Materiality, the Company conducted an analysis by directly involving top management. By following the guidelines of the applied standard, it was possible to determine the scale of impacts through specific assessments that were useful in clarifying particularly complex financial issues. The assessment of each impact was based on two key elements:

1) Financial Magnitude

This parameter represents the influence of both positive and negative consequences of an impact on the Company’s costs or revenues. Specifically, in a range of 20 to 3%, financial magnitude is used to define through estimated financial values whether the Risks and Opportunities are related to the Group’s “core business” and whether they may impact its profitability. Specifically, the assessment is structured as follows:

FINANCIAL SCALE

Critical	5 (costs/revenues 15-20%)
Very significant	4 (costs/revenues10-15%)
Significant	3 (costs/revenues 5-10%)
Limited significance	2 (costs/revenues 3-5%)
Not significant	1 (costs/revenues < 3%)

2) Impact probability

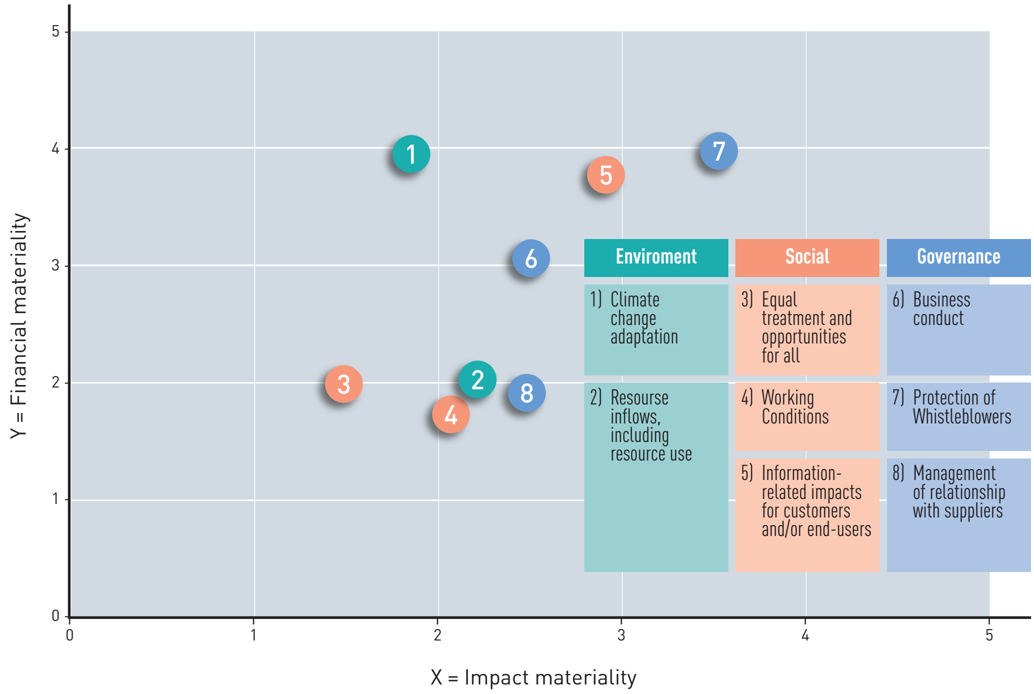
This variable represents the probability that a specific event will occur. Based on the assigned probability level, a corresponding value is assigned to reflect the actual possibility of occurrence. The rating is structured as follows:

“PROBABILITY” RATING

Actual Impact	1
Very likely	0,75
Likely	0,5
Unlilikely	0,25

Correlation of impacts with sustainability issues

After completing the final assessment of the scale of impacts, considering both the Impact Materiality and Financial Materiality perspectives, the most significant impacts were identified. These were subsequently associated with the material topics, allowing the materiality analysis to be translated into a clear and immediate graphic representation below:



* The "Protection of Whistleblowers" is dictated by the ESRS reporting standard, which, in Appendix A, AR 16 "Sustainability matters to be included in the materiality assessment" of Delegated Reg. 2023/2772 lists specific topics, sub-topics and sub-sub-topics to which some changes cannot be made. This specifically refers to the protection of copyright and confidentiality of sources.

Impact on Business Strategy

The results of the materiality analysis were important in determining the definition of goals to be included in the Group companies' sustainability planning, integrating ESG priorities into the business model and throughout the entire value chain, so that decisions and operational activities are aligned with stakeholder expectations and market needs in terms of sustainability.

The process of data collection and evaluation of information used for the DMA involved all the topics and sub-topics stipulated by the ESRS principles.

ENVIRONMENT

CALTAGIRONE EDITORE GROUP: EU TAXONOMY

Introduction to European Taxonomy

The European Taxonomy, introduced by **Regulation (EU) 2020/852** and further detailed in subsequent Delegated Regulations, contributes to the achievement of the goals set by the European Green Deal by defining a categorisation system for economic activities that are deemed to be climate and environmentally sustainable.

The regulations require companies to indicate how and to what extent their activities are associated with **economic activities that are considered environmentally sustainable**.

In order to define the sustainability of an economic activity, **Regulation (EU) 2020/852** identifies six environmental objectives:

- **Climate change mitigation;**
- **Climate change adaptation;**
- **Sustainable use of marine resources;**
- **Transition to a circular economy;**
- **Pollution prevention and control;**
- **Protection and restoration of biodiversity and ecosystems.**

In order to properly assess the environmental sustainability of business activities, the Regulations define **four technical conditions** useful for determining the level of "alignment" with one or more of the above objectives. Specifically, each activity preliminarily identified as eligible must:

- **Contribute substantially** to the achievement of one of the six previously mentioned environmental objectives;
- **Not cause significant harm** (DNSH) to any of the other environmental objectives;
- Be carried out in **compliance with the minimum Safeguards**, as provided for in Article 18 of Regulation (EU) 2020/852;
- Be compliant with the **Technical Screening Criteria**, set by the **Climate Delegated Act** and the **Environmental Delegated Act**, respectively.

Substantial contribution to the Taxonomy targets

An economic activity contributes to an environmental objective when it meets the criteria for substantial contribution contained within the **Climate Delegated Act** or **the Environmental Delegated Act.**

Through their activities, the companies that are part of the Caltagirone Editore Group **directly support various economic activities** that contribute substantially to the environmental objectives of the Taxonomy. In this regard, the Group is in the process of streamlining all processes of reuse and disposal of materials used in production processes, as well as investing considerably in the implementation of green solutions to replace its fossil energy sources.

Do Not Significant Harm (DNSH)

An economic activity that contributes substantially to the achievement of one environmental objective must not cause any significant harm to the achievement of the other environmental objectives (the "DNSH" criterion).

Minimum Safeguard Guarantee

Compliance with minimum safeguards is aimed at ensuring that Taxonomy-aligned economic activities comply with the OECD Guidelines for Multinational Enterprises and with the United Nations Guiding Principles on Business and Human Rights.

Eligible - Not Aligned

In the case of the Group Companies' Taxonomic Disclosure, the activities reported by the Group Companies are Eligible - Not Aligned with the EU Taxonomy. i.e., included in **EU Regulation 2020/852** without:

- Meeting the requirements under the Technical Screening Criteria (TSC Technical Screening Criteria) defined in the Regulations for that specific activity, or the alignment analysis was not conducted, and/or;
- Meeting at least one of the DNSH criteria of the other five environmental objectives as stipulated in the Regulations and/or the MSS requirements.

Methodological approach

As part of the EU Taxonomy reporting project, Group Companies extended their understanding of the regulation, ensured the quality and accuracy of the process and assessed and validated the scope of eligibility and alignment of economic activities being reported.
The analysis was conducted at the single entity level based on its specific activities and relevance to this reporting.
As the parent company, Caltagirone Editore supervised the process and consolidated the activities of the Group companies.
The financial KPIs under the EU Taxonomy Regulation are:

- **turnover;**
- **capital expenditure (CapEx);**
- **operating expenditure (OpEx).**

Turnover

EU Taxonomy-eligible turnover eligible is the proportion of turnover from eligible products, or services, to total annual revenue. Aligned turnover represents the proportion of eligible turnover that meets all the sustainability requirements of the Regulation.

Capital expenditure (CapEx)

Eligible CapEx is the proportion of investment in property, plant and equipment and intangible assets from eligible economic activities as a ratio of total CapEx for the year. Aligned CapEx is the proportion of the eligible CapEx that meets all the sustainability criteria of the EU Taxonomy.

Operating expenditure (OpEx)

Eligible OpEx is the proportion of non-capitalised direct costs related to eligible activities (e.g. R&D, renovations, short-term rentals, maintenance) to total relevant operating costs. The aligned OpEx is the proportion of the eligible costs that meet the sustainability requirements of the EU Taxonomy.

Eligibility Analysis

During the year, companies of the Caltagirone Editore Group conducted the eligibility analysis for the six environmental objectives. Specifically, downstream from the eligibility analysis, at Group level the eligible economic activities are:

- **5.5. Collection and transport of non-hazardous waste in source segregated fractions (CCM; CCA)**: the activity of collection and transport of non-hazardous waste in source segregated fractions carried out by some CED Group companies was assessed as eligible for taxonomic analysis, as it directly contributes to climate change mitigation (CCM) and adaptation (CCA) targets.
  Specifically, the Group collects waste paper from production (white and inked) and

unsold newspapers and sells them to specialised treatment companies for recovery and recycling. This process helps reduce CO_2e emissions, limiting the need for new paper production and the resulting environmental impact associated with deforestation and energy-intensive industrial processes.
In addition, aluminium sheets used for printing are also collected and resold to third-party companies for treatment and recycling. By recovering aluminium, the consumption of virgin raw materials and the energy required for primary production can be reduced, thus contributing to the reduction of the industry's carbon footprint.
The CED Group's activity in this area is therefore in line with the eligibility criteria under the EU Taxonomy, as it supports the transition to a circular economy and strengthens the resilience of the production system through more sustainable resource management.

- **7.7 Acquisition and ownership of buildings (CCM)**: the common management of the air conditioning systems of the property located in Venice (ITV) was assessed as eligible for the Group's taxonomic analysis, as it contributes to the climate change mitigation (CCM) target.
  Although the building is owned by third parties, the Group partially bears the operating expenses of the air conditioning systems, in an annual amount of Euro 100 thousand. This intervention is relevant from the perspective of reducing the environmental impact of the building, as efficient energy management of the facilities contributes to the reduction of consumption and CO_2e emissions associated with the operation of the building.
- **8.1 Data processing, hosting and related activities (CCM; CCA)**: the server management activity for data processing, storage and transmission, outsourced to third-party companies, was assessed as eligible for the Group's taxonomic analysis as it contributes to the Group's climate change mitigation (CCM) and adaptation (CCA) targets.
  The use of data centers, including those based on edge computing, enables greater efficiency in the use of energy resources, reducing the emissions associated with traditional IT management. Centralisation and optimisation of the digital infrastructure also enable the minimisation of overall energy consumption through the implementation of advanced cooling systems and the use of renewable energy sources where available.
- **8.2 Programming and broadcasting activities (CCA)**: the IT consulting activities carried out by Ced Digital for Group companies and third parties were assessed as eligible for taxonomic analysis, as they contribute to the Climate Change Adaptation Objective (CCA). The provision of digital solutions and IT consulting supports the optimisation of business processes, fostering greater operational efficiency mitigating environmental impacts. It should be noted that although the following activity is present within the Group Companies' business, it will not be subject to Disclosure within the taxonomy table given the impossibility to track the specific items in FY 2024.
- **8.3 Programming and broadcasting activities (CCA)**: live streaming event broadcasting and audio podcast production activities carried out by Group companies were assessed as eligible for taxonomic analysis, contributing to the climate change adaptation target (CCA). Just as with the previous economic activity, data related to programming and broadcasting activities will not be subject to Disclosure within the taxonomy table in FY 2024.

Alignment Analysis

For the purpose of verifying the alignment of the economic activities considered eligible in the previous phase, the Group Companies carried out a subsequent verification of the specific technical criteria, DNSHs and minimum safeguards required by the taxonomic analysis where it emerged, because of some gaps identified, that the Caltagirone Editore Group does not have economic activities aligned with the Taxonomy. The Group is nevertheless committed to take inspiration from the criteria to increasingly improve its ESG performance.

EU Taxonomy Tables Group Caltagirone Editore

Table 1 - Proportion of turnover from products or services associated with Taxonomy - aligned economic activities - disclosure covering 2024

Financial Year 2024	2024			Substantial Contribution criteria						DNSH Criteria ("Do Not Significantly Harm")(h)									
Economic Activity (1)	Code (a) (2)	Turnover (3)	Proportion of Turnover, year 2024 (4)	Climate Changr mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Changr mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safegards (17)	Proportion of Turnover aligned (A.1) or eligible (A.2) to Taxonomy 2023 (18)	Category activity enabling (19)	Category activity transition (20)
unit of measurement		€	%	YES NO; N/EL (b) (c)						YES; NO						YES; NO	%	E	T
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1 Enviromentally sustainable activities (Taxonomy aligned)																			
N/A		0	0%							YES	YES	YES	YES	YES	YES	YES			T
Turnover of Enviromentally sustainable activities (Taxonomy aligned) (A.1)		0	0%	%	%	%	%	%	%	YES	YES	YES	YES	YES	YES	YES	0.0%		
Of which enabling		0	0%	%	%	%	%	%	%	YES	YES	YES	YES	YES	YES	YES	%	E	
Of which transitional		0	0%							YES	YES	YES	YES	YES	YES	YES	%		T
A.2 Taxonomy eligible but non Enviromentally sustainable activities (Not Taxonomy aligned activities)																			
				EL; N/EL (f)															
Collection and transportation of Non-hazardous waste segregated portions	5.5	749,943.00	0.7%	AM	AM	NO	NO	NO	NO										
Acquisition and ownwership of building (CCM)	7.7	100,000.00	0.1%	AM	NO	NO	NO	NO	NO								1.0%		
Data processing, hosting and relating activities (CCM; CCA)	8.1	236,500.00	0.2%	AM	AM	NO	NO	NO	NO										
Turnover of Taxonomy eligible but non Enviromentally sustainable activities (Not Taxonomy aligned activities) (A.2)		1,086,443.00	1.0%	%	%	%	%	%	%								1.0%		
A. Turnover of Taxonomy eligible Activity (A.1+A.2)		1,086,443.00	1.0%	%	%	%	%	%	%								1.0%		
B. Y NOT ELIGIBLE ACTIVITIES																			
Turnover of taxonomy not eligible activities		110,915,557.00	99.0%																
TOTAL		112,002,000.00	100.0%																

Table 2 - Proportion of capital expenditure (CapEx) from products and services associated with Taxonomic aligned economic activites - disclosure covering year 2024

Financial Year 2024	2024			Substantial Contribution criteria						DNSH Criteria ("Do Not Significantly Harm")(h)									
Economic Activity (1)	Code (a) (2)	Turnover (3)	Proportion of Turnover, year 2024 (4)	Climate Changr mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Changr mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safegards (17)	Proportion of Turnover aligned (A.1) or eligible (A.2) to Taxonomy 2023 (18)	Category activity enabling (19)	Category activity transition (20)
unit of measurement		€	%	YES NO; N/EL (b) (c)						YES; NO						YES; NO	%	E	T
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1 Enviromentally sustainable activities (Taxonomy aligned)																			
N/A		0	0%							YES	YES	YES	YES	YES	YES	YES	%		T
CapEx of Enviromentally sustainable activities (Taxonomy aligned) (A.1)		0	0%	%	%	%	%	%	%	YES	YES	YES	YES	YES	YES	YES	0.0%		
Of which enabling		0	0%	%	%	%	%	%	%	YES	YES	YES	YES	YES	YES	YES	%	E	
Of which transitional		0	0%	%						YES	YES	YES	YES	YES	YES	YES	%		T
A.2 Taxonomy eligible but non Enviromentally sustainable activities (Not Taxonomy aligned activities) (g)																			
				AM; N/AM (f)															
Installation and operation of electric heat pumps	4.16	43,088.00	1.1%														5.84%		
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	224,172.63	5.6%														6.94%		
CapEx of Taxonomy eligible but non Enviromentally sustainable activities (Not Taxonomy aligned activities) (A.2)		267,260.63	6.7%	%	%	%	%	%	%								12.78%		
A. CapEx of Taxonomy eligible Activity (A.1+A.2)		267,260.63	6.7%	%	%	%	%	%	%								12.78%		
B. TAXONOMY NOT ELIGIBLE ACTIVITIES																			
CapEx of taxonomy not eligible activities		3,734,211.37	93.3%																
TOTAL		**4,001,472.00**	**100.0%**																

Table 3 - Proportion of Operative Expenditure (OpEx) from products and services associated with Taxonomic aligned economic activites - disclosure covering 2024

Financial Year 2024	2024			Substantial Contribution criteria						DNSH Criteria ("Do Not Significantly Harm")(h)									
Economic Activity (1)	Code (a) (2)	Turnover (3)	Proportion of Turnover, year 2024 (4)	Climate Changr mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Changr mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safegards (17)	Proportion of Turnover aligned (A.1) or eligible (A.2) to Taxonomy 2023 (18)	Category activity enabling (19)	Category activity transition (20)
unit of measurement		€	%	YES NO; N/EL (b) (c)						YES; NO						YES; NO	%	E	T
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1 Enviromentally sustainable activities (Taxonomy aligned)																			
N/A		0	0%							YES	YES	YES	YES	YES	YES	YES	%		T
Operative Expenditure of Enviromentally sustainable activities (Taxonomy aligned)		0	0%	%	%	%	%	%	%	YES	YES	YES	YES	YES	YES	YES	0.0%		
Of which enabling		0	0%	%	%	%	%	%	%	YES	YES	YES	YES	YES	YES	YES	%	E	
Of which transitional		0	0%	%						YES	YES	YES	YES	YES	YES	YES	%		T
A.2 Taxonomy eligible but non Enviromentally sustainable activities (Not Taxonomy aligned activities) (g)																			
				AM; N/AM (f)															
Data processing, hosting and related activities	8.1	446,331.00	11.9%														11.44%		
Operative Expenditure ofTaxonomy eligible but non Enviromentally sustainable activities (Not Taxonomy aligned activities) (A.2)		446,331.00	11.9%	%	%	%	%	%	%								11.44%		
A. OpEx of Taxonomy e ligible Activity (A.1+A.2)		446,331.00	11.9%	%	%	%	%	%	%								11.44%		
B. TAXONOMY NOT ELIGIBLE ACTIVITIES																			
Operating Expenditure of taxonomy not eligible activities		3,315,855.90	88.1%																
TOTAL		**3,762,186.90**	**100.0%**																

Climate Change

ESRS E1 - CLIMATE CHANGE			
IRO	**IRO type**	**KPI**	**Description of KPI**
Increasing the value generated by the company through exploitation of climate change by taking into account the risks and planning in a timely manner to prevent them.	POSITIVE IMPACT	E1-1 E1-2 E1-3 E1-4 E1-5 E1-6	• Transition plan for climate change mitigation; • Policies related to climate change mitigation and adaptation; • Actions and resources in relation to climate change policies; • Targets related to climate change mitigation and adaptation; • Energy consumption and mix; • Gross Scopes 1, 2, 3 and Total GHG emissions (Scope 3 emissions are Phase-In for the Company).
Loss of competitive advantage and exposure to environmental risks that can generate increased costs, due to failure to assess physical risks.	NEGATIVE IMPACT		
Creating a competitive advantage to reduce operating costs through careful risk assessment and an action plan to reduce operating costs associated with extreme weather events and ensure greater economic stability and business continuity.	OPPORTUNITIES		
Increased vulnerability to extreme weather events, with the possibility of business interruption and consequent increased costs resulting from the need to restore operations.	RISK		
Reduced operating costs and improved corporate image through the use of sustainable energy solutions, which can translate into significant savings in the long term, improving the competitiveness and economic sustainability of the enterprise.	POSITIVE IMPACT		
Increasing costs from fossil fuel energy use, with increasing exposure to possible regulatory restrictions.	NEGATIVE IMPACT		
Unexpected costs due to the sudden need to invest in more sustainable technologies to comply with environmental regulations, leading to high upfront costs.	RISK		
The implementation of more efficient energy solutions, including the choice of a renewable energy mix (especially for printers, considered the main draw on energy needs) allows for a reduction in energy expense, leading to considerable savings in the long run, as well as a reputational boost for the company.	OPPORTUNITIES		

Climate Change adaptation

E1-1, E1 SBM-3, E1 IRO-1 E1-2, E1-3

The CED Group approaches climate change proactively, identifying opportunities and planning actions to mitigate the associated risks.
The goal is not only to adapt to new environmental challenges, but also to turn them into opportunities for growth and innovation.
In the energy field, the Group seeks to optimise consumption and reduce operating costs by adopting sustainable solutions that improve both economic efficiency and the company's reputation. These initiatives not only promote significant savings in the long run, but also strengthen the company's competitiveness and positioning as a responsible leader in the industry.
The CED Group has embarked on a path of climate change adaptation through an increasing focus on energy efficiency and consumption reduction that runs throughout the companies belonging to the publishing Group, which are constantly engaged in the search for innovative solutions to optimise the use of resources and minimise waste.
In recent years, significant re-lamping work has been carried out in the Group's various locations, with a focus on production plant. The replacement of traditional light sources with energy-efficient LED solutions and the adoption of automatic shut-off systems via motion sensors have achieved a significant reduction in energy consumption. In parallel, programmes designed to rationalise utility usage have been initiated to ensure more efficient use of energy.

Electricity consumption and GHG emissions

E1-4, E1-5, E1-6

Regarding the energy consumption of Group Companies, a particularly relevant aspect concerns the three printing presses of the publishing Group companies (Stampa Roma 2015 Srl, Stampa Napoli 2015 Srl and Stampa Venezia Srl), for which energy consumption is a critical factor. To meet this challenge, companies have a control system in place that enables periodic monitoring of consumption and evaluation of the effectiveness of energy efficiency measures taken.
In addition, new ways of lighting industrial facilities are currently being studied, with the aim of reducing energy consumption at night, when bright lighting is not necessary.
The trend in the cost of electricity and gas for heating and domestic water after the peaks recorded in 2022 (over Euro 550 MWh for electricity in August 2022) has been gradually decreasing, though it has not returned to pre-Covid values. The current price of energy ranges between Euro 125 and Euro 150 per MWh),
To contain the impact of these increases, the Group has entered into specific hedging contracts (forward energy price swaps) both directly with the supplier, Acea, and with Banca UniCredit.
In addition, the adoption of platforms for daily monitoring of forward energy prices has enabled more strategic resource management, helping to mitigate exposure to cost increases.

CORPORATE FLEET CONSUMPTION	u.m.	2024
Fluel consumption	Lt	5,897
• *Diesel*	*Lt*	*4,218*
• *Petrol*	*Lt*	*645*

CONSUMPTION OF ENERGY ACQUIRED FROM THIRD - PARTY SOURCES	u.m.	2024
Consumption of energy acquired from third - party sources	MWh	24,380

During 2024, the Group's total energy consumption stood at **24,380 MWh**, an increase of **23.6%** from **19,577 MWh** in 2023. This growth is mainly attributable to the expansion of the monitoring perimeter, which has enabled greater tracking of consumption, as well as the increase in electricity purchased to meet operational needs.
The analysis of energy consumption shows a reduction in the use of energy from fossil sources, reaching **17,786.47 MWh** in 2024, marking an **8.8%** decrease from **19,492.58 MWh** in 2023. This contraction reflects progressive efficiency in production processes and careful rationalization of energy resources.
Another element is fuel consumption for the corporate fleet, which was **5,897 litres** in 2024, a figure that was not previously tracked in 2023. Specifically, diesel fuel was the main component with **4,218 litres**, while gasoline accounted for **645 litres**. Reporting on this consumption is a significant step toward more conscious and efficient resource management, enabling the Group to evaluate strategies aimed at reducing the environmental impact of corporate mobility.
Energy consumption trends reflect the Group's commitment to optimizing resource use, with a gradual reduction in dependence on fossil fuels and an increased focus on operational efficiency. The overall increase in consumption during the year is mainly attributable to more extensive and detailed reporting, rather than an actual increase in energy demand.
This approach allows for the development of more targeted strategies to curb emissions and increase energy from renewable sources, in line with sustainability goals and the Group's ongoing commitment to responsible management of its operations.

Scope 1, 2 & 3 GHG emissions

E1-6

Regarding GHG (Greenhouse Gas) emissions, Group Companies have reported Scope 1, 2 and 3 emissions. Specifically, Scope 1-related GHG emissions pertain to fuel consumption of the corporate fleet while Scope 2 GHG emissions refer to indirect emissions produced by upstream generation of energy that Group Companies purchase from third parties.
The enactment of Legislative Decree No. 125/2024 includes, among the changes introduced, mandatory reporting for the Group of Scope 3 ("indirect") emissions, aimed at measuring the impact in terms of GHG gas generation by the upstream and downstream supply chain.
Therefore, for the purpose of the above disclosure, the Group conducted a qualitative/quantitative analysis of the significance and applicability of the 15 Scope 3 Emission categories represented below.

Specifically, this qualitative/quantitative analysis by category is formed on the correlation of three evaluation factors: **Size** (the actual size that with respect to the Group's business a category may represent); **Stakeholder** (i.e., the expectation that Affected Stakeholders and users of the Sustainability Statement would have in seeing the specific disclosure); and **Risk** (to identify the type of issue and the resulting severity of omission), the arithmetic mean of which defines the level of **significance** for each Scope 3 category.
Provided below is a table showing the totality of the categories of Scope 3 GHG Emissions with respective significance:

CATEGORY	SUBJECT OF REPORTING	MATERIALITY THRESHOLD
1. Purchased goods and services	Yes	High
2. Capital goods	Yes	Average
3. Fluel and energy-related activities	NA	NA
4. Upstream transportation and distribution	No	Low
5. Waste generated in operations	Yes	High
6. Business travelling	Yes	Average
7. Employee commuting	Yes	Average
8. Upstream leased assets	Yes	Average
9. Downstream trasportation and distribution	Yes	High
10. Processing of sold products	No	Low
11. Use of sold products	No	Low
12. End-of-life treatment of sold products	No	Low
13. Downstrem leased assets	No	Low
14. Franchises	NA	NA
15. Investments	No	Yes

Specifically, in reference to **"Category 1 - Purchased Goods and Services"**, reporting was prepared based on the main goods and services purchased whose equivalent emissions were reported using cradle to gate CO_2e conversion factors and through spend based methodology.
"Category 2 - Capital goods" includes major capitalized assets, mainly machinery and plant. For both categories, the reporting methodology adopted is the spend-based provided by the **GHG Protocol**, which involves identifying the costs incurred by the Group for the purchase of specific goods and services within the income statement line items by converting them into GHG emissions.
"Category 3 - Fuel and energy-related activities" was not found to be significant and is therefore not reported in this disclosure. *De facto*, the category applies to emissions related to energy production not reported in Scope 1 and 2, which are not present in the Group's case.
"Category 4 - Upstream Transportation and Distribution", includes emissions related to the supply of materials to Group Companies which, given the corporate structure, are insignificant especially when compared to the widespread distribution that takes place downstream, for the distribution of newspapers throughout the country.

"Category 5 - Waste generated during operations" covers emissions from the disposal, treatment and transportation of waste managed by third-party suppliers. The category emerged as highly significant in light of the importance that waste management and resource circularity represent to Caltagirone Editore's business. In order to ensure reporting in line with the requirements of the GHG Protocol, the Group uses the average data method, multiplying waste categories by different recovery and disposal methods.

"Category 6 - Business travelling" was reported taking into account staff travel for work purposes, using conversion factors in kg of CO_2 equivalent per route, means of transport and number of passengers.

"Category 8 - Upstream Leased Assets" covers GHG emissions generated by the use of leased machinery and equipment. Corporate fleet vehicles were excluded, as they were already reported within Scope 1 direct emissions, while reporting focused on the fleet leased by Piemme.

Regarding **"Category 9 - Downstream Transportation and Distribution"** Group Companies provided Caltagirone Editore with data on the number of copies distributed for each newspaper title to each municipality, so that the distance covered in kilometres by each newspaper could be calculated and multiplied by the relevant conversion factor.

"Category 10 - Processing of sold products" covers environmental impacts related to the processing of products after their sale, which is not relevant to the publishing business in which the Group operates.

Similarly to the reasons for the non-significance of category 10, categories **"11 - Use of sold products"** and **"12 - End-of-life treatment of sold products"** also emerged as non-significant for the Group's significance analysis as neither life cycle following sale to the end-user nor ex-post paper disposal is a significant component of Group emissions (also given the reporting of categories 5 and 9, which already cover GHG emissions related to the life cycle of newspapers).

"Category 13 - Downstream Leased Assets" was not significant, by virtue of the fact that leasing to third-party companies is not part of the Group's business model.

"Category 14 - Franchises" was not applicable, as the Group's business model does not provide for this type of activity.

Regarding **"Category 15 - Investments"**, the analysis of the Group's holdings indicate that the Group does not exercise operational control over third-party companies. In addition, having preliminarily defined a threshold of **2%** and having verified this parameter for any significant holdings, the category was determined as insignificant.

SCOPE 3 GHG EMISSIONS	u.m.	2024
Gross Scope 3 GHG emissions	tCO_2eq	81,617
• *Category 1 – Purchaised goods and services*	*tCO_2eq*	*75,388*
• *Category 2 – Capital Goods*	*tCO_2eq*	*1,696*
• *Category 5 – Waste generated in operations*	*tCO_2eq*	*110*
• *Category 6 – Business travelling*	*tCO_2eq*	*76*
• *Category 7 – Employee commuting*	*tCO_2eq*	*2,766*
• *Category 8 – Upstream leased assets*	*tCO_2eq*	*29*
• *Category 9 – Downstream transportation and distribution*	*tCO_2eq*	*1,553*

In conclusion, we report the **Group's Total Carbon Footprint**, calculated as shown in the following table:

TOTAL GES EMISSIONS	u.m.	2024
Emissioni lorde di GES Scope 1	tCO_2eq	377
Gross Scope 2 GHG Emissions (Location Based)	tCO_2eq	1,928
Gross Scope 2 GHG Emissions (Market Based)	tCO_2eq	2,729
Gross Scope 3 GHG Emissions	tCO_2eq	81,617
TOTAL CARBON FOOTPRINT (Scope 2 – Location Based	**tCO_2eq**	**83,923**
TOTAL CARBON FOOTPRINT (Scope 2 – Market Based)	**tCO_2eq**	**84,724**

In 2024, total greenhouse gas (GHG) emissions were calculated by considering the three main emission areas:

- **Scope 1** (direct emissions) amounts to **377 tCO_2eq**, representing a marginal share of total emissions, indicative of reduced dependence on directly used fossil fuels.
- **Scope 2** (indirect emissions from purchased energy) records a total of **1,928 tCO_2eq**. **Location-Based** and **2,729 tCO_2eq. Market-Based**, showing potential for improvement in choosing energy supplies with lower environmental impact.
- **Scope 3** (other indirect emissions along the value chain) represents the largest component of the carbon footprint, with **81,617 tCO_2eq**, underscoring the need for active involvement along the entire supply chain to reduce emissions.

The **total carbon footprint**, considering Scope 2 with the Location-Based approach, is **83,923 tCO_2eq**, while with the Market-Based approach it reaches **84,724 tCO_2eq**. These data provide a strategic benchmark for implementing initiatives aimed at reducing emissions through the adoption of more sustainable energy solutions, optimising production and logistics processes, and strengthening collaboration with partners and suppliers.

The Group's commitment is moving toward a more responsible business model that promotes decarbonisation along the entire value chain and contributes to ecological transition goals.

Resource use and circular economy

ESRS E5 - RESOURCE USE AND CIRCULAR ECONOMY			
IRO	**IRO type**	**KPI**	**Description of KPI**
Significant reduction in waste generated and resource use through the use of printable materials of recycled origin, as well as reusable shipping and logistics solutions and packaging.	POSITIVE IMPACT	E5-1	• Policies related to resource use and circular economy;
Increased plastic waste and inefficient utilisation of resources resulting from failure to implement a strategy to reuse recycled materials.	NEGATIVE IMPACT	E5-2	• Actions and resources related to resource use and circular economy;
Reducing costs arising from logistics and disposal of waste generated (particularly printed paper), as well as those related to the procurement of new raw materials by contributing to more efficient resource management, increasing profit margins on units sold.	OPPORTUNITIES	E5-3	• Targets related to resource use and circular economy;
		E5-4	• Resource inflows;
The increase in non-circular waste may generate increased costs for its management and disposal, as well as exposure to hypothetical risks from penalties for non-compliance with environmental regulations.	RISK	E5-5	• Resource outflows.

Paper use and circularity of materials

CED's operations rely on the employment of qualified personnel and the use of essential infrastructure for the production and distribution of newspapers.

The company's operating model depends on the purchase of raw materials such as paper and ink. The environmental impact associated with the Group Companies' business model is related to the consumption of non-renewable resources along the entire value chain.

In particular, the procurement of raw materials such as paper for the production of daily newspapers contributes to the depletion of natural resources by making material reuse, proper disposal and waste management essential to mitigate negative environmental impacts.

To address these risks, CED adopts strategies aimed at reducing environmental impact through:

- Recycling and reuse of materials: about 70% of the paper purchased is recycled and is in turn recycled once the life cycle of the newspapers is over;
- Sustainable supply chain management: selecting suppliers who adopt responsible practices in sourcing raw materials.

In line with the materiality analysis conducted for 2024, CED has defined the scope of assessment of environmental impacts related to resource use, adopting an integrated approach for their responsible management.

A key pillar of the Group's sustainability strategy is responsible management of material resources, with a focus on paper use and the application of circular economy principles. In fact, the publishing Group takes a systematic and responsible approach to resource management and the transition to a circular economy model, in accordance with the ESRS disclosure requirements.
The strategy adopted aims to minimise the environmental impact of the company's activities through efficient waste management, reduction of greenhouse gas emissions, and optimisation of the use of material and energy resources.

Policies, Actions, and Goals

E5-2, E5-3

The Group adopts a policy of responsible management of incoming resources, favouring the use of printable materials of recycled origin and the implementation of reusable packaging solutions for shipping and logistics, with the aim of significantly reducing the waste generated and the use of virgin resources.
The Group's waste management is outsourced to specialised external companies, which ensure compliance with current regulations through the completion of the necessary documentation, including annual Environmental Declaration (MUD) forms and transport and disposal documentation.
Each step in the process is tracked and recorded through forms broken down by C.E.R. code, ensuring full transparency and regulatory compliance.
The type of waste generated varies according to the location of origin. In printing plants, waste is classified into:

- Hazardous: developing and washing solutions containing ink;
- Non-hazardous: waste paper, aluminium and plastics, materials that are destined for recycling processes.

In particular, unsold newspapers and printing plates are valued through sale for recycling. Paper is purchased from an entity specialising in recovery and disposal, while special waste is handled through contracts with qualified transporters and users. In particular, it is reported that aluminium sheets, once recycled, are reintroduced into the market guaranteeing them a second life cycle and actually reducing the emissions associated with sourcing the materials needed for production.
To improve water resource management and reduce the volume of liquid waste, some printing plants have adopted a water evaporation system with a ceramic filter. This technology separates the plate washing water from the inks, allowing reuse of the two components and limiting the production of industrial wastes.
In terms of actions and goals strictly related to maintenance, the Group has set a useful life of rotating machinery in the range of 30 to 40 years.
Maintenance is carried out on a daily basis with routine operations, while replaced materials are recycled or reused to ensure business continuity in view of the difficulty of obtaining spare parts or from stock.
Through these initiatives, the Group continues to strengthen its commitment to responsible resource management by promoting:

- Waste reduction;
- Recycling of materials;
- Adoption of circular practices.

These general goals are aimed at minimising the environmental impact of activities and implementing responsible and sustainable use of resources, as well as reducing supply and logistics costs resulting from waste disposal.

Focus on: Energy management and renewable sources

Air-conditioning systems in Group plants and offices are used exclusively for operational needs and for cooling machinery. However, at present, an energy mix that includes the use of electricity from renewable sources has not yet been defined.

For the Rome office, the energy suppliers are Acea for electricity and Eni for gas.

Focus-on: Scope 3 GHG emissions and distribution

Regarding indirect GHG emissions (Scope 3), the Group has documented the process related to product distribution.

Paper is sourced 70% from recycled material, sourced from European countries, while the other 30% is derived from virgin pulp sourced from Canada, from suppliers who comply with environmental and reforestation certifications such as the FSC (Forest Stewardship Council) which guarantees that the paper comes from sustainably managed forests.

The paper is transported by train, ship or road, and once it reaches the storage and/or printing centres, it is handled with the help of electric forklifts.

For distribution, printed newspapers are shipped to distributor warehouses via so-called primary lines. At sorting warehouses, Local Distributors efficiently arrange transportation to newsstands or different outlets.

The Caltagirone Editore Group has no direct relationship with individual newsstands, with the exception of those in Rome, for which there is a direct administrative relationship.

In terms of unsold newspapers as a percentage of total newspapers shipped ("Yield"), the percentage ranges between 30% and 40% depending on the geographical area (about 20% in Rome).

Paper from unsold copies is either sent for pulping through local distributors or directly through disposal to companies specialising in paper recovery and recycling. The end-users of these companies are the paper mills themselves, who turn it into white paper that can be used again for newspaper printing, generating a virtuous circle.

Resource inflows and outflows

E5-4, E5-5

Tables of resource inflows and outflows provide a detailed picture of the Group's management and sustainable use of resources, in accordance with **ESRS E5-4** and **E5-5**. Specifically:

- **Resource inflows**: highlight the origin and type of materials used, with a focus on the share of recycled, renewable or low-impact raw materials.
- **Resource outflows**: describe the destination and treatment of discarded materials, the rate of recycling and reuse, and initiatives to reduce waste and improve product life cycle efficiency.

This data allows monitoring of the environmental impact of business activities and the definition of strategies aimed at transitioning to a circular economy model.

RESOURSE INFLOWS	u.m.	2024	2023	2022
Paper	kg	10,099,414	10,723,721	11,645,096
Aluminium sheets	n°	1,467,850	1,478,810	1,497,250

During 2024, the Group's incoming resource consumption was further rationalised, showing a reduction in the use of paper and aluminium sheets compared to previous years.
Specifically, paper use stood at 10,099,414 kg, marking a decrease of 5.8% from 10,723,721 kg in 2023 and 13.3% from 11,645,096 kg in 2022. This decrease reflects an optimisation of production processes, an increasing focus on digitalisation of services resulting in a decrease in the number of hard copies, and efficiency in the procurement of raw materials, in line with the goal of reducing waste.
Similarly, aluminium sheet consumption showed a slight contraction, standing at 1,467,850 units in 2024, down 0.7% from 2023 (1,478,810 units) and 2% from 2022 (1,497,250 units). This finding suggests improvement in material use strategies and production optimisation, contributing to more sustainable resource management.
The overall trend in incoming resource consumption represents the Group's continuous efforts to optimise the materials used, gradually reducing the demand for raw materials and improving the efficiency of production processes. These results confirm a gradual transition to more sustainable resource management, aligned with the goals of reducing environmental impact and the circular economy.

WASTE PRODUCED	u.m.	2024	2023
Total non-hazardous waste	ton	2,129.52	2,153.13
• *of which destined for recovery*	*ton*	*2,106.64*	*2,130.07*
• *of which destined for treatment*	*ton*	*22.88*	*23.06*
Total hazardous waste	ton	185.88	171.42
• *of which destined for recovery*	*ton*	*6.60*	*1.78*
• *of which destined for treatment*	*ton*	*179.28*	*169.64*

In 2024, the management of waste generated by the Group showed a slight decrease for the non-hazardous waste category, which stood at 2,129.52 tonnes, marking a 0.1% decrease from 2,153.13 tonnes in 2023.
Almost all of this waste (2,106.64 tonnes) is destined for recovery, maintaining a positive trend in optimising resources and reducing environmental impact, albeit with a slight decrease from the previous year (2,130.07 tonnes).
Non-hazardous waste for treatment decreased from 23.6 tonnes in 2023 to 22.88 tonnes in 2024.
In contrast, hazardous waste increased from 171.42 tonnes in 2023 to 185.88 tonnes in 2024, an increase of 8.5%.
However, there is a significant increase in the amount of hazardous waste destined for recovery from 1.78 tonnes in 2023 to 6.60 tonnes in 2024, demonstrating an

improvement in the sustainable management of this type of material. Hazardous waste sent for treatment reached 179.28 tonnes, up from 169.64 tonnes in the previous year.

The overall operating performance of the data shows the Group's ongoing commitment to improving waste management, with a focus on reducing the share going to treatment and increasing recovery, in line with the goals outlined for the circular economy and resource optimisation.

Social

<table>
<tr><th colspan="4">ESRS S1 - OWN WORKFORCE</th></tr>
<tr><th>IRO</th><th>IRO type</th><th>KPI</th><th>Description of KPI</th></tr>
<tr><td>Reduction of occupational accidents and work-related ill health, as well as improvement of working conditions within printing houses by implementing additional safety measures beyond that already required by current regulations.</td><td>POSITIVE IMPACT</td><td rowspan="6">S1-1
S1-2
S1-3
S1-4
S1-5
S1-6
S1-9
S1-10
S1-14</td><td rowspan="6">• Policies related to own workforce;
• Processes for engaging with own workers and workers' representatives about impacts;
• Processes to remediate negative impacts and channels for own workers to raise concerns;
• Interventions on relevant impacts to own workforce, risk mitigation, pursuit of opportunities as well as effectiveness of such actions;
• Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities;
• Characteristics of the undertaking's employees;
• Diversity metrics;
• Adequate wages;
• Health and safety metrics (in the first year of reporting the enterprise may omit datapoints on incidents of work-related ill health and the number of days lost due to injuries, accidents, deaths and work-related ill health in addition to information on non-employee workers).</td></tr>
<tr><td>Increasing the quality of editorial content by maximising the potential of its workers, boosting productivity and quality of work through ongoing training, mentoring and support for skills improvement.</td><td>POSITIVE IMPACT</td></tr>
<tr><td>Creating a dynamic, stimulating and innovative work environment that attracts new talent and maximises skills, while increasing efficiency and production.</td><td>POSITIVE IMPACT</td></tr>
<tr><td>Loss of competitiveness and innovation, resulting in reduced business attractiveness to end consumers.</td><td>NEGATIVE IMPACT</td></tr>
<tr><td>High turnover rate due to an unmotivating work environment with little opportunity for growth and development, which generates a loss of skills and difficulty in retaining qualified talent with negative repercussions toward the effectiveness of meeting the dynamic demands of the industry.</td><td>NEGATIVE IMPACT</td></tr>
<tr><td>Creation of a work environment that can generate significant health to safety risks for workers due to a failure to assess risks and exposure to critical activities and working conditions.</td><td>NEGATIVE IMPACT</td></tr>
</table>

ESRS S1 - OWN WORKFORCE

IRO	IRO type	KPI	Description of KPI
Increased operating costs due to high turnover rate, resulting in the need to increase costs related to hiring and induction of new resources and training and development programs. Such an environment can undermine innovation, driving away valuable talent and limiting the company's ability to respond to market challenges.	RISK	S1-1	Policies related to own workforce;
Improvement of the company's operational efficiency and creation of quality content, which allows it to increase product presence in the market and worker retention, thus decreasing costs resulting from turnover.	OPPORTUNITIES	S1-2	Processes for engaging with own workers and workers' representatives about impacts;
Inadequate training offered to employees, identified as reduced enhancement, can lead to increased employee turnover, operational inefficiencies or the need for corrective action resulting in increased costs.	RISK	S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns;
Failure to take preventive measures may generate increased costs resulting from the restoration of production following any disruptions caused by accidents, as well as possible administrative penalties resulting from a failure to enforce occupational health and safety regulations, resulting in reputational damage.	RISK	S1-4	Interventions on relevant impacts to own workforce, risk mitigation, pursuit of opportunities as well as effectiveness of such actions;
Increasing the Group's repute through collaboration with universities and research institutions (by formalising internships) that allow for generational change, as well as the encouragement of mobility within the publishing Group's entities, with the possibility of developing new products and expanding the business in which it operates. This approach maximises the return on human capital investments made by the Group.	OPPORTUNITIES	S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities;
		S1-6	Characteristics of the undertaking's employees;
		S1-9	Diversity metrics;
		S1-10	Adequate wages;
		S1-14	Health and safety metrics (in the first year of reporting the enterprise may omit datapoints on incidents of work-related ill health and the number of days lost due to injuries, accidents, deaths and work-related ill health in addition to information on non-employee workers).

OWN WORKFORCE

Management and development of human capital

S1-1, S1-2, S1-3, S1-4, S1-5, S1-6

Employees are a key resource for the Group's success and growth. Their motivation, competence, and well-being are essential to creating a work environment that not only fosters efficiency and innovation, but also contributes to creating a more just and sustainable society. Policies, initiatives and results related to human resource management are shaped to promote training, diversity, inclusion and occupational health and safety. Attention to people is a value that guides the Group's every strategic decision, with the goal of building a prosperous and responsible future, where economic growth is accompanied by social and environmental well-being.

In 2024, the **Caltagirone Editore Group** reported a total of **577 employees**, a slight increase from 576 in 2023. The workforce consists of **376 men** (down 3 from the previous year) and **201 women** (up 5 from 2023).

CALTAGIRONE EDITORE GROUP - EMPLOYEES	2024	2023
Male	376	379
Female	201	197
Other	-	-
Undisclosed	-	-
Total Employees	**577**	**576**

The gender distribution shows a male dominance, with men making up about **65%** of the staff and women **35%,** although there is a slight increase in the presence of women.

EMPLOYEES CALTAGIRONE EDITORE GROUP 2024

These numbers reflect overall stability in the labour force, with slight job growth and modest progress toward greater gender equity.

CONTRACT TYPE	2024		2023	
	Male	Female	Male	Female
Permanent contract	364	197	368	190
Temporary contract	12	4	11	7
Total by gender	376	201	379	197
Annual total (employee contracts)	**577**		**576**	
Non-employee workers (editorial contributors)	688		667	

Regarding the types of contracts, almost all employees are hired on **permanent contracts** (561 or **97.2% of the total**), an **increase of 4** on 2023. **Temporary contracts** stood at **16** (accounting for **2.8% of the total**), down slightly from the previous year. This figure confirms the Group's desire to favour stable forms of contract and to invest in an established workforce.

EMPLOYEE AGE DISTRIBUTION	2024	2023
<30	19	16
>30; <50	221	215
>50	337	345
Total Employees	**577**	**576**

Analysis by age group shows that majority of the corporate population is in the more senior age groups. Most employees (**356** or **61.7% of the total**) are **over 50 years old**, an increase of **11** on 2023. The **30-50 age** group has **206 employees (35.7% of the total**), down **8** on the previous year. **Young people under the age of 30** account for a residual share of **15 (2.6% of the total**), showing a **slight decrease** from **16** in 2023.

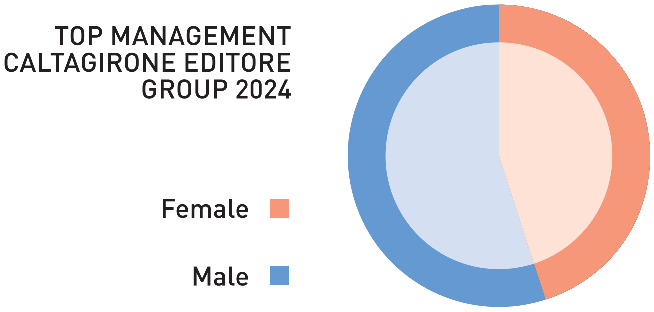
In 2024, the Caltagirone Editore Group confirms its commitment to employment stability and the development of human capital, with an increase in overall staff and a prevalence of permanent contracts.

There is a slight growth in the female component and an increase in non-employee workers, a sign of an organisation that combines continuity and flexibility.

However, there remains a mature demographic distribution, with a low presence of workers under the age of 30, highlighting an area of possible intervention to encourage generational change and the entry of new professionals.

TOP MANAGEMENT - CALTAGIRONE EDITORE GROUP	2024
Male	37
Female	23
Total Executives	**60**

Data on the Group's senior management, understood as the sum of middle managers and executives, show a balanced gender distribution within corporate leadership, with a **slight male dominance**. Female presence among senior management reaches **47.4%**, signalling a significant level of **inclusion and representation of women** in top roles. This finding suggests a corporate policy geared toward enhancing gender diversity in strategic decisions and in leadership roles.



The Caltagirone Editore Group is committed to promoting the personal and professional growth of each employee, fostering an inclusive culture in which each individual feels valued and supported. All workers, regardless of gender, age or work location, are given equal career opportunities. The Group's commitment extends to permanent employees, freelancers and contractors, recognising the different business dynamics that involve them.

Priority issues include privacy protection, working time management and work-life balance, which are essential for staff well-being. The Group attaches great importance to diversity, gender equality, equal pay, and the inclusion of people with disabilities, taking concrete measures to prevent and combat all forms of violence and harassment to ensure a safe and respectful work environment.

The Group invests in continuing education and skill development to foster employees' professional growth and contribute positively to society.

Contractual framework and adequate wages

S1-10

The Group's employee contracts are made in accordance with the national collective bargaining agreements (CCNL) applicable according to the business sector and company. These contracts regulate working conditions, mutual rights and duties, ensuring appropriate wages according to category, qualification and the labour market. The Group is committed to providing fair remuneration that reflects the value of the work performed and ensures an adequate standard of living by adopting periodic salary review policies to keep compensation competitive.

CALTAGIRONE EDITORE GROUP WAGES	Entry wages		2024			2023		
	Male	Female	Local min. wage	% male	% female	Local min. wage	% male	% female
Corriere Adriatico	33,882	33,882	17,761	1.91	1.91	17,761	1.91	1.91
Caltagirone Editore	50,000	50,000	16,000	3.13	3.13	16,000	3.13	3.13
Ced Digital & Servizi	28,000	28,000	16,000	1.75	1.75	16,000	1.75	1.75
Il Gazzettino	33,882	33,882	17,761	1.91	1.91	17,761	1.91	1.91
Leggo	33,882	33,882	17,761	1.91	1.91	17,761	1.91	1.91
Il Mattino	33,882	33,882	17,761	1.91	1.91	17,761	1.91	1.91
Il Messaggero	33,882	33,882	17,761	1.91	1.91	17,761	1.91	1.91
Piemme	28,000	28,000	16,000	1.75	1.75	16,000	1.75	1.75
Quotidiano di Puglia	33,882	33,882	17,761	1.91	1.91	17,761	1.91	1.91
Servizi Italia	26,000	26,000	16,000	1.63	1.63	16,000	1.63	1.63
Stampa Napoli	34,900	34,900	16,000	2.18	2.18	16,000	2.18	2.18
Stampa Roma	37,000	33,000	16,000	2.31	2.06	16,000	2.31	2.06
Stampa Venezia	28,000	28,000	16,000	1.75	1.75	16,000	1.75	1.75

The table shows the **entry salaries** for the year 2024 in the different newspaper titles and companies of the **Caltagirone Editore Group**, comparing them with the 2023 figures, showing substantial gender parity. For each company, the minimum entry wage for both men and women, the local reference minimum wage, and the percentages representing the ratio of the entry wage to the local minimum wage are given.

In most Caltagirone Editore Group companies, entry wages are equal for men and women, highlighting wage parity. Local minimum wages remained stable between 2023 and 2024. However, significant differences in entry wages are observed among different Group companies. One exception is Stampa Roma, where there is a wage disparity between men and women.

Social dialogue, freedom of association, protection of workers' rights and collective bargaining are key tools for giving voice to diverse perspectives.

The Caltagirone Editore Group recognises the importance of transparent and constructive communication with its employees, considering it a key element of its corporate strategy. Through strong labour relations and effective industrial partnerships, the Group aims to create a collaborative work environment that fosters optimised productivity and elevated quality of content produced.

At the same time, the Group is committed to strengthening its social role through initiatives to enhance the local area and local communities, thus consolidating its positive reputation.

It also invests in the future through active partnerships with universities and research institutions, offering curricular internship opportunities for students. In the Veneto region in particular, Stampa Venezia has partnered with technical colleges to attract young talent in the technical sector, responding to the growing difficulty of finding qualified personnel for night activities. Protection of human and labour rights is a central commitment for the Group, which adopts policies in accordance with international standards to ensure a safe, inclusive and fair environment.

Human resource management aims to enhance talent and incentivise professional growth through clear organisational structures and vertical and horizontal mobility processes. The management of journalistic staff features strict selection criteria, payroll control and continuous investment in training, with a focus on digital skills, innovative publishing software and new journalistic techniques.

The risk analysis revealed critical issues such as non-compliance with health and safety regulations, risk of defamation in the press, inadequate evaluations in selection processes, and pay disparities. To mitigate these risks, the Group has taken specific measures, including ongoing training and remuneration policies based on roles and responsibilities.

Gender equality and equal treatment, health and safety

S1-9; S1-14

Since 2013, the Group has implemented gender diversity policies, ensuring equal representation on administrative bodies and the Board of Statutory Auditors. Transparent communication with employees is encouraged through meetings with employee representatives, and although there are currently no formalised

processes for structured workforce involvement in risk assessment, the company is exploring initiatives to strengthen these processes.
In 2023, the Group introduced a Whistleblowing procedure in accordance with Legislative Decree No. 24/2023, ensuring safe and anonymous channels for reporting wrongdoing, and notes that no critical or noteworthy reports have been received since its establishment.
Management considers occupational health and safety a top priority and constantly monitors the initiatives taken and their impact on business functions.
Employee health and safety is a top priority for the Group, which is committed to creating and maintaining safe and secure work environments. In printing presses, where nighttime and industrial activities present specific risks, the company takes a proactive approach to prevention. To mitigate risks, strict preventive measures are implemented, which include:

- **Ongoing staff training:** to ensure that all employees are aware of safety hazards and procedures.
- **Use of safety devices:** to protect workers during risky activities.
- **Permanent prevention and protection service:** responsible for assessing company risks and implementing effective preventive measures.
- **Health surveillance:** with periodic visits and specialised examinations to monitor workers' health.
- **Programme to monitor safety measures:** through regular inspections by the Prevention and Protection Service Manager.

The Group strongly condemns all forms of forced and child labour and takes effective preventive measures to counter them. The Group is also committed to the continuous improvement of operating conditions and the introduction of safety measures that go beyond regulatory requirements to minimise the risk of accidents and work-related ill health.
Through its ongoing commitment to health and safety protection, the Group ensures a safe working environment that complies with current regulations, demonstrating strong social responsibility and a priority focus on the well-being of its employees.

WORK-RELATED INJURIES	Injuries	Days lost due to injury	Total hours worked	Incidents per million hours worked
Corriere Adriatico	1	10	44,892	22
Caltagirone Editore	-	-	-	-
Ced Digital & Servizi	1	5	44,280	23
Il Gazzettino	-	-	-	-
Leggo	-	-	-	-
Il Mattino	-	-	-	-
Il Messaggero	2	64	193,566	10
Piemme	-	-	-	-
Quotidiano di Puglia	-	-	-	-
Servizi Italia	1	48	110,854	9
Stampa Napoli	-	-	-	-
Stampa Roma	1	20	80,382	12
Stampa Venezia	-	-	-	-
Total	**6**	**147**	**473,974**	**15**

The table above presents an analysis of work-related injuries reported at the various newspapers of the Caltagirone Editore Group. It is noted that a total of **six accidents** occurred during the period under review. The newspaper with the highest number of injuries is Il Messaggero, with two cases, resulting in 64 days of absence. They are followed, with one injury each, by Corriere Adriatico (10 days' absence), Ced Digital & Servizi (5 days' absence), Servizi Italia (48 days' absence) and Stampa Roma (20 days' absence). Caltagirone Editore, Gazzettino, Leggo, Mattino, Piemme, Quotidiano di Puglia, Stampa Napoli and Stampa Venezia reported no injuries. The total number of days of absence due to injury is 147, out of a total of 473,974 hours worked. The injury incidence rate, calculated as a percentage of total hours worked, is 0.25%, while the injury rate per million hours worked, a figure specifically required by ESRS standards to ensure maximum comparability and resulting from the sum of hours worked by 500 full-time employees over the course of a year, is 15 injuries on a Group average basis, with a minimum of 9 for Servizi Italia and a maximum of 23 for Ced Digital & Servizi.

Consumers and end-users

<table>
<tr><th colspan="4">ESRS S4 - CONSUMERS AND END-USERS</th></tr>
<tr><th>IRO</th><th>IRO type</th><th>KPI-DRI</th><th>Description of KPI</th></tr>
<tr><td>Enhancement of enterprise-produced content by encouraging the development of original and quality products through the promotion of intellectual property compliance through licensing agreements and collaborations.</td><td>POSITIVE IMPACT</td><td rowspan="4">S4-1
S4-2
S4-3
S4-4
S4-5</td><td rowspan="4">• Policies related to consumers and end-users;
• Processes for engaging with consumers and end-users about impacts;
• Processes to remediate negative impacts and channels for consumers and end-users to raise concerns;
• Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions;
• Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities.</td></tr>
<tr><td>Loss of originality of content produced by the Group due to a failure to enhance the intellectual property of publishers.</td><td>NEGATIVE IMPACT</td></tr>
<tr><td>Increasing the value generated by the Group and enhancing the value of authors' work, ensuring the independence of the content produced resulting in consolidation of the level of reader loyalty and trust throughout the editorial offerings.</td><td>OPPORTUNITIES</td></tr>
<tr><td>Loss of competitiveness due to unfair remuneration for published content, which does not value the work done by authors</td><td>RISK</td></tr>
</table>

End-Users and Caltagirone Editore Group

S4 SMB-3; S4-1

The core business of Group Companies is closely related to consumers and end-users, whose access to quality information and experience depend on the content offered.
Specifically, end-users are citizens who enjoy publishing and digital products for personal use, accessing news, insights and information content through the platforms provided.
Findings from the double materiality analysis indicate that consumers and end-users may be subject to potential negative impacts, particularly with regard to:

- The right to the protection of personal data, ensuring that information is processed in a manner that complies with current regulations.
- The right to quality information, ensuring that content is accessible and inclusive to all segments of the population.

The Group works closely with its customers to understand the needs of consumers and end-users, assessing any risks of significant impact. Given that publishing and digital solutions are widely used in society and are a primary source of information, potential negative impacts can be both widespread and related to specific individual cases.
Although all consumers and end-users can potentially be affected, accessibility issues specifically concern:

- Older people, who may have difficulty using digital tools.
- People with disabilities, for whom ensuring accessible formats and inclusive technologies is essential.

For this reason, the Group adopts best practices and solutions for content accessibility, based on international industry guidelines and European regulations on digital inclusion.

Data protection and security

S4-1, S4-2, S4-3, S4-4, S4-5

The policies, methodologies and actions implemented by Group Companies include advanced procedures to ensure high standards of security and the protection of sensitive information. Confidentiality and data security are a key element of the Group's legitimacy and reputation.

S4-1, S4-2, S4-3, S4-4, S4-5

The Caltagirone Editore Group's core business is closely linked to consumers and end-users, whose data are processed in compliance with current regulations. The Group guarantees solutions that significantly affect both the professional and personal spheres of its users. To better understand their needs and assess any material impact risks, the Group works closely with its customers, acquiring information and knowledge of the target audience.

As the Group's solutions are often integrated into social infrastructures and used by authorities, businesses and citizens, potential negative impacts can take on a widespread scope or be associated with specific incidents. To ensure compliance with publishing and journalism industry regulations, the Group adopts clear and strict policies based on Italian legislative provisions, including **Law 47/1948** on the press and **Law 416/1981** for publishing companies. Each newspaper title is supervised by an Editor-in-Chief, who verifies the truthfulness of the content, ensuring its compliance with industry regulations, professional ethics and respect for readers. This process is critical for protecting the credibility of information and managing rights related to the use of protected materials, such as photos and videos, acquired through licensing agreements with recognised agencies.

While respecting freedom of expression and editorial independence, the Group follows the guidelines of the **Institute of Advertising Self-Discipline (IAP)**, ensuring that advertising content is not misleading or dangerous to the public. The evolution of digitalisation has led to significant investments in media literacy, promoting the ability to access, understand and critically evaluate media content. Revised publishing formats have improved the accessibility and usability of information, flanked by continued development of digital platforms and mobile applications. Such initiatives not only enhance the reader experience but also expand opportunities for engagement, ensuring clear information even on complex issues such as economics, politics and local news.

The Group's commitment to promoting a culture of quality information is demonstrated by its collaboration with **the Permanent Observatory for Young Publishers (OPGE).** This partnership takes the form of initiatives aimed at civic education and information, such as the distribution of newspapers in schools and universities, encouraging critical reading of the media among the younger generation. This contributes to greater awareness among young consumers and strengthens the link between the public and the world of information.

Currently, the Group is implementing structured procedures to ensure a transparent and effective approach to handling reports and mitigating negative impacts. Planned measures include:

- Defining more structured editorial processes to ensure the accuracy and verifiability of published information;
- Adoption of advertising guidelines that avoid misleading or harmful content, with special attention to minors and vulnerable groups;
- Strengthening personal data protection in accordance with GDPR regulations;
- Introduction of dedicated communication channels, such as customer support services, sections on newspapers' websites for reporting, and active monitoring of social media interactions.

In parallel, the Group is planning a framework of interventions to manage risks and opportunities, with actions aimed at:

- Strengthening fact-checking and source verification to reduce the risk of dissemination of inaccurate information;
- Protecting privacy and personal data through advanced security measures;
- Establishing clear criteria for responsible advertising;
- Actively monitoring user reporting to promptly identify any critical issues.

The Group aims to structure a management system that provides for:

- Monitoring procedures to prevent the dissemination of inaccurate information;
- Advanced tools for data protection and cyber security;
- Responsible advertising policies with a focus on sensitive content;
- Creating spaces for dialogue with readers to encourage their involvement in the production and verification of information.

Focus on: Intellectual property and copyright protection

The Group is committed to enhancing its content through the development of original, high-quality products, supported by respect for intellectual property and copyright. In this context, the Group takes strict measures to enforce the new copyright law, which includes the determination of fair compensation for authors and content creators, in line with national and European Directives and the supervisory role entrusted to AGCOM.

In addition, the Group works through licencing agreements and strategic collaborations to safeguard its rights, establishing an ongoing dialogue with major OTTs - including Google, Microsoft, Meta and others - in order to manage and resolve any disputes, thus ensuring fair treatment and remuneration. Our commitment extends to the protection of content originality, which is considered critical to maintaining leadership and innovation in the modern publishing landscape.

Through these initiatives, the Group strengthens its role in the market, improving access to quality information and responding to consumer needs in a responsible and innovative way.

Governance

<table>
<tr><th colspan="4">ESRS G1 - BUSINESS CONDUCT</th></tr>
<tr><th>IRO</th><th>IRO type</th><th>KPI-DRI</th><th>Description of KPI</th></tr>
<tr><td>Improved operational efficiency and security of corporate and end-user information by adopting advanced technologies and data protection protocols. This approach also allows for the optimisation of organisational processes.</td><td>POSITIVE IMPACT</td><td rowspan="3">G1-1
G1-2
G1-3
G1-4
G1-5
G1-6</td><td rowspan="3">• Corporate culture and business conduct policies;
• Management of relationships with suppliers;
• Prevention and detection of corruption and bribery;
• Confirmed incidents of corruption or bribery;
• Political influence and lobbying activities;
• Payment practices.</td></tr>
<tr><td>Promoting fair and transparent business management that incentivises adherence to the ethical principles of the profession and fosters innovation within the market environment.</td><td>POSITIVE IMPACT</td></tr>
<tr><td>Reaching a wider customer base by investing in innovative digital content and products.</td><td>POSITIVE IMPACT</td></tr>
</table>

ESRS G1 - BUSINESS CONDUCT			
IRO	**IRO type**	**KPI-DRI**	**Description of KPI**
Improving the quality and resilience of the value chain by recycling materials, diversifying suppliers, and adopting sustainable sourcing practices.	POSITIVE IMPACT	G1-1 G1-2 G1-3 G1-4 G1-5 G1-6	• Corporate culture and business conduct policies; • Management of relationships with suppliers; • Prevention and detection of corruption and bribery; • Confirmed incidents of corruption or bribery; • Political influence and lobbying activities; • Payment practices.
Violation of information security measures, which can cause a slowdown in business activities.	NEGATIVE IMPACT		
Variation in supply prices and increasing alienation of consumers due to over-reliance on single, non-sustainability-compliant suppliers with possible harm to the environment and community	NEGATIVE IMPACT		
Loss of reputation and trust of its stakeholders, undermining the long-term sustainability of the business.	NEGATIVE IMPACT		
Creation of inequalities to customers with limited access to IT services offered.	NEGATIVE IMPACT		
Increased costs and lost revenue resulting from expenses required to restore business following any disruptions caused by cyber security breaches.	RISK		
Increased revenues through increased market share, reaching new customers oriented toward the use of digital products, and through the sale of additional advertising products to traditional print media.	OPPORTUNITIES		
Reduction in profits generated due to loss of satisfaction and interest from non-digitalisation-oriented customers with inability to access digital resources.	RISK		
Reducing operational costs related to enterprise management processes by minimising any inefficiencies, both economic and in terms of operations, resulting from breaches of security measures that could jeopardise business continuity.	OPPORTUNITIES		

ESRS G1 - BUSINESS CONDUCT			
IRO	**IRO type**	**KPI-DRI**	**Description of KPI**
Reducing logistics costs by developing a transparent relationship with the supply chain that allows for efficiency in the distribution and pickup of printed paper and ensures the recycling of waste materials produced within the printing plants, contributing to circularity and reduced emissions.	OPPORTUNITIES	G1-1 G1-2 G1-3 G1-4 G1-5 G1-6	• Corporate culture and business conduct policies; • Management of relationships with suppliers; • Prevention and detection of corruption and bribery; • Confirmed incidents of corruption or bribery; • Political influence and lobbying activities; • Payment practices.
Development of enduring relationships, based on ethical and transparent principles, with internal and external stakeholders, thanks in part to the establishment of contractual agreements to increase business resilience and responsiveness to changes in the industry.	OPPORTUNITIES		
Increased reputational risks with the possibility of higher economic costs, which could undermine the ability to compete effectively in the market.	RISK		
Increased logistical difficulties and operating costs due to the lack of a firm and responsible relationship with the supply chain, which directly impacts end-customer loyalty and product sales.	RISK		

Monitoring and management of material IROs

G1 IRO 1; G1-1

CED's operating model relies primarily on its staff and workers within its value chain. Compliance with applicable regulations and international guidelines on ethical business conduct is a strategic priority, both to prevent direct legal and economic consequences for non-compliance and to ensure the maintenance of an efficient and competent workforce.

Fostering a corporate culture that protects employees and other stakeholders from potential negative human rights impacts, prevents incidents of corruption and protects whistleblowers who report such issues, is critical not only to compliance with regulations and maintaining an operating license, but also to CED's internal social strategy and business objectives.

As a major player in the publishing and digital industries, CED recognises that responsible and transparent payment practices are an essential element of the business standards it must apply. The proper management of relationships with suppliers and partners is, in fact, a crucial aspect of ensuring a fair and sustainable business environment.

The identification of IROs (Key Impacts, Risks and Opportunities) in governance is undertaken through a structured analysis based on in-depth knowledge of the organization and internal documents such as corporate policies and operational guidelines. The assessment extends to the entire Group and benefits from

structured communication on business conduct procedures. This approach allows strategies and policies to be aligned centrally, ensuring uniformity and consistency in the management of risks and opportunities.
The assessment process is based on the active involvement of relevant stakeholders, as well as a combined analysis of binding regulations (hard law) and self-regulatory principles (soft law), compared with existing business practices.
This methodology enables CED to proactively identify and manage the most significant risks and opportunities in governance, strengthening the company's resilience and its ability to operate in an environment of transparency and integrity.

Enterprise policies and copyright protection

G1-1; G1-3; G1-4; G1-5

The Caltagirone Editore SpA Group adopts a governance model based on transparency and fairness, promoting compliance with ethical principles and encouraging innovation in the market. This approach fosters an environment of trust and integrity, which are essential elements in ensuring long-term success.
The enhancement of content is a key pillar for the Group, which encourages the development of original, high-quality products while ensuring respect for intellectual property and copyright. Through licencing agreements and strategic partnerships, creativity is protected and technological and editorial progress is promoted.
Business conduct plays a central role in the Group's business model, which places great emphasis on protecting workers along the value chain. Compliance with current regulations and international ethics guidelines is considered a priority, not only to avoid legal and economic consequences, but also to preserve a competent and efficient workforce. Promoting a corporate culture that ensures the protection of employees and stakeholders from human rights violations, corruption and other issues is a strategic goal of the Group.
Although they have not adopted an Organizational Model pursuant to Legislative Decree No. 231/2001, the subsidiaries have introduced Whistleblowing procedures to allow anonymous reporting of unlawful conduct - both internal and external - thus enabling the Group Companies to prevent, detect and promptly manage possible cases of corruption.
These procedures include a whistleblower protection system and an internal channel accessible through the company website, ensuring an efficient and confidential handling of reports. In this regard, it is reported that over the reporting period there were no **incidents or legal proceedings** related to corruption or bribery practices. The Group will continue to promote a culture marked by transparency and ethics, ensuring appropriate tools for the prevention and management of possible wrongdoing.
Group Companies operate in full compliance with regulations relating to transparency and editorial independence so as to ensure maximum protection for their employees and collaborators, as well as to ensure that they engender in their readers absolute confidence in the independence of the information presented to them. In this sense, it is reported that none of the many publishing titles that are part of the Caltagirone Editore Group has taken part in or been the subject of direct lobbying activities or financing of political parties. Compliance with the rules of

journalistic ethics and the protection of freedom of the press remain core principles of the Group's business, which is committed to providing information free from external influence.

Digitalisation and data protection

G1-1

CED is actively committed to the prevention of corruption and bribery, promoting an environment of integrity and transparency. To this end, the Group has adopted procedures and protocols designed to ensure compliance with current regulations and the highest ethical standards.

In particular, the adoption of advanced technologies and data protection protocols makes it possible to optimise organisational processes and ensure high security standards, minimising operational risks, including those related to corruption and bribery. Any reports of potential violations of anti-corruption policies are promptly investigated through internal whistleblowing procedures. If confirmed, the violation is promptly addressed by taking appropriate corrective measures. The results of investigations, conclusions and any actions taken are reported to the relevant corporate functions and the Board of Directors.

Responsible value chain

G1-2; G1-6

Strengthening the value chain is a cornerstone of corporate strategy. The Group is committed to reducing dependence on sole suppliers by promoting responsible sourcing practices to avoid price fluctuations and negative impacts on the environment and local communities.

To improve the management of supplier relations, the Group is working on streamlining the procedures of the purchasing procurement office, with the aim of ensuring transparent processes and responsible business relations. While however we do not currently have specific policies on the selection of suppliers with respect to social and environmental criteria, it is emphasized that the Group Companies procure central materials such as paper exclusively from suppliers operating in countries that comply with OECD minimum safeguards and are also guaranteed by compliance with sustainability certificates such as that from the FSC (Forest Stewardship Council).

Adherence to payment terms is also ensured, with a special effort to support small and medium-sized enterprises, following payment standards of **60 days.** In this regard, it is reported that within the reporting period (FY 2024) there were no cases of disputes related to late payments with respect to its suppliers

Attention to transparency in supplier relations remains an essential element of the company's strategy, contributing to the strength of business relationships.

Below are the main categories of suppliers, also including the information on payment terms for different categories of suppliers in Italy, Europe and non-EU countries in the years 2024 and 2023.

Italy

In 2024, Group Companies' payment practices to suppliers operating in Italy were highly compliant with standard payment terms, with 96% of payments made on time. This represents an improvement over 2023, where compliance was 97%. There were no legal proceedings for late payments in either year.

	2024 - ITALY				
MAIN SUPPLIERS CATEGORIES	**Category A COLLABORATORS**	**Category B SERVICES**	**Category C OTHER**	**Category D UTILITIES**	**TOTAL**
Standard payment terms	60	60	60	30	53
Number of payments in line with standard terms	7,254	1,078	532	125	8,989
Total number of payments	7,254	1,212	687	126	9,379
Proportion of suppliers in category for which payment terms are met	1,579	243	166	35	2,023
Total number of suppliers by category	1,579	252	229	20	2,080
Percentage value of total payment (%)	**100%**	**82%**	**77%**	**99%**	**96%**
Total percentage value of suppliers by category (%)	**100%**	**96%**	**72%**	**175%**	**97%**
Numer of legal proceedings for late payments	-	-	-	-	-

	2023 - ITALY				
MAIN SUPPLIERS CATEGORIES	**Category A COLLABORATORS**	**Category B SERVICES**	**Category C OTHER**	**Category D UTILITIES**	**TOTAL**
Standard payment terms	60	60	60	30	53
Number of payments in line with standard terms	6,910	1,125	449	114	8,598
Total number of payments	6,939	1,213	612	114	8,878
Proportion of suppliers in category for which payment terms are met	1,574	250	159	15	1,998
Total number of suppliers by category	1,580	261	218	17	2,076
Percentage value of total payment (%)	**100%**	**93%**	**73%**	**100%**	**97%**
Total percentage value of suppliers by category (%)	**100%**	**96%**	**73%**	**88%**	**96%**
Numer of legal proceedings for late payments	-	-	-	-	-

Europe

For Europe, in 2024, 42% of payments were made within standard deadlines, a decline from 85% in 2023. However, it is reported that even with respect to European suppliers from outside Italy, there have been no legal proceedings related to delayed payments compared to the initially agreed timelines.

2024 - EUROPE

MAIN SUPPLIERS CATEGORIES	Category A COLLABORATORS	Category B SERVICES	Category C OTHER	Category D UTILITIES	TOTAL
Standard payment terms	60	-	-	-	60
Number of payments in line with standard terms	33	-	-	-	33
Total number of payments	79	-	-	-	79
Proportion of suppliers in category for which payment terms are met	17	-	-	-	17
Total number of suppliers by category	26	-	-	-	26
Percentage value of total payment (%)	**42%**	**0%**	**0%**	**0%**	**42%**
Total percentage value of suppliers by category (%)	**65%**	**0%**	**0%**	**0%**	**65%**
Numer of legal proceedings for late payments	-	-	-	-	-

2023 - EUROPE

MAIN SUPPLIERS CATEGORIES	Category A COLLABORATORS	Category B SERVICES	Category C OTHER	Category D UTILITIES	TOTAL
Standard payment terms	60	-	-	-	60
Number of payments in line with standard terms	72	-	-	-	72
Total number of payments	85	-	-	-	85
Proportion of suppliers in category for which payment terms are met	26	-	-	-	26
Total number of suppliers by category	29	-	-	-	29
Percentage value of total payment (%)	**85%**	**0%**	**0%**	**0%**	**85%**
Total percentage value of suppliers by category (%)	**90%**	**0%**	**0%**	**0%**	**90%**
Numer of legal proceedings for late payments	-	-	-	-	-

Non-EU Countries

In 2024, 67% of payments for non-EU suppliers were made within standard terms, down on 91% in 2023. It is also reported with respect to non-EU suppliers that there were no legal proceedings related to late payment given the insignificance of the figures.

2024 - Non UE COUNTRIES

MAIN SUPPLIERS CATEGORIES	Category A COLLABORATORS	Category B SERVICES	Category C OTHER	Category D UTILITIES	TOTAL
Standard payment terms	60	-	-	-	60
Number of payments in line with standard terms	72	-	-	-	72
Total number of payments	107	-	-	-	107
Proportion of suppliers in category for which payment terms are met	11	-	-	-	11
Total number of suppliers by category	18	-	-	-	18
Percentage value of total payment (%)	**67%**	**0%**	**0%**	**0%**	**67%**
Total percentage value of suppliers by category (%)	**61%**	**0%**	**0%**	**0%**	**61%**
Numer of legal proceedings for late payments	-	-	-	-	-

2023 - Non UE COUNTRIES

MAIN SUPPLIERS CATEGORIES	Category A COLLABORATORS	Category B SERVICES	Category C OTHER	Category D UTILITIES	TOTAL
Standard payment terms	60	-	-	-	60
Number of payments in line with standard terms	70	-	-	-	70
Total number of payments	77	-	-	-	77
Proportion of suppliers in category for which payment terms are met	11	-	-	-	11
Total number of suppliers by category	18	-	-	-	18
Percentage value of total payment (%)	**91%**	**0%**	**0%**	**0%**	**91%**
Total percentage value of suppliers by category (%)	**61%**	**0%**	**0%**	**0%**	**61%**
Numer of legal proceedings for late payments	-	-	-	-	-

In general, the figures report good compliance with standard payment terms in all regions and categories, with a slight improvement in 2024 for suppliers operating in Italy, while the absence of legal proceedings due to delays is a positive sign, indicating a good level of payment management.

Throughout 2023 and 2024, the Group has maintained a consistent commitment to meeting standard payment terms for suppliers, demonstrating sound business relationship management and a focus on economic sustainability. In Italy, 96% of payments were made on time in 2024, a slight improvement from 97% in 2023. This was achieved through efficient management of key categories of providers, including Collaborators, Services, Other and Utilities. The share of suppliers terms respected was 97% in 2024, confirming the Group Companies' reliability and punctuality with respect to their business partners.

As for non-EU suppliers, compliance with payment terms decreased from 91% in 2023 to 67% in 2024. Again, the Group is currently implementing strategies to improve on-time payment and strengthen relationships with our international suppliers.

ESRS Content Index

Cross-cutting Standards ESRS 2 - General disclosures		Sustainability Statement Chapter/Section
BP-1	General basis for preparation of sustainability statements	"General Disclosure"
BP-2	Disclosures in relation to specific circumstances	"General Disclosure"
DR GOV-1	The role of the administrative, management and supervisory bodies	"Governance of Sustainability Statement > Structure and composition of the governing body."
DR GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	"Board of Directors' approach to Sustainability"
DR GOV-3	Integration of sustainability-related performance in incentive schemes	"Board of Directors' approach to Sustainability"
DR GOV-4	Statement on due diligence	"Board of Directors' approach to Sustainability"
DR GOV-5	Risk management and internal controls over sustainability reporting	"Risk management in sustainability reporting"
DR SBM-1	Strategy, business model and value chain	"Strategy, Business Model and Value Chain"
DR SBM-2	Interests and views of stakeholders	"Materiality Analysis"
DR SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	"Materiality Analysis"
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	"Materiality Analysis"
IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability statement	"Materiality Analysis"

Environmental Standards ESRS E1 - Climate Change		Sustainability Statement Chapter/Section
ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	"Board of Directors' approach to Sustainability"
E1-1	Transition plan for climate change mitigation	"Climate Change > Climate change adaptation"
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	"Climate Change > Climate change adaptation"
ESRS 2 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	"Climate Change > Climate change adaptation"
E1-2	Policies related to climate change mitigation and adaptation	"Climate Change > Climate change adaptation"
E1-3	Actions and resources in relation to climate change policies	"Climate Change > Climate change adaptation"
E1-4	Targets related to climate change mitigation and adaptation	"Climate Change > Energy Consumption and GHG Emissions"
E1-5	Energy consumption and mix	"Climate Change > Energy Consumption and GHG Emissions"
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	"Climate Change > Energy Consumption and GHG Emissions"

Environmental Standards ESRS E5 - Resource use and circular economy		Sustainability Statement Chapter/Section
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities related to resource use and the circular economy	"Resource use and circular economy > Paper use and material circularity"
E5-1	Policies related to resource use and circular economy	"Resource use and circular economy > Paper use and material circularity"
E5-2	Actions and resources related to resource use and circular economy	"Resource use and circular economy > Policies Actions and Goals"
E5-3	Targets related to resource use and circular economy	"Resource use and circular economy > Policies Actions and Goals"
E5-4	Resource inflows	"Resource use and circular economy > Resource inflows and outflows"
E5-5	Resource inflows	"Resource use and circular economy > Resource inflows and outflows"

Social Standards ESRS S1 -Own workforce		Sustainability Statement Chapter/Section
ESRS 2 SBM-2	Interests and views of stakeholders	"Materiality Analysis"
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	"Materiality Analysis"
S1-1	Policies related to own workforce	"Social > Own workforce > Management and enhancement of human capital"
S1-2	Processes for engaging with own workers and workers' representatives about impacts	"Social > Own workforce > Management and enhancement of human capital"
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	"Social > Own workforce > Management and enhancement of human capital"
S1-4	Taking action on material impacts on affected communities, and approaches to mitigating material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	"Social > Own workforce > Management and enhancement of human capital"
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	"Social > Own workforce > Management and enhancement of human capital"
S1-6	Characteristics of the undertaking's employees	"Social > Own workforce > Management and enhancement of human capital"
S1-9	Diversity metrics	"Social > Own workforce > Management and enhancement of human capital > Gender and Treatment Equality, Health and Safety"
S1-10	Adequate wages	"Social > Own workforce > Management and enhancement of human capital > Contractual framework and appropriate wages"
S1-14	Health and safety metrics	"Social > Own workforce > Management and enhancement of human capital > Gender and Treatment Equality, Health and Safety"

Social Standards ESRS S4 -Consumers and End-Users		Sustainability Statement Chapter/Section
ESRS 2 SBM-2	Interests and views of stakeholders	"Materiality Analysis"
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	"Consumers and End-Users > End-Users and Caltagirone Editore Group"
S4-1	Policies related to consumers and end-users	"Consumers and End-Users > End-Users and Caltagirone Editore Group; Data protection and information security"
S4-2	Processes for engaging with consumers and end-users about impacts;	"Consumers and End-Users > Data protection and information security"
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	"Consumers and End-Users > Data protection and information security"
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	"Consumers and End-Users > Data protection and information security"
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	"Consumers and End-Users > Data protection and information security"

Governance structure ESRS G1 - Business conduct		Sustainability Statement Chapter/Section
ESRS 2 GOV-1	The role of the administrative, management and supervisory bodies	"Governance of Sustainability Statement"
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	"Governance > Monitoring and management of material IROs."
G1-1	Corporate culture and business conduct policies	"Governance > Monitoring and management of material IROs; Enterprise policies and copyright protection; Digitization and Data Protection"
G1-2	Management of relationships with suppliers	"Governance > Responsible Value Chain"
G1-3	Prevention and detection of corruption and bribery	"Governance > Enterprise policies and copyright protection"
G1-4	Confirmed incidents of corruption or bribery	"Governance > Enterprise policies and copyright protection"
G1-5	Political influence and lobbying activities	"Governance > Enterprise policies and copyright protection"
G1-6	Payment practices	"Governance > Responsible Value Chain"

CALTAGIRONE EDITORE
Joint-Stock Company - Share Capital Euro 125,000,000

Declaration of the sustainability statement as per article 81-ter, paragraph 1 of Consob Regulation No. 11971 of May 14, 1999 and subsequent amendments and supplements

The undersigned Ms. Azzurra Caltagirone, Chairperson of the Board of Directors and Mr. Luigi Vasta, Executive Officer for Corporate Reporting, of Caltagirone Editore S.p.A., declare, pursuant to Article 154-bis, paragraph 5-ter, of Legislative Decree No. 58 of February 24, 1998, that the sustainability statement included in the Directors' Report has been prepared:

a) in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of June 26, 2013, and Legislative Decree No. 125 of September 6, 2024;
b) with the specifications adopted under Article 8(4) of Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020.

Rome, March 12th 2025

The Chairperson	**The Executive Officer**
Signed Azzurra Caltagirone	Signed Luigi Vasta

Registered office in Rome - 00195 Via Barberini, 28 - Tel. 06/45412200 – Telefax 06/45412299
Rome Companies Registration No. 15311/00 - Rome Chamber of Commerce No. 935017 - Tax No. - VAT NO. 05897851001

CALTAGIRONE EDITORE

CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31ST 2024

CALTAGIRONE EDITORE GROUP
CONSOLIDATED BALANCE SHEET

ASSETS	Note	31.12.2024	31.12.2023
Non-current assets			
Intangible assets with definite life	1	538	430
Intangible assets with indefinite life	2	76,803	91,803
Newspaper titles		*76,803*	*91,803*
Property, plant and equipment	3	37,670	40,316
of which related parties		*10,535*	*11,259*
Equity investments and non-current securities	4	386,876	270,449
Other non-current assets	5	144	139
Deferred tax assets	6	57,033	55,559
TOTAL NON-CURRENT ASSETS		**559,064**	**458,696**
Current assets			
Inventories	7	2,050	2,175
Trade receivables	8	39,280	35,933
of which related parties		*62*	*105*
Current financial assets	9	19,833	18,162
Tax receivables	6	153	-
Other current assets	10	12,091	4,375
of which related parties		*8*	*8*
Cash and cash equivalents	11	3,966	16,041
TOTAL CURRENT ASSETS		**77,373**	**76,686**
TOTAL ASSETS		**636,437**	**535,382**

Euro thousands

CALTAGIRONE EDITORE GROUP
CONSOLIDATED BALANCE SHEET

SHAREHOLDERS' EQUITY & LIABILITIES	Note	31.12.2024	31.12.2023
Shareholders' Equity			
Share capital		125,000	125,000
Share capital issue costs		(18,865)	(18,865)
Other Reserves		412,443	313,007
Profit/(Loss) for the year		8,191	16,231
Group shareholders' equity		**526,769**	**435,373**
TOTAL SHAREHOLDERS' EQUITY	**12**	**526,769**	**435,373**
LIABILITIES			
Non-current liabilities			
Employee benefits	13	8,958	10,041
Non-current provisions	14	216	234
Non-current financial liabilities	15	8,624	9,606
of which related parties		*7,544*	*8,395*
Other non-current liabilities	16	1,196	978
Deferred tax liabilities	6	17,853	18,685
TOTAL NON-CURRENT LIABILITIES		**36,847**	**39,544**
Current liabilities			
Current provisions	14	8,087	8,868
Trade payables	17	27,027	21,138
of which related parties		*358*	*724*
Current financial liabilities	15	17,894	11,899
of which related parties		*3,189*	*3,085*
Current income tax payables	6	-	14
Other current liabilities	16	19,813	18,547
of which related parties		-	*24*
TOTAL CURRENT LIABILITIES		**72,821**	**60,466**
TOTAL LIABILITIES		**109,668**	**100,009**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**636,437**	**535,382**

Euro thousands

CALTAGIRONE EDITORE GROUP
CONSOLIDATED INCOME STATEMENT

	Note	31.12.2024	31.12.2023
Revenues			
Revenues	18	102,219	108,652
of which related parties		*174*	*145*
Other operating revenues	19	9,783	7,813
of which related parties		*57*	*73*
TOTAL REVENUES		**112,002**	**116,465**
Costs			
Raw material costs	20	(9,214)	(11,177)
Labour costs	13	(49,916)	(48,292)
of which non-recurring charges		*(1,154)*	*(634)*
Other operating charges	21	(52,088)	(51,428)
of which related parties		*(961)*	*(765)*
TOTAL COSTS		**(111,218)**	**(110,897)**
EBITDA		**784**	**5,568**
Amortisation & Depreciation		(2,554)	(2,521)
Amortisation leased assets		(3,985)	(3,899)
of which related parties		*(3,207)*	*(3,155)*
Provisions		(291)	(623)
Write-down of intangible assets with indefinite life		(15,000)	-
Doubtful debt provision		(437)	(138)
Amortisation, depreciation, provisions and write-downs	**22**	**(22,267)**	**(7,181)**
EBIT		**(21,483)**	**(1,613)**
Financial income		24,177	18,437
Financial charges		(2,342)	(1,690)
of which related parties		*(121)*	*(150)*
Net financial income	**23**	**21,835**	**16,747**
PROFIT BEFORE TAXES		**352**	**15,134**
Income taxes	6	7,839	1,097
RESULT FROM CONTINUING OPERATIONS		**8,191**	**16,231**
NET PROFIT FOR THE YEAR		**8,191**	**16,231**
Group Net Profit		8,191	16,231
Minority interest share		-	-

Euro thousands

Basic and diluted earnings per share	24	0.077	0.152

CALTAGIRONE EDITORE GROUP
CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

	Note	31.12.2024	31.12.2023
Net profit for the year		**8,191**	**16,231**
Items which are not reclassified subsequently to profit/(loss) for the period			
Effect of actuarial gains/losses, net of tax effect	12	15	(109)
Profit/(Loss) from the disposal of Investments in equity instruments net of the tax effect		3,374	1,210
Profit/(Loss) from the valuation of Investments in equity instruments net of the tax effect	4	84,175	36,449
TOTAL OTHER ITEMS OF THE COMPREHENSIVE INCOME STATEMENT	**23**	**87,564**	**37,550**
COMPREHENSIVE PROFIT/(LOSS)		**95,755**	**53,781**
Attributable to:			
- Parent Company shareholders		95,755	53,781

Euro thousands

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY 2023

	Share capital	Listing charges	Treasury shares	Fair Value reserve	Other reserves	Net Result	Group Net Equity	Minority interest Net Equity	Total Net Equity
Balance at January 1st 2023	**125,000**	**(18,865)**	**(23,641)**	**5,387**	**290,382**	**6,996**	**385,259**	**-**	**385,259**
Prior year result carried forward	-	-	-	-	6,996	(6,996)	**-**	-	**-**
Dividends	-	-	-	-	(3,204)	-	**(3,204)**	-	**(3,204)**
Amount set aside to BoD	-	-	-	-	(411)	-	**(411)**	-	**(411)**
Total transactions with Shareholders	**-**	**-**	**-**	**-**	**3,381**	**(6,996)**	**(3,615)**	**-**	**(3,615)**
Change in fair value reserve	-	-	-	36,449	-	-	**36,449**	**-**	**36,449**
Net change in post-emp. ben. reserve	-	-	-	-	(109)	-	**(109)**	-	**(109)**
Change in other provisions	-	-	-	-	1,210	-	**1,210**	-	**1,210**
Net Profit	-	-	-	-	-	16,231	**16,231**	-	**16,231**
Comprehensive profit/(loss)	**-**	**-**	**-**	**36,449**	**1,101**	**16,231**	**53,781**	**-**	**53,781**
Other changes	-	-	-	-	(52)	-	**(52)**	-	**(52)**
Balance at December 31st 2023	**125,000**	**(18,865)**	**(23,641)**	**41,836**	**294,812**	**16,231**	**435,373**	**-**	**435,373**

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STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY 2024

	Share capital	Listing charges	Treasury shares	Fair Value reserve	Other reserves	Net Result	Group Net Equity	Minority interest Net Equity	Total Net Equity
Balance at January 1st 2024	**125,000**	**(18,865)**	**(23,641)**	**41,836**	**294,812**	**16,231**	**435,373**	**-**	**435,373**
Prior year result carried forward	-	-	-	-	16,231	(16,231)	**-**	-	**-**
Dividends	-	-	-	-	(4,272)	-	**(4,272)**	-	**(4,272)**
Amount set aside to BoD	-	-	-	-	(80)	-	**(80)**	-	**(80)**
Total transactions with Shareholders	**-**	**-**	**-**	**-**	**11,880**	**(16,231)**	**(4,351)**	**-**	**(4,351)**
Change in fair value reserve	-	-	-	84,175	-	-	**84,175**	**-**	**84,175**
Net change in post-emp. ben. reserve	-	-	-	-	15	-	**15**	-	**15**
Change in other provisions	-	-	-	-	3,374	-	**3,374**	-	**3,374**
Net Profit	-	-	-	-	-	8,191	**8,191**	-	**8,191**
Comprehensive profit/(loss)	**-**	**-**	**-**	**84,175**	**3,389**	**8,191**	**95,755**	**-**	**95,755**
Other changes	-	-	-	-	-	(8)	**(8)**	-	**(8)**
Balance at December 31st 2024	**125,000**	**(18,865)**	**(23,641)**	**126,011**	**310,081**	**8,183**	**526,769**	**-**	**526,769**

Euro thousands

CALTAGIRONE EDITORE GROUP
CONSOLIDATED CASH FLOW STATEMENT

	Note	2024	2023
CASH & CASH EQUIVALENTS PREVIOUS YEAR	**11**	**16,041**	**23,994**
Net Profit/(Loss) for the year		8,191	16,231
Amortisation & Depreciation		6,539	6,420
(Revaluations)/Write-downs		15,439	138
Net financial income/(charges)		(21,837)	(16,747)
(Gains)/Losses on disposals		(9)	-
Income taxes		(7,839)	(1,097)
Changes in employee provisions		(1,395)	(1,814)
Changes in current and non-current provisions		(798)	241
OPERATING CASH FLOW BEFORE CHANGES IN WORKING CAPITAL		**(1,709)**	**3,372**
(Increase)/Decrease in inventories		125	357
(Increase)/Decrease in Trade receivables		(3,784)	(1,826)
Increase/(Decrease) in Trade payables		5,890	1,228
Change in other current and non-current liabilities		(6,493)	(2,078)
Change in deferred and current income taxes		4,624	61
OPERATING CASH FLOW		**(1,347)**	**1,114**
Interest received		1,978	954
Interest paid		(838)	(760)
Other income/(charges) received/paid		132	245
Income taxes paid		(416)	(349)

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CALTAGIRONE EDITORE GROUP
CONSOLIDATED CASH FLOW STATEMENT

continued from previous page	**Note**	**2024**	**2023**
A) CASH FLOW FROM OPERATING ACTIVITIES		**(490)**	**1,204**
Dividends received		18,897	17,161
Investments in Intangible Assets		(366)	(185)
Investments in Tangible Assets		(395)	(375)
Non-current investments and securities		(53,782)	(16,904)
Sale of intangible and tangible assets		81	-
Sale of equity investments and non-current securities		28,165	8,864
Change in current financial assets		(715)	(10,180)
B) CASH FLOW FROM INVESTING ACTIVITIES		**(8,115)**	**(1,619)**
Change in current financial liabilities		803	(4,334)
Dividends Distributed		(4,272)	(3,204)
C) CASH FLOW FROM FINANCING ACTIVITIES		**(3,469)**	**(7,538)**
Net Change in Liquidity		(12,075)	(7,953)
CASH AND CASH EQUIVALENTS CURRENT YEAR	**11**	**3,966**	**16,041**

Euro thousands

CALTAGIRONE EDITORE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31ST 2024

INTRODUCTION

Caltagirone Editore SpA (the Parent Company) is a limited liability company, listed on the Milan Stock Exchange, operating in the publishing sector with its registered office in Rome (Italy), Via Barberini, No. 28.
At the date of this report, the Shareholders with significant holdings, according to the disclosures made pursuant to Article 120 of the CFA and supplemented by additional information are:

Francesco Gaetano Caltagirone 76,638,388 shares (61.311%).
The above investment is held:
- indirectly through the companies:
  - Parted 1982 Srl 44,454,550 shares (35.564%);
  - FGC SpA 32,183,838 shares (25.747%).

The company in addition holds 18,209,738 treasury shares, equal to 14.57% of the share capital.
At the date of the preparation of the present accounts, the ultimate holding company was FGC SpA, due to the shares held through subsidiary companies.
The Consolidated financial statements at December 31st 2024 include the financial statements of the Parent Company and its subsidiaries (together the "Group"). The financial statements prepared by the Directors of the individual companies for approval by the respective shareholders' meetings were utilised for the consolidation, amended in view of the accounting standards utilised by the parent company to prepare the Consolidated Financial Statements (IFRS).
The present consolidated financial statements were authorised for publication by the Directors on March 12th 2025.

COMPLIANCE WITH INTERNATIONAL ACCOUNTING STANDARDS APPROVED BY THE EUROPEAN COMMISSION

The consolidated financial statements at December 31st 2024 are prepared on the going concern basis of the Parent Company and the subsidiaries and in accordance with Articles 2 and 3 of Legislative Decree 38/2005 and International Financial Reporting Standards (IFRS), the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC), approved by the European Commission and in force at the balance sheet date, in addition to the preceding International Accounting Standards (IAS). For simplicity, all the standards and interpretations are hereafter stated simply as "IFRS".
In the preparation of the present document, account was taken of Article 9 of Legislative Decree No. 38 of February 28th 2005, of the provisions of the civil code, of Consob Resolution No. 15519 ("Regulations relating to financial statements to be issued in accordance with Article 9, paragraph 3 of Legs. Decree No. 38/2005") and No. 15520 ("Modifications and amendments to the implementation rules of Legs. Decree No. 58 of 1998") both of July 27th 2006 as well as Consob Communication No. DEM/6064293 of July 28th 2006 ("Disclosure of issuers of shares and financial instruments in accordance with Article 116 of the CFA").
All of the financial statements of the companies consolidated fully are prepared at the same date as the consolidated financial statements and, with the exception of those of the Parent Company which are prepared in accordance with law, interpreted and supplemented by Italian GAAP, to which the necessary adjustments were made in order to render them uniform with the Parent Company principles.

The Group did not opt for the advance adoption of the standards, interpretations and updates already approved, which are applicable after the date of the accounts.
The Group evaluated the possible effects related to the application of the new standards/changes to accounting standards already in force listed below in the present Notes; based on an evaluation undertaken significant effects did not emerge in the consolidated and separate financial statements.

BASIS OF PRESENTATION

PRESENTATION CRITERIA

The Consolidated Financial Statements consist of the Balance Sheet, the Consolidated Income Statement, the Comprehensive Consolidated Income Statement, the Consolidated Cash Flow Statement, and the Statement of changes in Shareholders' Equity, an outline of the accounting principles adopted and the present Notes to the financial statements.
The basis of presentation of the Group financial statements is as follows:

- the current and non-current assets and current and non-current liabilities are presented as separate classifications in the Consolidated Balance Sheet;
- the consolidated income statement is based on the nature of costs;
- the consolidated comprehensive income statement, beginning with the net result, highlights the effect of profits and losses recorded directly to net equity;
- the statement of changes in consolidated Shareholders' Equity reports the changes in the period of the individual accounts within Net Equity;
- the consolidated cash flow statement is presented using the indirect method.

The historic cost is the general criteria adopted, with the exception of the financial statement accounts measured at Fair value according to the individual IFRS, as described in the measurement criteria below.
It should also be noted that "current" means within 12 months of the balance-sheet date, whereas "non-current" means beyond 12 months from the balance-sheet date.
The IFRS were applied in accordance with the "Conceptual Framework for Financial Reporting" and no matters arose which required recourse to the exceptions permitted by IAS 1, paragraph 19.
It is recalled that Consob Resolution No. 15519 of July 27th 2006 requires that the above financial statements report, where the amounts are significant, additional sub-accounts to those already specifically required by IAS 1 and other international accounting standards in order to show the balances and transactions with related parties as well as the relative income statement accounts relating to non-recurring or unusual operations.
The assets and liabilities are shown separately and without any offsetting.
The Consolidated Financial Statements are presented in Euro, the functional currency of the Parent Company, and the amounts shown in the Notes to the financial statements are shown in thousands, except where indicated otherwise.
The operational and presentation currency of the Group is the Euro, which is also the operational currency of all of the companies included in the present financial statements.
The accounting principles and criteria applied in the present financial statements are in line with those adopted in the consolidated financial statements for the year ended December 31st 2023.
The 2024 financial statements of the Parent Company Caltagirone Editore SpA are also prepared in accordance with IFRS as defined above.

ACCOUNTING STANDARDS AND AMENDMENTS TO STANDARDS ADOPTED BY THE GROUP

A) Accounting Standards Effective January 1st 2024

The following list shows the new accounting standards and interpretations approved by the IASB, endorsed in Europe and effective January 1st 2024:

	Endorsed by the EU	Effective date
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (issued on 25th May 2023)	YES	Years beginning on or after January 1st 2024
Amendments to IAS 1 Presentation of Financial Statements: • Classification of Liabilities as Current or Noncurrent (issued on 23rd January 2020); • Classification of Liabilities as Current or Noncurrent - Deferral of Effective Date (issued on 15th July 2020); and • Non-current Liabilities with Covenants (issued on 31st October 2022)	YES	Years beginning on or after January 1st 2024
Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (issued on 22nd September 2022)	YES	Years beginning on or after January 1st 2024

It should be noted that the adoption of these amendments had no significant impact on the Consolidated Financial Statements.

B) Accounting standards not yet applicable as they have not been endorsed by the European Union or are not yet in force as of the date of this fiscal year

As of the date of approval of the Consolidated Financial Statements, the following accounting standards and amendments have not yet been endorsed by the European Union or are not in force at the date of the current year:

	Endorsed by the EU	Effective date
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15th August 2023)	YES	Years beginning on or after January 1st 2025
IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9th May 2024)	NO	Years beginning on or after January 1st 2027
IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9th April 2024)	NO	Years beginning on or after January 1st 2027
Contracts Referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7 (issued on 18th December 2024)	NO	Years beginning on or after January 1st 2026
Annual Improvements Volume 11 (issued on 18th July 2024)	NO	Years beginning on or after January 1st 2026
Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (issued on 30th May 2024)	NO	Years beginning on or after January 1st 2026

It should be noted that the Directors are currently evaluating the effects that the application of the above accounting standards could potentially have on the Company's financial statements.

BASIS OF CONSOLIDATION

CONSOLIDATION SCOPE

The consolidation scope, which remains the same as last year, includes the Parent Company and all of its subsidiaries, directly or indirectly held (hereinafter the "Group").

The list of subsidiaries included in the consolidation scope is as follows:

	Registered Office	31.12.2024	31.12.2023	Activities
Caltagirone Editore SpA	Rome	Parent Company	Parent Company	finance
Il Messaggero SpA	Rome	100%	100%	publishing
Il Mattino SpA	Rome	100%	100%	publishing
Piemme SpA	Rome	100%	100%	advertising
Leggo Srl	Rome	100%	100%	publishing
Finced Srl	Rome	100%	100%	finance
Ced Digital & Servizi Srl	Rome	100%	100%	publishing
Corriere Adriatico Srl	Rome	100%	100%	publishing
Quotidiano di Puglia Srl	Rome	100%	100%	publishing
Il Gazzettino SpA	Rome	100%	100%	publishing
Stampa Venezia Srl	Rome	100%	100%	printing
Imprese Tipografiche Venete Srl	Rome	100%	100%	printing
P.I.M. Srl	Rome	100%	100%	advertising
Servizi Italia 15 Srl	Rome	100%	100%	services
Stampa Roma 2015 Srl	Rome	100%	100%	printing
Stampa Napoli 2015 Srl	Rome	100%	100%	printing

For a list of consolidated shareholdings and related method of consolidation, see the annex included below (provided pursuant to Article 38 of Legislative Decree No. 127/1991).

SUBSIDIARIES

Subsidiaries are considered all companies for which the Group is exposed to variable income streams or when possessing rights to such income streams, based on the relationship with the entity, and at the same time has the capacity to affect such income steams through the exercise of its power. In the evaluation of control, consideration is also taken of the potential voting rights.

Subsidiaries are consolidated from the date in which control occurs until the moment in which this control terminates.

The financial statements used for the consolidation were prepared at December 31st and are normally those prepared and approved by the Board of Directors of the individual companies, appropriately adjusted, where necessary, in accordance with the accounting principles of the Parent Company.

Inactive subsidiaries or those that generate an insignificant volume of turnover are not included in the consolidated financial statements as their impact would not be significant. Unconsolidated subsidiaries are measured at fair value.

CONSOLIDATION PROCEDURES

The subsidiary companies are consolidated using the line-by-line method. The criteria adopted for line-by-line consolidation were as follows:

- the assets and liabilities and the charges and income of the companies fully consolidated are recorded line-by-line, attributing to the minority shareholders, where applicable, the share of net equity and net result for the period pertaining to them; this share is recorded separately in the net equity and in the consolidated income statement;
- the inter-group balances and transactions, including any unrealised gains with third parties, are eliminated net of the fiscal effect, if significant. The unrealised losses are not eliminated, where the transaction indicates a reduction in value of the activity transferred;
- the gains and losses deriving from the sale of an investment in a consolidated company are recorded to group net equity as a transaction with shareholders for the amount corresponding to the difference between the sales price and the corresponding share of the consolidated net equity sold. In the case in which the sale results in the loss of control and therefore the deconsolidation of the investment, the difference between the sales price and the corresponding share of consolidated net equity sold must be recorded as a profit or loss to the income statement.

BUSINESS COMBINATIONS

Business combinations are recognised according to the acquisition method. According to this method:

i. the amount transferred to a business combination is valued at fair value, calculated as the sum of the fair value of the assets transferred and the liabilities assumed by the Group at the acquisition date and of the equity instruments issued in exchange for control of the company acquired. Accessory charges to the transaction are recorded to the income statement when they are incurred;

ii. at the acquisition date, the identifiable assets acquired and the liabilities assumed are recorded at fair value at the acquisition date; exceptions to this are the deferred tax assets and liabilities, employee benefit assets and liabilities, liabilities or equity instruments relating to share-based payments of the entity acquired or share-based payments relating to the Group issued in replacement of the contracts of the entity acquired, and the assets (or group of assets and liabilities) held-for-sale, which are instead valued according to the applicable standard;

iii. goodwill is calculated as the excess of the amounts transferred to the business combination, of the value of minority interests' net equity and the fair value of any holding previously held in the acquired company compared to the fair value of the net assets acquired and liabilities assumed at the acquisition date. If the value of the net assets acquired and the liabilities assumed at the acquisition date exceeds the sum of amounts transferred, of any minority interest and the fair value of any holding previously held in the acquired company, this excess is immediately recorded to the income statement as income deriving from the transaction concluded;

iv. any amount subject to conditions established by the business combination contract are valued at fair value at the acquisition date and included in the value of the amounts transferred to the business combination for the determination of goodwill.

In the case of business combinations undertaken in a series of phases, the holding previously held in the acquired entity is revalued at fair value at the acquisition of control date and any profit or loss is recorded to the income statement. If the initial values of a business combination are incomplete at the period-end in which the business combination took place, the Group reports in its consolidated financial statements the provisional values of the items for which the final calculations could not be made. These provisional values are adjusted in the measurement period to take account of the new information obtained on the facts and circumstances existing at the acquisition date which, if known, would have had effects on the value of assets and liabilities recognised at this date.

On passage to IFRS, the Group decided to restate only the business combinations taking place after January 1st 2004. For the acquisitions before this date, goodwill is the amount recorded in accordance with Italian GAAP.

ACCOUNTING POLICIES

INTANGIBLE ASSETS WITH DEFINITE LIFE

An intangible asset is a non-monetary asset, clearly identifiable and without physical substance, controllable and capable of generating future economic benefits.

The intangible assets with a definite life, which include patents, concessions, licences, trademarks and similar rights and software, are recorded at cost, including direct accessory costs necessary in order to render the asset available for use.

The useful life of each intangible asset is determined when first recognised. In the event that, based on an analysis of all relevant factors, there is no expected limitation on the period in which the asset will generate cash flows for the Group, it is deemed to be an intangible asset of indefinite useful life. The estimate of the useful lives is reviewed on an annual basis and any changes, where necessary, are made in accordance with future estimates. Intangible assets are eliminated from the financial statements when sold or when there is no expected future economic benefits from the use of an intangible asset, and any loss or gain (calculated as the difference between the disposal value and the book value) is recognised in the year in which the asset is eliminated.

Intangible assets with definite useful lives are recognised net of the relative accumulated amortisation and any impairment in accordance with the procedures described below. Amortisation begins when the asset is available for use and is recognised on a systematic basis in relation to the residual use and thus over the useful life of the asset. In the first year of use the amortisation takes into account the period of its use in the year.

The amortisation rates used are shown below:

Category	Average rate
Development costs	20.0%
Industrial patents and intel. property rights	26.5%
Trademarks, concessions and licenses	10.0%
Other	28.0%

INTANGIBLE ASSETS WITH INDEFINITE LIFE

PUBLISHING TITLES

Intangible assets with indefinite useful lives are those assets for which, on the basis of an analysis of all of the relevant factors, there is no foreseeable limit to the period in which the cash flow generated is limited for the Group. The newspaper titles are considered assets with indefinite useful lives.

Intangible assets of indefinite useful life are initially recognised at purchase cost, which is measured based on the same methods used for intangible assets of definite useful life. However, they are not then amortised, but rather subject to impairment testing to determine their recoverable value as described below (see Note 2). This impairment testing is done annually or more frequently if specific events point to a potential impairment loss. Any impairment losses are reinstated if the reasons for their recognition no longer exist.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is recorded at cost, including directly allocated accessory costs and those necessary for the asset being in the condition for which it was acquired, and increased, in the presence of current obligations, by the current value of the estimated cost for the disposal of the asset.

The financial charges directly attributable to the acquisition, construction or production of an asset are capitalised as part of the cost of the asset itself until the moment in which the asset is ready for expected use or sale.

The expenses incurred for the maintenance and repairs of an ordinary and/or cyclical nature are directly charged to the income statement in the year in which they are incurred. The capitalisation of the costs relating to the expansion, modernisation or improvement of owned tangible assets or of those held in leasing, is made only when they satisfy the requirements to be separately classified as an asset or part of an asset in accordance with the component approach.

Property, plant and equipment is recorded net of the relative accumulated depreciation and any loss in value determined in accordance with the procedures described below. Depreciation is calculated on a straight-line basis according to the estimated useful life of the asset; the useful life is reviewed annually and any changes, where necessary, are made on the basis of the new estimate.

The main depreciation rates and related useful lives are as follows:

	Useful life	Economic/technical rate
Industrial buildings	30 years	3.33%
Light constructions	10 years	10%
Non automated machines and general plant	10 years	10%
Rotating press for paper in rolls	15 years	6.67%
Minor equipment	4 years	25%
Office furniture and equipment	8 years	12.5%
Transport vehicles	5 years	20%
Motor vehicles and similar	4 years	25%

Land, both constructible and relating to civil and industrial buildings, is not depreciated as it has an unlimited useful life.
When the asset to be depreciated is composed of separately identifiable elements whose useful life differs significantly from the other parts of the asset, the depreciation is made separately for each part of the asset, with the application of the component approach principle.
At the moment of sale or when there are no expected future economic benefits from the use of property, plant and equipment, they are eliminated from the financial statements and any loss or gain (calculated as the difference between the sales value and the book value) is recorded in the Income Statement in the year of the above-mentioned elimination.

LEASING

LESSEE

Identification of leasing

At the inception date of the contract (the initial between that for the signing of the contract and that on which the parties commit to comply with the contractual terms), and subsequently on any change to the contractual terms and conditions, the company verifies whether such contains or represents a lease. In particular, a contract contains or represents a lease where the right to control the use of the identified asset is transferred for an established period of time in exchange for consideration. In order to assess whether a contract contains or represents a lease, the company:

- assesses whether, with regards to the identified asset, it holds the right to substantially obtain all of the economic benefits related with its usage throughout the entire usage period;
- verifies whether the contract refers to the use of a specific asset, explicitly or implicitly, which is physically separate or substantially represents the entire capacity of a physically separate asset. Where the supplier has a substantial right to replacement, the asset is not identified;
- verifies whether it has the right to manage the use of the asset. The company is considered to enjoy this right where it has the right to take the main decisions with regards to changing the usage means and purposes of the asset.

For the contracts containing a number of leasing and non-leasing components and therefore within the scope of other accounting standards, the individual components to which the respective accounting standards are applied are separated.
The leasing duration begins when the lessor makes the asset available to the lessee (commencement date) and is established in view of the non-cancellation period of the contract, i.e. the period during which the parties have legally enforceable rights and obligations and including also the rent-free period. To this duration, the following is added:

- the period covered by a renewal option, where the company is reasonably certain of exercising this option;
- the periods subsequent to the resolution date ("termination option"), where the company is reasonably certain of not exercising this option.

The termination options held only by the lessor are not considered. The reasonable certainty of exercising or otherwise a renewal or termination option as per the contract is verified by the company at the commencement date, considering all the facts and circumstances generating an economic incentive to exercise or otherwise the option, and is subsequently reverified where significant events or changes to circumstances which may impact its establishment, and which are under the control of the company, occur.

Recognition of leasing

At the commencement date of the leasing, the company records the right of use (RoU) to assets and the leasing liability.
The asset consisting of the right of use is initially valued at cost, including the amount of the initial valuation of the leased liability, adjusted for payments due for leases undertaken at the commencement date or before, plus initial direct costs incurred and an estimate of the costs which the lessee is expected to incur for the dismantling or removal of the underlying asset or for the refurbishment of the underlying asset or of the site at which it is located, net of the leasing incentives received.
The leasing liabilities are valued at the present value of the payments due for leasing not paid at the commencement date. For discounting purposes, the company utilises, where possible and where stated in the contract, an implied leasing interest rate or alternatively the incremental borrowing rate (IBR). The leasing payments due included in the valuation of the liability include the fixed payments, the variable payments which depend on an index or a rate, the amount expected to be paid as a guarantee on the residual value, the exercise price of a purchase option (that the company has a reasonable certainty of exercising), the payments due in a renewal period (where the company has a reasonable certainty of exercising the option) and the early termination penalty (unless the company is reasonably certain of not terminating the lease early).
Subsequently, right-of-use assets are amortised on a straight-line basis for the entire contractual duration, unless the contract itself stipulates the transfer of ownership on conclusion of the lease or where the leasing cost reflects the fact that the lessee shall exercise the purchase option. In this latter case, amortisation should take place over the lessor between the useful life of the asset and the duration of contract. The estimated useful lives of the right-of-use assets are calculated according to the same criteria applied to the reference fixed asset items. ln addition, the right-of-use asset is decreased by any impairment losses and adjusted to reflect remeasurements of the lease liability.

The leased liabilities, subsequent to the initial valuation at the commencement date, are valued at amortised cost according to the effective interest criterion and remeasured in the case of changes to future payments due for the leases deriving from a change in the index or rate, in the case of a change to the amount which the company expects to pay as guarantee on the residual value or where the company changes its assessment with regards to the exercise or otherwise of a purchase, renewal or termination option. Where the lease liabilities are remeasured, the lessee correspondingly alters the right of use asset. Where the book value of the asset for the right of use is reduced to zero, the change is recognised to the net profit/(loss) for the year.
In the balance sheet, the company presents the assets for the right of use under fixed assets, in the same account in which these assets would be presented if owned, with the lease liabilities among financial liabilities. The interest charges on the lease liabilities constituting a component of the financial charges are recognised to the income statement and the accumulated amortisation of the right of use assets is presented separately.

LESSOR

Identification of leasing

At the initial date of the contract and, subsequently upon a change to the contractual terms and conditions, the company classifies each of its "asset" leases as financial leases or operating leases. For these purposes, the company generally assesses whether the leasing substantially transfers all the risks and benefits related to ownership of the underlying asset. In this case, the leasing is classified as a finance lease, rather than an operating lease. Within the scope of this assessment, the company considers among the various indicators whether the leasing duration covers a majority of the economic life of the underlying asset and/or the presence or otherwise of reasonably exercisable purchase options.
For contracts containing a leasing component and one or more leasing and non-leasing components, the company breaks down the contractual consideration by applying IFRS 15.

Recognition of leasing

In the case of finance leases, the company recognises to the balance sheet the asset as a receivable of a value equal to the net investment of the leasing. To assess the net investment of the leasing, the company applies the implied leasing interest rate, established to include the direct initial costs. The company applies IFRS 9 regarding eliminations and impairment provisions to the net investment of the leasing.
The financial income is recorded over the leasing duration on a straight-line basis.
For operating leases, the company recognises the payments received as income on a straight-line basis throughout the duration of the lease to the account "other revenues from sales and services".

Sub-leasing

With regards to sub-leasing, the company, as an interim lessee, classifies its share of the main lease separately from the sub-leasing. For these purposes, it classifies the sub-leasing with regards to the right of use asset deriving from the main lease, rather than referring to the underlying asset. Where the main lease is a short-term lease which the company has recognised applying the exemption established by the standard and outlined below, the sub-leasing is classified as an operating lease. In the presence of sub-leasing, the main lease is never considered of insignificant value.

IMPAIRMENT LOSSES

The book value of intangible and tangible assets is periodically reviewed for the existence of events or changes which indicate that the book value may not be recovered. If an indication of this type exists, the recoverable amount must be determined and, in the case in which the book value exceeds the recoverable amount, these assets are written down to reflect their recoverable amount. However, the value of intangible assets of indefinite useful life is estimated annually, or in any case when there is a change in circumstances or specific events occur which require this.

The recoverable amount of the intangible and tangible assets is the higher value between the present value (fair value), net of the disposal costs and their value of use. The value in use refers to the present value of estimated future cash flows of the asset or, for assets that do not independently generate sufficient cash flows, of the group of assets that comprise the cash generating unit to which the asset belongs.

In defining use value, expected future financial flows are discounted back by using a pre-tax discount rate that reflects current estimated market value referred to the cost of money compared to the time and specific risks of the asset.

A reduction in value is recognised in the income statement when the carrying value of the asset, or of the relative cash-generating unit to which it is allocated, is higher than the recoverable amount: the losses in value of cash generating units are firstly recognised as a reduction of the carrying amount of any goodwill allocated and, thereafter, as a reduction of other assets, in proportion to the relative carrying amount. When the reasons for a write-down no longer exist on tangible and intangible assets other than goodwill, the book value of the asset is restated through the income statement, up to the value at which the asset would be recognised if no write-down had taken place and amortisation had been recognised. When the reduction in value deriving from the test is higher than the value of the asset subject to the test allocated to the cash generating unit to which it belongs, the residual amount is allocated to the assets included in the cash-generating unit in proportion to their carrying value. This allocation has as its minimum limit, the highest value between:

- the relative fair value of the asset less disposal costs;
- the relative value in use, as defined above;
- zero.

Losses are recognised in the Income Statement under the account amortisation, depreciation and write-downs.

Equity investments and non-current securities

Equity investments other than in subsidiaries, associates and joint ventures (see the consolidation scope), which generally involve holding less than a 20% interest, are recognised at cost at the date of acquisition as "equity investments and non-current securities", as this is representative of their fair value including directly attributable transaction costs.

Subsequent to this initial recognition, these investments are then measured at fair value through other comprehensive income in accordance with IFRS 9. Dividends distributed by the above equity investments are recognised to the income statement.

Investments not involving subsidiaries or associations that are not listed on an active market and for which the use of an appropriate valuation model would not produce reliable results remain measured at cost, reduced for any impairments.

INVENTORIES

Raw materials, semi-finished and finished products are recognised at cost and measured at the lower of cost and the market value. The cost is calculated on the basis of the weighted average cost method, which includes related accessory costs. In order to establish the net realisable value, the value of any obsolete or slow-moving inventory is written-down based on the expected future utilisation/realisable value through the creation of a relative fund for the reduction in value of the inventory.

FINANCIAL INSTRUMENTS

Classification and measurement

In accordance with specific provisions of IFRS 9, the classification and measurement of financial assets reflects the business model according to which such assets are managed and the characteristics of their cash flows.

Financial assets fall into three main measurement categories: at amortised cost; at fair value through other comprehensive income statement items (FVTOCI); and at fair value through profit or loss (FVTPL).

The analyses that must be conducted in order to categorise financial assets in this manner depend, first of all, on whether we are dealing with a debt instrument, an equity instrument, or a derivative.

Financial assets comprising equity instruments are always recognised at fair value. Where the security is held for trading, the fair value changes are recognised through profit or loss. For all other investments, it was decided to subsequently recognise all fair value changes through other comprehensive income (OCI), thereby exercising the FVTOCI option. In this case, the amounts accumulated to OCI shall never be reversed to the profit/(loss) for the year, even in the case of elimination for accounting purposes of the investment. Application of the FVTOCI option is irrevocable, and reclassifications to other categories are not permitted. This option has been adopted for the measurement of equity investments in other companies.

With regards however to the classification of financial assets comprising receivables and debt instruments, the following two elements are considered:

1. the business model adopted by the company. Specifically:
    - Held to Collect (HTC), model whose objective is to hold financial assets for the collection of the contractual cash flows;
    - Held To Collect and Sale (HTC&S), model whose objective is to collect the cash flows from the financial asset and also to sell the financial asset;
    - other business models than the two preceding.
2. the characteristics of the contractual cash flows from the financial instrument and whether such contractual cash flows only concern the payment of the capital and interest or otherwise including also other components. This check is called the Solely Payment of Principal and Interest (SPPI) Test.

IFRS 9 provides the definitions of capital and interest:

- the capital is the fair value of the financial asset on initial recognition and this amount may change over the life of the financial instrument (for example, through repayments);
- the interest however represents the compensation for the time value of money and the credit risk on the residual capital.

A financial asset consisting therefore of debt securities may be classified as follows:

1. Amortised cost, when:
    a. the contractual cash flows of the instrument consist only of the payment of capital and interest (SPPI Test satisfied); and
    b. the business model adopted by the company establishes that the entity holds the financial asset only to collect the contractual cash flows (HTC business model).

In this category, the financial instruments are initially recognised at fair value, including the transaction costs, and subsequently measured at amortised cost. The interest (calculated using the effective interest criterion, as in the preceding IAS 39), the impairments (and the write-backs of losses), the exchange gains/(losses) and the profits/(losses) from the elimination for accounting purposes are recognised to the profit/(loss) for the year.

2. Fair Value Through Other Comprehensive Income (FVTOCI), when:
    a. the contractual cash flows of the instrument consist only of the payment of capital and interest (SPPI Test satisfied); and
    b. the business model adopted by the company establishes that the entity holds the financial asset to collect the contractual cash flows and the cash flows generated from sale (HTC&S business model).

In this category, the financial instruments are initially recognised at fair value, including transaction costs.

The interest (calculated using the effective interest criterion, as in the preceding IAS 39), the impairments and the exchange gains/(losses) are recognised to the profit/(loss) for the year. The other fair value changes of the instrument are recognised to other comprehensive income items (OCI). On elimination for accounting purposes of the instrument, all profits/(losses) accumulated to OIC shall be reclassified to the profit/(loss) for the year.

3. Fair Value Through Profit Or Loss residually, i.e. where:
    a. the criteria outlined above are not satisfied or;
    b. where the fair value option is exercised.

The financial assets classified to this category are initially and subsequently recognised at fair value. The costs of the transaction and the fair value changes are recognised to the profit/(loss) for the year.

Impairment losses

IFRS 9 replaces the 'incurred loss' model under IAS 39 with an 'expected credit loss' forecast model ("ECL"). The model assumes a significant valuation level regarding the impact of the changes to the economic factors on the ECL which are weighted on the basis of probabilities.

The new expected credit loss model is applied to financial assets measured at amortised cost or at FVOCI, with the exception of capital securities and assets from contracts with customers.

The standard establishes that the doubtful debt provisions are valued utilising the following methodologies: the "General deterioration method" and the "Simplified approach"; in particular:

- The "General deterioration method" requires classification in three stages of financial instruments included in the scope of application of IFRS 9. The three stages reflect the level of deterioration of the quality of the receivable from the point at which the financial instrument is acquired and requires a differing method to calculate the ECL;
- The "Simplified approach" establishes that, for trade receivables, contract assets and leasing contract receivables, some simplifications are adopted in order to prevent entities from being forced to monitor changes in credit risk as required by the general model. The recognition of the loss according to the simplified approach is on a lifetime basis and therefore stage allocation is not required. For these types, therefore, receivables are broken down by cluster, for which the reference parameters (PD, LGD, and EAD) are established to calculate the lifetime expected credit losses on the basis of available information.

Where the General Deterioration Method is applied, as expected, financial instruments are classified into three stages according to the level of deterioration of the credit quality between the date of initial recognition and the measurement date:

- Stage 1: includes all financial assets considered on initial recognition (Date of initial recognition) regardless of qualitative parameters (e.g. rating) and except for situations presenting objective evidence of impairment. During the subsequent measurement phase, all financial instruments which have not demonstrated a significant increase in the credit risk compared to the date of initial recognition or which have a low credit risk at the date of analysis remain in stage 1. For these assets, the losses on expected receivables over the coming 12 months (12-month ECL) representing the expected losses in consideration of the possibility that default events will occur over the coming 12 months are recognised. The interest on financial instruments included in stage 1 are calculated on the carrying amount gross of any write-downs on the asset;
- Stage 2: includes the financial instruments presenting a significant increase in credit risk compared to the Date of initial recognition, although without presenting objective evidence of impairment. For these assets, only the expected losses on receivables deriving from all possible default events over the entire expected life of the financial instrument are recognised (Lifetime ECL). The interest on financial instruments classified to stage 2 is calculated on the carrying amount, gross of any write-downs on the asset;
- Stage 3: includes the financial assets presenting objective evidence of impairment at the Measurement date. For these assets, only the expected losses on receivables deriving from all possible default events over the entire expected life of the instrument are recognised.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents are accounted at fair value and include bank deposits and cash, cash equivalents, and investments with maturities of less than three months, i.e. instruments that are available on demand at short notice, certain in nature, and with no payment expenses.
Cash and cash equivalents in foreign currencies are valued at the year-end exchange rate.

FAIR VALUE HIERARCHY LEVELS

In relation to the financial assets and liabilities recorded in the balance sheet at Fair Value, IFRS 13 requires that these values are classified based on a hierarchy of levels which reflects the degree of input utilised in the determination of the Fair Value. The following levels are used:

Level 1: determination of fair value based on prices listed on active markets for identical assets or liabilities which the entity can access at the valuation date;

Level 2: determination of fair value based on other inputs than the listed prices included in "Level 1" but which are directly (prices) or indirectly (derivatives of prices) observable for the assets or liabilities;

Level 3: determination of the fair value based on valuation models whose input is not observable for the assets or liabilities.

For information on the Fair Value hierarchy level, reference should be made to Note 29.

SHAREHOLDERS' EQUITY

TREASURY SHARES

The costs incurred for the purchase of treasury shares are recorded as a reduction of shareholders' equity. The gains or losses deriving from a subsequent sale are recorded as net equity movements.

COSTS FOR SHARE CAPITAL INCREASES

The costs incurred for the stock exchange listing of the Parent Company Caltagirone Editore SpA, net of the relative tax effect, are recorded as a reduction of the shareholders' equity in a separate negative reserve.

EMPLOYEE BENEFITS

The liabilities relating to the benefits recognised to employees and paid on or after the employment period and relating to defined benefit plans (Employee Leaving Indemnity), net of any assets serving the plan, are determined on the basis of actuarial assumptions estimating the amount of the future benefits that the employees have matured at the balance sheet date. The liability is recognised on an accruals basis over the maturity period of the right.

In relation to the Employee leaving indemnity, following the amendments to Law No. 296 of December 27th 2006 and subsequent Decrees and Regulations ("Pension Reform") issued in the first months of 2007, it is noted that:

- the employee leaving indemnity matured at December 31st 2006 continues to be considered as a defined benefit plan.
- the employee leaving indemnity matured from January 1st 2007, for Italian companies with a number of employees above 50, is considered a defined contribution plan.

The determination of the current value of the Group commitments is made by an independent expert using the projected unit credit method.

Under this method, a future projection is made of the liability to determine the probable amount to be paid on the termination of employment and then discounted, to take into account the period of time which will pass before the actual payment. The calculation takes into account the employee leaving indemnity matured and is based on actuarial assumptions which principally relate to the interest rate, which reflects the market return of primary securities with maturities similar to those for bonds and the turnover of employees.

For the quota of the employee leaving indemnity allocated to the integrated pension or rather the INPS fund from the date of the option exercised by the employee, the Group is not a debtor of the employee indemnity provision matured after December 31st 2006, and therefore the actuarial calculation of the employee leaving indemnity excludes the component relating to future salary changes.

The actuarial gains and losses, defined as the differences between the carrying value of the liabilities and the current value of the Group commitments at the end of the period, due to changes in the actuarial parameters described above, are directly recorded to the Comprehensive Income Statement.

The financial component is however recorded in the Income Statement, in the account financial charges.

PROVISIONS

The provisions concern costs and charges are recognised in respect of certain or probable losses or liabilities, the amount or due date of which could not be determined at year-end.

The provisions are recorded when a legal or implicit obligation exists towards a third party that derives from a past event, and a payment of resources is probable in order to satisfy the obligation and this amount can be reliably estimated. When the financial effect of the time value of money is significant and the payment dates of the obligations can be estimated reliably, the provision is discounted using the estimated future cash flows at a pre-tax rate that reflects the current market assessment of the cost of money and, if appropriate, the specific risks of the obligation; the increase of the liability due to the passing of time is recorded as a financial charge.

In particular, the provisions relating to employee restructuring plans are recognised when at the balance sheet date the event which gives rise to the obligation is 'binding' as the Company, through the drawing up of a formal restructuring programme, has generated within interested third parties the valid expectations that the entity will implement the afore-mentioned programme.

GRANTS

Grants are recorded at fair value when there is a reasonable certainty that they will be received and that the conditions required to obtain them will be satisfied.
The grants received against specific expenses are recognised under other liabilities and credited to the Income Statement in the period in which the related costs mature.
The grants received against specific assets whose value is recorded under fixed assets are recorded under other liabilities and credited to the Income Statement in relation to the depreciation period to which the asset refers.
Operating grants are fully recognised to the income statement at the moment in which they satisfy the conditions for their recognition.

REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company recognises revenues such that transfer of the good and/or service to the customer is expressed in an amount that reflects a sum deemed to be that to which the Company has a right as compensation for said transfer.
This is done in accordance with the five-step model framework as follows:

1. identification of the contract;
2. identification of the assets and services covered by the contract;
3. determination of the transaction price;
4. allocation of the contractual obligations of the variable price component;
5. transfer of control.

Revenues are measured taking account of the contractual terms and practices generally applied in relations with customers. The price of this transaction is the amount of payment (which may include fixed or variable amounts, or both) considered to arise in exchange for the transfer of control of the promised goods/services. Control is generally considered to be the capacity to decide upon the use of the asset (good/service) and to substantially obtain all the remaining benefits. The total payment from contracts for the provision of services is broken down among all services on the basis of the sales price of the relative services as if they had been sold individually.
Within each contract, the base element for the recognition of revenues is the individual performance obligation. For each obligation to be satisfied, individually identified, the entity recognises the revenues where (or over time) the obligation is satisfied, transferring to the customer the promised good/service (or asset). The asset is transferred when (or over time) the client acquires control.
For obligations involving satisfaction over a period of time, the revenues are recognised "over the time", measuring at the end of each period the progress made towards complete satisfaction of the obligation. For the measurement of progress, both input based and output based models may be used. The Group utilises the Input based method (cost-to-cost method). According to the latter method, the revenues are recognised on the basis of the inputs used to fulfil the obligation up to the date, with regards to the total inputs assumed to fulfil the entire obligation. Where the inputs are distributed evenly over time, the company recognises the corresponding revenues on a straight-line basis. In certain circumstances, where it is not possible to reasonably measure the result of the obligation to be fulfilled, the revenues are recognised only up to the amount of costs incurred.

Advertising revenues from the sale of space in third-party publishers' media have a different representation depending on whether the Company operates as principal rather than as agent. Principal versus agent evaluation is carried out on a contract-by-contract basis, considering certain indicators such as: the party with primary responsibility for meeting performance obligations, business risk and discretion in setting the sale price. Where the Company operates as an agent, revenues are recognised in the financial statements net of advertising fees due to third-party publishers. Where the Company operates as a principal, revenues are recognised before advertising fees due to third-party publishers, which are in that case recognised under service costs. Based on the assessments made for the contracts currently in place with third-party publishers, the Company always operates as an agent.

Variable payments

Where the contractual payment includes a variable amount (for example following reductions, discounts, reimbursements, credits, price concessions, incentives, performance bonuses, penalties or where the payment depends on the occurrence or otherwise of a future uncertain events), the amount of the payment considered to arise should be estimated. The Group estimates variable payments in a manner consistent with similar circumstances, using the expected value method or the value of the amount considered most probable; thereafter, the estimated amount of the variable payment of the transition price is included only to the extent that this amount is considered highly probable.

Presence of a significant financial component

Group revenues are adjusted amid significant financial components, both where funded by the client (early collection) or where funded by it (deferred collection). The presence of a significant financial component is identified on the signing of the contracts, comparing the expected revenues with the payments to be received. This is not recorded where between the time of transfer of the assets/service and the time of payment less than 12 months has passed.

Costs for obtaining and fulfilling the contract

The Group capitalises the costs incurred to obtain the contract and which would not have been incurred where such had not been obtained (e.g. sales commissions), where it is expected that they may be recovered. The Group capitalises the costs incurred to fulfil the contract only where these are directly related to the contract, permitting the obtainment of new and increased resources for future obligations and where these costs shall be recoverable.

RECOGNITION OF COSTS

Costs are recognised when relating to assets or services acquired or consumed in the year or by systematic allocation.

FINANCIAL INCOME AND CHARGES

Financial income and charges are recognised in accordance with the accruals concept on the basis of the interest matured on the net value of the relative financial assets and liabilities utilising the effective interest rate, therefore utilising the rate which is financially equivalent to all the cash inflows and outflows which comprise an operation.

DIVIDENDS

The dividends received are recorded when the right of the shareholders to receive the payment arises. The dividends and dividend payments on account payable to third parties are recorded as changes in shareholders' equity at the date in which the Shareholders' Meetings approves them.

INCOME TAXES

Current Income taxes for the period are determined on the basis of the taxable assessable income and in accordance with current fiscal law; in addition, the effects deriving from the implementation of the Group's national fiscal consolidation is applied.

Deferred tax assets and liabilities are calculated on temporary differences between the balance sheet values and the corresponding values recognised for tax purposes, applying the expected tax when the differences are reversed, determined on the basis of the current tax rates in force and in consideration of any expected changes relating to future years.

The recognition of deferred tax assets is made when their recovery is probable - that is when it is expected that there will be future assessable fiscal income sufficient to recover the asset, while deferred tax liabilities are recorded in every case.

The recovery of the deferred tax asset is reviewed at each balance sheet date.

Current and deferred income taxes are recorded in the income statement, except those relating to accounts directly credited or debited to equity through the comprehensive income statement, in which case the fiscal effect is recognised directly to Equity. Current and deferred taxes are compensated when the income tax is applied by the same fiscal authority, there is a legal right of compensation and the payment of the net balance is expected.

Other taxes not related to income, such as taxes on property, are included under Other operating expenses.

EARNINGS/(LOSS) PER SHARE

BASIC

The basic earnings/(loss) per share is calculated by dividing the result of the Group by the weighted average number of ordinary shares outstanding during the year, excluding any treasury shares.

DILUTED

The diluted earnings per share is calculated by dividing the result of the Group by the weighted average number of ordinary shares outstanding during the year, excluding any treasury shares. In order to calculate the diluted earnings per share, the average weighted number of shares outstanding is adjusted assuming the conversion of all shares with potential dilution effect. The diluted earnings per share is not calculated in the case of losses, as the dilution effect would result in an improvement in the earnings per share.

RISK MANAGEMENT

The activities of Caltagirone Editore and its subsidiaries are subject to various financial risks: market risks (raw materials prices and movements in listed share prices), credit risk, interest rate risk, liquidity risk and environmental and safety risks. The management of financial risks is undertaken through organisational directives which govern the management of these risks and the control of all operations which have importance in the composition of the financial and/or commercial assets and liabilities.

Market risk (price of raw materials-paper)

The Group is exposed to fluctuations in the price of paper - the principal raw material; this risk is managed through supply contracts with foreign companies with fixed prices and quantities for a maximum period of 6 months, and through procurement from suppliers based in different geographic areas in order to avoid the risks related to an excessive concentration of suppliers and to obtain the most competitively priced supplies.

Risks concerning the price of investments in equity instruments

In relation to the risk of changes in the fair value of the equity instruments, the Group monitors the changes of share prices and for this reason constantly records the movements in the listed shares in portfolio. Based on this data, the investment and divestment policies of the Group are defined with the objective to optimise medium and long-term cash flows, also considering the distribution of dividends from the shares in portfolio.

Credit risk

Receivables principally are of a commercial nature. In general, they are recorded net of any write-downs, calculated on the basis of the risk of non-fulfilment by the counterparty, determined considering the information available on the clients' solvency and historical insolvency data in relation to the varying expiry dates of receivables. Historically, there are no significant situations which are particularly problematic in relation to the solvency of the clients, as the policy of the Group is only to sell to clients after a prudent evaluation of their credit capacity and therefore within the established credit limits. Finally, no significant debtor positions were recorded which would equate to an excessive concentration of credit. On this basis, the credit risk to which the Group is exposed can be considered limited.

Interest rate risk

The interest rate risk principally relates to an uncontrolled increase of the charges deriving from variable interest rates on medium/long-term loans. The Group currently does not have medium/long-term loans, while having an insignificant exposure to short-term debt interest rate risk.

Liquidity risk

Liquidity risk is linked to the difficulty in obtaining funds to cover commitments at a given moment. The Caltagirone Editore Group possesses liquidity and this risk is therefore not considered significant for the Group.

Environment and security risk

The Caltagirone Editore Group is constantly seeking out solutions to reduce energy consumption. In recent years, re-lamping actions have been carried out in the Group's various locations, but particularly at the production plant, through the replacement of light sources with low-consumption solutions (LEDs) and the adoption of automatic shut-off solutions (motion sensors), while programmes to rationalise the use of various utilities have been initiated.

Existing regulations and laws are rigorously applied to workplace health and security and hence govern this area of risk.

Cybersecurity risks (Cybersecurity)

Cybersecurity is undoubtedly one of the greatest risks in recent times, particularly in the areas of cyber security & data privacy. Indeed, the increasing use of information systems increases the Company's and Group's exposure to different types of risks related to information security. The most significant is the risk of cyber attack, which is a threat for the Group. The risk is potential data leaks with possible significant impacts on privacy management, possible business disruptions, and consequent reputational damage. The Group is implementing progressive upgrading of IT infrastructure, strengthening of protection systems, constant updating of internal procedures, and continuous staff training to strengthen the corporate culture on issues in cyber security.

USE OF ESTIMATES

The preparation of the consolidated financial statements requires the Directors to apply accounting principles and methods that, in some circumstances, are based on difficulties and subjective valuations and estimates based on the historical experience and assumptions which are from time to time considered reasonable and realistic based on the relative circumstances. The application of these estimates and assumptions impact upon the amounts reported in the financial statements, such as the balance sheet, the consolidated income statement and the consolidated cash flow statement, and on the disclosures in the Notes to the accounts. The final outcome of the accounts in the financial statements, which use the above-mentioned estimates and assumptions, may differ from those reported in the financial statements due to the uncertainty which characterises the assumptions and conditions upon which the estimates are based.

The accounting principles and accounts in the financial statements which require greater subjectivity in the preparation of the estimates and for which a change in the underlying conditions of the assumptions used may have a significant impact on the consolidated financial statements of the Group are as follows:

- *Intangible assets of indefinite useful life*: intangible assets of indefinite useful life are subjected at least once a year to impairment testing to recognise the existence of any impairment losses through profit or loss. This impairment testing entails determining the recoverable value of the cash-generating units (CGUs) to which the intangible assets of indefinite useful life are allocated by estimating the relative recoverable value as the greater of value in use and fair value net of the costs of disposal. When this recoverable value is less than the book value of the CGUs, the goodwill allocated to them, as well as the other intangible assets for any excess, must be written down. The calculation of the recoverable value of the CGUs requires estimates which depend on factors that may change over time with potential consequent effects, which may be significant, compared to the valuations made by the Directors.

- *Writing down non-current assets*: in accordance with the accounting principles applied by the Group, the tangible and intangible assets with definite life are verified to ascertain if there has been a loss in value which is recorded by means of a write-down, when it is considered there will be difficulties in the recovery of the relative net book value through use. Verification of the existence of the aforesaid indicators requires the Directors to make subjective assessments based on the information available within the Group and on the market, as well as on historical experience. The correct identification of the indicators of the existence of a potential reduction in value as well as the estimates for their determination depends on factors which may vary over time impact upon the valuations and estimates made by the Directors.
- *Depreciation*: depreciation represents a significant cost for the Group. The cost of property, plant and equipment is depreciated on a straight-line basis on the estimated useful life of the asset. The useful life of the tangible fixed assets of the Group is determined by the Directors when the fixed assets are purchased. This is based on the historical experiences for similar fixed assets, market conditions and considerations relating to future events which could have an impact on the useful life, such as changes in technology. Therefore, the effective useful life may be different from the estimated useful life. The Group periodically assesses technological and industry changes, decommissioning charges and salvage value to update the remaining useful life. This periodic update could result in a change in the depreciation period and therefore in the depreciation charge in future years. The estimates and assumptions are reviewed periodically and the effects of each change are recognised in the income statement.
- *Income taxes*: income taxes (current and deferred) are determined based on a prudent interpretation of the tax laws in force. This process may involve complex estimates in the determination of the assessable income and the temporary differences between the accounting and tax values. In particular, the valuation for the recoverability of the deferred tax assets, in relation to tax losses utilisable in subsequent years, and on temporary deductible differences, takes account of the estimates of expected future assessable income.
- *Provisions:* the provisions relating to disputes are based on a process which establishes the probability of loss. In accordance with International Financial Reporting Standards, provisions are recognised in relation to those disputes for which a loss is deemed to be probable.
- *Impairment of financial assets:* in accordance with IFRS 9, expected loss is defined as the sum of the expected default loss that could impact the financial instrument over a given period of time. This expected loss is measured based on past, present and forward-looking information and circumstances. This model is applied to the financial assets recognised at amortised cost.
- *Employee benefits*: employee-benefit provisions are calculated based on actuarial assumptions; changes in these assumptions may have significant effects on this provision.

The estimates and assumptions are reviewed periodically and the effects of all variations recorded in the Income Statement or the Comprehensive Income Statement, when they relate only to that year. When the revision relates to both current and future periods (for example the revision of the useful life of fixed assets), the changes are recorded in the period in which the revision is made and in the relative future periods.

CHANGE OF ACCOUNTING PRINCIPLES, ERRORS AND CHANGE OF ESTIMATES

The accounting principles adopted are amended from one period to another only if the change is required by a standard and if this contributes to providing more reliable information on the effects of the operations on the balance sheet, income statement and cash flows of the enterprise.

The changes to the accounting standards are recorded retrospectively with the recording of the effect to net equity for the more remote periods reported. The other comparative amounts indicated for each period are adjusted as if the new standard had always been applied. The prospective approach is made only when it is impractical to reconstruct the comparative information.

The application of a new or amended accounting standard is accounted for in accordance with the requirements of the standard. If the standard does not permit a transition period, the change is accounted in accordance with the retrospective method, or if impractical, with the prospective method.

In the case of significant errors, the same method that is used for changes in accounting standards illustrated previously is applied.In the case of non-significant errors, these are accounted for in the income statement in the period in which they are noted.

Changes in estimates are accounted in accordance with the prospective method in the Income Statement in the period in which the change occurs only if impacting upon this latter or in the period in which the change occurs, and subsequent periods if the change also impacts upon future periods.

SEGMENT DISCLOSURE

In accordance with IFRS 8 concerning operating segment disclosures, the Caltagirone Editore Group defines an operating segment as a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses related to transactions with other components of the same entity);
- whose operating results are reviewed regularly at the entity's chief operating decision maker level to make decisions about resources to be allocated to the segment and assess its performance; and
- for which separate financial information is available.

The Group's operating segments have been defined with reference to the system of internal reporting regularly adopted by the Parent Company for the Group's management structure and organisation. Operations are conducted in Italy and include financial, publishing and related promotional activities. For further information, reference should be made to Note 27.

VALUE OF THE GROUP

The Stock Market capitalisation of Caltagirone Editore is currently lower than the net equity of the Group (Stock Market capitalisation at December 31st 2024 of Euro 175 million compared to a Group net equity of Euro 526.8 million), significantly lower than the valuations based on the fundamentals of the Group expressed by its value in use.

The capacity to generate cash flows or the establishment of specific fair values (cash and cash equivalents, equity instruments and Publishing Titles) may justify this difference; stock market prices in fact also reflect circumstances not strictly related to the Group, with expectations focused on the short-term.

ASSETS

1. INTANGIBLE ASSETS WITH DEFINITE LIFE

Historical cost	Patents	Trademarks and Concessions	Other	Assets in progress	Total
01.01.2023	**1,584**	**1,043**	**6,964**	**-**	**9,591**
Increases		25	34	127	185
Decreases	-	-	-	-	**-**
31.12.2023	**1,584**	**1,068**	**6,998**	**127**	**9,776**
01.01.2024	**1,584**	**1,068**	**6,998**	**127**	**9,777**
Increases	20	180	155	11	**366**
Decreases	-	-	(81)	-	**(81)**
31.12.2024	**1,604**	**1,248**	**7,072**	**138**	**10,061**
Amortisation & loss in value	**Patents**	**Trademarks and Concessions**	**Other**	**Assets in progress**	**Total**
01.01.2023	**1,575**	**692**	**6,885**	**-**	**9,152**
Increases	5	112	78	-	**195**
Decreases	-	-	(32)	-	**(32)**
31.12.2023	**1,579**	**804**	**6,963**	**-**	**9,346**
01.01.2024	**1,579**	**804**	**6,963**	**-**	**9,346**
Increases	12	172	74	-	**258**
Decreases	-	-	(81)	-	**(81)**
31.12.2024	**1,591**	**975**	**6,956**	**-**	**9,523**
Net value					
01.01.2023	**10**	**351**	**79**	**-**	**440**
31.12.2023	**5**	**264**	**35**	**127**	**430**
31.12.2024	**13**	**272**	**115**	**138**	**538**

Euro thousands

At December 31st 2024, there were no inactive intangible assets or completely amortised intangible assets still in use of significant value.

2. INTANGIBLE ASSETS WITH INDEFINITE LIFE

The indefinite intangible assets, comprising entirely of the newspaper titles, are not amortised, but annually subject to verifications to determine the existence of any loss in value.

The table below shows the movements in the intangible assets with indefinite life:

Historical cost	Goodwill	Newspaper titles	Total
01.01.2023	**189,596**	**286,794**	**476,390**
Increases/Decreases	-	-	-
31.12.2023	**189,596**	**286,794**	**476,390**
01.01.2024	**189,596**	**286,794**	**476,390**
Increases/Decreases	-	-	-
31.12.2024	**189,596**	**286,794**	**476,390**

Write-downs	Goodwill	Newspaper titles	Total
01.01.2023	**189,596**	**194,991**	**384,587**
Increases/Decreases	-	-	-
31.12.2023	**189,596**	**194,991**	**384,587**
01.01.2024	**189,596**	**194,991**	**384,587**
Increases	-	15,000	**15,000**
Decreases	-	-	-
31.12.2024	**189,596**	**209,991**	**399,587**

Net value			
01.01.2023	-	**91,803**	**91,803**
31.12.2023	-	**91,803**	**91,803**
31.12.2024	-	**76,803**	**76,803**

Euro thousands

The breakdown of the balance relating to the newspaper titles, with the relative movements, is shown below:

	01.01.2023	Write-downs	31.12.2023
Il Messaggero SpA	43,808	-	43,808
Il Mattino SpA	17,796	-	17,796
Quotidiano di Puglia Srl	431	-	431
Corriere Adriatico Srl	2,078	-	2,078
Il Gazzettino SpA	27,687	-	27,687
Other minor Newspaper Titles	3	-	3
Total	**91,803**	**-**	**91,803**

	01.01.2024	Write-downs	31.12.2024
Il Messaggero SpA	43,808	(9,000)	34,808
Il Mattino SpA	17,796	(2,900)	14,896
Quotidiano di Puglia Srl	431	-	431
Corriere Adriatico Srl	2,078	-	2,078
Il Gazzettino SpA	27,687	(3,100)	24,587
Other minor Newspaper Titles	3	-	3
Total	**91,803**	**(15,000)**	**76,803**

Euro thousands

In relation to the valuation model utilised to establish the recoverability of the newspaper titles, in line with 2023, a verification was carried out of the recoverability of the value of the individual Newspaper Titles in accordance with the combined provisions of IAS 36 par. 10(a) and IAS 38 par. 108.
The impairment test on the individual Newspaper Titles was carried out on the basis of the recoverable value on the individual Newspapers calculated using a model in line with that used to calculate the third level fair value of IFRS 13 "Fair Value Measurement" ("IFRS 13").
The recoverable value of the Newspaper Titles was established through application of a method based on empirical multipliers. This method is one of the most widely used comparative methods in common practice for the calculation of the value of specific categories of intangible assets.
The model applied refers to, for the estimated recoverable value of the Newspaper Titles, revenue multipliers (separate for circulation and advertising revenue) and a corrective factor based on a multiple of the negative EBITDA values which may be generated by the Newspaper Title. The multiplier ratios of the revenue variables are calibrated on the basis of a "balance scorecard" which allocates a score for a series of qualitative factors contributing to the value of the newspaper titles (age, competition, circulation, price, editing, advertising attractiveness, future potential, advertising catchment area and profitability), based on an analysis of the general publishing sector performance and the competitive position of each newspaper title on its market, in addition to historical experience and managerial assessments of the qualitative profiles of each of the publishing titles. The determination of the

revenue ratios based on the overall score from the balance scorecard, for each Newspaper Title, is based on an objective criteria on the basis of which, for all ratios, the allocation of a minimum score for all qualitative factors corresponds to the extreme low-end of the parametric range and the maximum score to the extreme upper range.
The underlying table reports the book values of the Newspaper Titles following the impairment tests on the Newspaper Titles. The results, also supported by assessments conducted by an outside consultant, led to the recognition of an impairment loss:

Description	Newspaper titles		
	2024	2023	Write-downs
Il Gazzettino SpA	24,587	27,687	(3,100)
Il Messaggero SpA	34,808	43,808	(9,000)
Il Mattino SpA	14,896	17,796	(2,900)
Quotidiano di Puglia Srl	431	431	-
Corriere Adriatico Srl	2,078	2,078	-

Euro thousands

In addition to impairment tests on the value of the Newspaper Titles at December 31st 2024 through application of the model outlined previously, taking account of the interdependence between the various Group legal entities and in line with that carried out for the impairment test regarding the previous year, an analysis was also carried out on the future cash flows of the CGU, only for the year in question, utilising a single aggregate financial statement which, among other issues, enables a single "reading" of the figures.
The analysis was carried out according to IAS 36. The value in use in 2024 was determined through the Discounted Cash Flow method, which is the discounting of the future operating cash flows generated by the CGU.
The verification of the recoverability of the CGU's is based on the 2025-2029 economic and financial plan of the Caltagirone Editore Group, developed according to plans received from the subsidiaries and approved by the Board of Directors on March 12th, 2025, using the financial statement accounts of the CGU of the Group comprising the publishing (including the Newspaper titles) and advertising activities.
In particular, the cash flows were estimated for a period of 5 years and then discounted based on the cost of capital of the CGU (WACC). A terminal value representing the projections of the CGU's revenue capacity, calculated under the perpetual return model, was added to this value. A growth rate of zero was applied for the calculation of the terminal value.
In carrying out the impairment test, approved by the Board of Directors, the expected consolidated cash flows for 2025 were taken into consideration. In addition, for subsequent years, specific performance estimates were drawn up, developed according to plans received from the subsidiaries, taking account of the general and market environment as impacted by the current crisis, in addition to the resultant changed operating conditions. In this regard, the forecasts made in the previous year by the Company, developed according to plans received from the subsidiaries, were updated also on the basis of the 2024 figures.

In particular, the restructuring and cost cutting actions approved and undertaken over time by management have always had a greater impact than expected. On the other hand, the advertising and print circulation markets, due to the extended crisis and together with the extraordinary digital revolution, has meant more extensive and long lasting difficulties than predicted by all the leading operators. Therefore, the expected cash flows utilised in the model were calculated based on the 2025 budget and the 2026-2029 planning data and represent the best estimate of the amounts and timing for which the future cash flows are expected to occur based on the long-term plan which was reviewed and updated in 2025 to take account of that outlined above and of differences between the previous plan and the 2024 results. The operating costs considered in the expected cash flows were also determined based on management estimates for the coming five years and take account of the positive effects of the restructuring plan carried out in previous years. A further impairment test did not indicate additional write-downs to the CGU involved in publishing and advertising operations.
The underlying table reports the principal parameters used in the impairment test.

Description	**Tax rate**		**WACC***		**G-rate****		**Explicit period cash flows**
	2024	**2023**	**2024**	**2023**	**2024**	**2023**	
Value	28.82%	28.82%	7.10%	8.70%	-	-	5 years

Values in percentage

* *The WACC represents the average weighted cost of capital of the entity taking into account the specific risks relating to the operating sectors considered. This parameter is considered net of fiscal effect and takes account of interest rate movements*
** *The g-rate concerns the expected growth rate in order to calculate the "Terminal Value"*

The sensitivity analysis carried out indicated that - although a not insignificant sensitivity was observed for the estimates on changes to the g and WACC parameters considered and that, in certain valuation scenarios, the difference between the estimated Enterprise Value and the carrying amount of the Net Capital Employed of the CGU would be negative (however only in scenarios with a growth rate of zero) - in the majority of scenarios examined, the results of the tests substantially confirmed the conclusions obtained for the base scenario.
Further to the impairment models utilised in valuing indefinite intangible assets, for the estimate of the effective value of the newspapers intangible assets, elements which lie outside the typical economic considerations are also considered and which relate to the number of readers and the circulation on the market, issues which determine the effective value of the newspaper and the price.

3. PROPERTY, PLANT AND EQUIPMENT

Historical cost	Land & Buildings	Plant and Machinery	Commercial and industrial equipment	Right of use assets	Other assets	Assets under construction	Total
01.01.2023	**60,292**	**98,579**	**809**	**29,870**	**21,420**	**-**	**210,970**
Increases	-	232	-	1,433	105	38	**1,808**
Decreases	-	-	-	-	(23)	-	**(23)**
Reclassifications	-	(9)	-	-	-	-	**(9)**
31.12.2023	**60,292**	**98,802**	**809**	**31,303**	**21,502**	**38**	**212,746**
01.01.2024	**60,292**	**98,802**	**809**	**31,303**	**21,502**	**38**	**212,746**
Increases	26	91	-	3,291	213	15	**3,636**
Decreases	-	-	-	(42)	(33)	(5)	**(81)**
Reclassifications	1,134	(1,134)	-	-	-	-	**-**
31.12.2024	**61,452**	**97,759**	**809**	**34,552**	**21,681**	**48**	**216,301**

Depreciation & loss in value	Land & Buildings	Plant and Machinery	Commercial and industrial equipment	Right of use assets	Other assets	Assets under construction	Total
01.01.2023	**34,184**	**96,076**	**808**	**14,315**	**20,854**	**-**	**166,237**
Increases	1,519	557	1	3,900	249	-	**6,226**
31.12.2023	**35,704**	**96,633**	**809**	**18,214**	**21,071**	**-**	**172,431**
01.01.2024	**35,704**	**96,633**	**809**	**18,214**	**21,071**	**-**	**172,431**
Increases	1,554	529	-	3,985	213	-	**6,281**
Decreases	939	(939)	-	-	(80)	-	**(80)**
31.12.2024	**38,197**	**96,223**	**809**	**22,199**	**21,203**	**-**	**178,632**
Net value							
01.01.2023	**26,108**	**2,503**	**1**	**15,555**	**566**	**-**	**44,733**
31.12.2023	**24,588**	**2,169**	**-**	**13,089**	**431**	**38**	**40,316**
31.12.2024	**23,255**	**1,536**	**-**	**12,353**	**478**	**48**	**37,670**

Euro thousands

"Land and Buildings" include operating offices and facilities for the printing of newspapers.

The account "Plant and machinery" is mainly composed of the presses belonging to Group publishing companies.

"Right of use assets" almost exclusively comprise the lease contracts for offices and press rooms, whose total discounted value is recognised to property, plant and equipment as per IFRS 16.

"Other assets" includes, in addition to computers, servers and network appliances, leasehold improvements and restructuring relating to rented offices. Depreciation is calculated based on the duration of the contract, which is lower than the useful life of the asset.

No financial charges were capitalised.

With reference to the impact of the application of IFRS 16 for the Group at December 31st 2024, the following additional information is provided below:

	Land & buildings	Other assets	Total right-of-use assets
Gross value at January 1st 2023	**29,309**	**382**	**29,691**
Increases	1,333	101	**1,433**
Gross value at December 31st 2023	**30,642**	**482**	**31,125**
Accumulated depreciation at January 1st 2023	**13,873**	**263**	**14,136**
Depreciation	3,847	53	**3,900**
Accumulated depreciation at December 31st 2023	**17,720**	**316**	**18,036**
Net value at December 31st 2023	**12,922**	**167**	**13,089**
Gross value at January 1st 2024	**30,643**	**482**	**31,125**
Increases	3,224	89	3,313
Decreases	(64)	-	(64)
Gross value at December 31st 2024	**33,802**	**572**	**34,373**
Accumulated depreciation at January 1st 2024	**17,720**	**316**	**18,036**
Depreciation	3,916	68	3,985
Accumulated depreciation at December 31st 2024	**21,636**	**384**	**22,020**
Net value at December 31st 2024	**12,166**	**187**	**12,353**

Euro thousands

At December 31st 2024, the right-of-use asset amounted to Euro 12,353 thousand, and mainly included property contracts.

The Group exposure, with indication of the maturity dates of leased liabilities concerning the non-discounted contractual cash flows, is as follows:

	31.12.2024	31.12.2023
Within 3 months	991	975
Between 3 months & 1 year	2,967	2,776
Between 1 and 2 years	3,765	3,066
Between 2 and 5 years	4,677	6,302
Over 5 years	182	237
Total undiscounted lease liabilities as at December 31st	**12,582**	**13,356**

Euro thousands

Non-current and current lease liabilities are shown below:

	31.12.2024	31.12.2023
Non-current lease liabilities	1,079	1,211
Non-current lease liabilities - related parties	7,544	8,395
Non-current lease liabilities	**8,624**	**9,606**
Current lease liabilities	769	666
Current lease liabilities - related parties	3,189	3,085
Current lease liabilities	**3,958**	**3,751**
Total lease liabilities	**12,582**	**13,356**
	2024	**2023**
Amount recognised in income statement		
Amortisation & depreciation	3,985	3,900
Interest charges on lease liabilities	147	180
Amounts recognised in the statement of cash flows		
Total cash outflows for leases	**4,170**	**4,006**

Euro thousands

4. EQUITY INVESTMENTS AND NON-CURRENT SECURITIES

Equity investments and non-current securities	01.01.2023	Increases/ (Decreases)	Fair value change	Reclassifications	31.12.2023
Investments in other companies valued at cost	1,210	-	-	-	1,210
Investments in equity instruments	222,908	2,742	36,701	-	262,351
Fixed income securities	7,764	6,889	-	(7,764)	6,889
Total	**231,881**	**9,631**	**36,701**	**(7,764)**	**270,449**

Equity investments and non-current securities	01.01.2024	Increases/ (Decreases)	Fair value change	Reclassifications	31.12.2024
Investments in other companies valued at cost	1,210	(3)	-	-	1,207
Investments in equity instruments	262,351	(24,389)	84,933	-	322,895
Fixed income securities	6,889	54,668	1,218	-	62,775
Total	**270,449**	**30,276**	**86,151**	**-**	**386,876**

Euro thousands

The breakdown of the account investments in other companies valued at cost is as follows:

Investments in other companies	%	01.01.2023	Increases/ (Decreases)	Write-downs	31.12.2023
Ansa	6.71	1,198	-	-	1,198
Other minor	-	12	-	-	12
Total		**1,210**	**-**	**-**	**1,210**

Investments in other companies	%	01.01.2024	Increases/ (Decreases)	Write-downs	31.12.2024
Ansa	6.71	1,198	-	-	1,198
Other minor	-	12	-	(3)	9
Total		**1,210**	**-**	**(3)**	**1,207**

Euro thousands

The investments in other companies are valued at fair value or, where the development plans are not available, at cost, adjusting for impairments where present.
According to the information held by the Group therefore, no indications exist that the cost differs significantly from the fair value.

The breakdown of the account "Investments in equity instruments" is as follows:

Investments in equity instruments	01.01.2023	Increases	Decreases	Fair value change	31.12.2023
Assicurazioni Generali SpA	124,612	3,778	-	18,680	147,070
Azimut SpA	6,279	1,612	-	1,092	8,983
Banca Popolare di Milano	-	4,624	-	157	4,781
Mediobanca SpA	57,498	-	-	14,182	71,680
Poste Italiane SpA	28,291	-	(7,272)	2,603	23,621
Italgas SpA	6,228	-	-	(12)	6,216
Total	**222,907**	**10,015**	**(7,272)**	**36,701**	**262,351**

Investments in equity instruments	01.01.2024	Increases	Decreases	Fair value change	31.12.2024
Assicurazioni Generali SpA	147,070	-	-	62,909	209,979
Azimut SpA	8,983	-	(7,533)	(1,450)	-
Banca Popolare di Milano	4,781	-	(4,624)	(157)	-
Mediobanca SpA	71,680	-	-	18,400	90,080
Poste Italiane SpA	23,621	-	(12,232)	4,955	16,344
Italgas SpA	6,216	-	-	276	6,492
Total	**262,351**	**-**	**(24,389)**	**84,933**	**322,895**

Euro thousands

Number	01.01.2023	Increases	Decreases	31.12.2023
Assicurazioni Generali SpA	7,500,000	200,000	-	7,700,000
Azimut SpA	300,000	80,000	-	380,000
Banca Popolare di Milano	-	1,000,000	-	1,000,000
Mediobanca SpA	6,400,000	-	-	6,400,000
Poste Italiane SpA	3,100,000	-	(800,000)	2,300,000
Italgas SpA	1,200,000	-	-	1,200,000

	01.01.2024	Increases	Decreases	31.12.2024
Assicurazioni Generali SpA	7,700,000	-	-	7,700,000
Azimut SpA	380,000	-	(380,000)	-
Banca Popolare di Milano	1,000,000	-	(1,000,000)	-
Mediobanca SpA	6,400,000	-	-	6,400,000
Poste Italiane SpA	2,300,000	-	(1,100,000)	1,200,000
Italgas SpA	1,200,000	-	-	1,200,000

The valuation at fair value of these investments at December 31st 2024 was recorded to the Comprehensive Income Statement in the Shareholders' Equity reserve for Euro 84.9 million, excluding the tax effect of Euro 758 thousand.

The changes in the fair value reserve are reported below:

Fair Value reserve	01.01.2023	Increases	Decreases	31.12.2023
Fair Value reserve	5,910	36,701	-	42,611
Tax effect	(524)	-	(252)	(776)
Fair value reserve, net of tax effect	**5,386**	**36,701**	**(252)**	**41,835**
Changes in the year				**36,449**
	01.01.2024	**Increases**	**Decreases**	**31.12.2024**
Fair Value reserve	42,611	84,933	-	127,545
Tax effect	(776)	-	(758)	(1,534)
Fair value reserve, net of tax effect	**41,835**	**84,933**	**(758)**	**126,010**
Changes in the year				**84,175**

Euro thousands

In relation to the disclosure required by IFRS 13, concerning the so-called "hierarchy of fair value", these equity instruments belong to level one, as concerning financial instruments listed on an active market.

5. OTHER NON-CURRENT ASSETS

The account, amounting to Euro 144 thousand, relates to receivables for deposits due within five years.

6. DEFERRED AND CURRENT INCOME TAXES

The deferred taxes refer to temporary differences between the values recorded in the financial statements and the corresponding values recognised for tax purposes. The movements are shown below of the deferred tax assets and liabilities:

Deferred tax assets	**01.01.2023**	**Provisions**	**Uses**	**Other changes**	**31.12.2023**
Tax losses carried forward	45,519	2,220	-	-	47,738
Provision for risks and charges	1,538	187	(215)	-	1,510
Doubtful debt provision	1,036	-	(115)	42	963
Others	5,123	1,255	(536)	(494)	5,348
Total	**53,215**	**3,662**	**(866)**	**(452)**	**55,559**
Deferred tax liabilities	**01.01.2023**	**Provisions**	**Uses**	**Other changes**	**31.12.2023**
Fair value intangible & tangible assets	3,202	-	(127)	-	3,075
Differences accounting amortisation and depreciation	13,171	1,525	-	-	14,696
Others	745	10	-	159	914
Total	**17,118**	**1,535**	**(127)**	**159**	**18,685**
Net deferred tax assets	**36,097**	**2,127**	**(739)**	**(611)**	**36,873**

Deferred tax assets	**01.01.2024**	**Provisions**	**Uses**	**Other changes**	**31.12.2024**
Tax losses carried forward	47,738	3,214	-	-	50,952
Provision for risks and charges	1,510	162	(249)	101	1,523
Doubtful debt provision	963	59	(229)	(8)	786
Others	5,348	175	(1,210)	(541)	3,772
Total	**55,559**	**3,610**	**(1,687)**	**(449)**	**57,033**
Deferred tax liabilities	**01.01.2024**	**Provisions**	**Uses**	**Other changes**	**31.12.2024**
Fair value intangible & tangible assets	3,075	-	(1,048)	-	2,027
Differences accounting amortisation and depreciation	14,696	1,476	(3,376)	(383)	12,413
Others	914	1,287	-	1,211	3,413
Total	**18,685**	**2,763**	**(4,424)**	**828**	**17,853**
Net deferred tax assets	**36,873**	**846**	**2,737**	**(1,277)**	**39,180**

Euro thousands

The other changes in the deferred tax assets and liabilities include the tax effects on the fair value of the investments and the actuarial losses recorded to the Comprehensive Income Statement.

Taking account of the timing differences and based on forecasts, it is considered that the Group will have, in the coming years, sufficient assessable income to recover the deferred tax assets recorded in the financial statements at December 31st 2024.

The net position is calculated as follows:

	31.12.2024	31.12.2023
Current tax receivables	427	370
Current tax payables	(274)	(384)
Total	**153**	**(14)**

Euro thousands

The income taxes for the year are as follows:

	31.12.2024	31.12.2023
IRAP current taxes	363	282
Prior year taxes	(4,619)	11
Current taxes	**(4,256)**	**292**
Provision for deferred tax liabilities	2,764	1,535
Utilisation of deferred tax liabilities	(4,424)	(127)
Deferred tax charges	**(1,660)**	**1,407**
Recording of deferred tax assets	(3,610)	(3,662)
Utilisation of deferred tax assets	1,687	866
Deferred tax income	**(1,923)**	**(2,796)**
Total income taxes	**(7,839)**	**(1,097)**
Current and deferred IRES tax	(3,399)	(1,205)
Current and deferred IRAP tax	179	97
Prior year taxes	(4,619)	11
Total income taxes	**(7,839)**	**(1,097)**

Euro thousands

The analysis of the difference between the theoretical IRES and actual tax rates are as follows:

2023	Taxable	Amount	Effective tax rate
Result before taxes	**15,134**	**3,632**	**24.0%**
Permanent differences increase (decrease):			
Dividends	(16,304)	(3,913)	
Other permanent differences	(3,850)	(924)	
Current and deferred IRES tax	**(5,020)**	**(1,205)**	**(8.0%)**

2024	Taxable	Amount	Effective tax rate
Result before taxes	**352**	**84**	**24.0%**
Permanent differences increase (decrease):			
Dividends	(17,954)	(4,309)	
Other permanent differences	3,438	825	
Current and deferred IRES tax	**(14,164)**	**(3,399)**	**(965.6%)**

Euro thousands

7. INVENTORIES

Inventories at December 31st 2024 amount to Euro 2.05 million (Euro 2.18 million at December 31st 2023) and consist exclusively of raw materials (principally paper and ink), ancillary and consumables.

The change of inventory recorded in the income statement amounts to a decrease of Euro 125 thousand and is included in the account Raw material costs (see Note 20). The net realisable value of inventories is in line with that recognised in the financial statements.

There is no inventory provided as a guarantee on liabilities.

8. TRADE RECEIVABLES

The breakdown is as follows:

	31.12.2024	31.12.2023
Trade receivables	44,023	41,323
Doubtful debt provision	(4,806)	(5,495)
Trade receivables	**39,218**	**35,828**
Trade receivables - related parties	62	105
Total trade receivables	**39,280**	**35,933**

Euro thousands

Trade receivables principally relate to Group advertising revenues from the advertising agency Piemme SpA (Euro 37.8 million). The value of trade receivables, adjusted by the relative doubtful debt provision, approximates their fair value.

The Group has a very fragmented customer base and does not have significant exposures to individual customers. The estimate of the Doubtful debt provision is made, in consideration of the highly fragmented nature of the debt positions, through an assessment of the maturity of receivables by similar type, referring to historical-statistical analysis on the probability of recovery. The write-down process requires however that individual commercial positions of significant amounts and for which a probable solvency condition is apparent are subject to individual write-downs.

The table below shows the ageing of the trade receivables at December 31st 2024 and at December 31st 2023.

	31.12.2024	31.12.2023
Not yet due	**27,613**	**22,139**
1-30 days	3,185	4,952
30-60 days	1,684	1,525
60-90 days	933	875
Over 90 days	10,608	11,832
Overdue	**16,410**	**19,184**
Total Gross Value	**44,023**	**41,323**
Doubtful debt provision	(4,806)	(5,495)
Trade receivables	**39,218**	**35,828**

Euro thousands

9. CURRENT FINANCIAL ASSETS

Current financial assets of Euro 19.8 million consist mainly of time deposits.

10. OTHER CURRENT ASSETS

The breakdown is as follows:

	31.12.2024	31.12.2023
Employee receivables	14	16
VAT receivables	116	57
Other receivables	11,370	3,876
Prepaid expenses	592	426
Total other current assets	**12,091**	**4,375**

Euro thousands

11. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are broken down as follows:

	31.12.2024	31.12.2023
Bank and postal deposits	3,951	16,025
Cash in hand and similar	15	16
Total cash and cash equivalents	**3,966**	**16,041**

Euro thousands

NET FINANCIAL POSITION

Details are provided of short and medium/long-term loans in accordance with the recommendations of Consob Communication No. 6064293 of July 28th 2006, updated on the basis of the Call to attention No. 5/21 of April 29th 2021.

	31.12.2024	31.12.2023
A. Liquidity	3,966	16,041
B. Cash equivalents	-	-
C. Other current financial assets	19,833	18,162
D. Liquidity (A)+(B)+(C)	**23,799**	**34,203**
of which related parties	-	-
E. Current financial debt	13,936	7,614
of which related parties	-	-
F. Current portion of non-current financial debt	3,958	4,286
G. Current financial debt (E)+(F)	**17,894**	**11,899**
of which related parties	*3,189*	*3,085*
H. Net current financial debt (G)-(D)	**(5,905)**	**(22,303)**
I. Non-current financial debt	8,624	9,606
J. Debt instruments	-	-
K. Trade payables and other non-current payables	-	-
L. Non-current debt (I)+(J)+(K)	**8,624**	**9,606**
of which related parties	*7,544*	*8,395*
M. Total financial debt (H + L)	**2,719**	**(12,698)**

Euro thousands

The net financial debt amounted to Euro 2.7 million, a decrease of Euro 15.4 million on December 31st 2023 (cash of Euro 12.7 million), mainly due to investments in listed shares and Italian government bonds of Euro 25.8 million and of dividends distributed of Euro 4.3 million, net of dividends received on listed shares of Euro 18.9 million.

The average interest rate on liquidity for the year 2024 was 3.1%.

In relation to the variable rate of liquidity, an annual interest rate increase of 1%, at like-for-like terms, would have a positive impact on the net profit of Euro 27 thousand. A decrease in interest rates of the same level would have a corresponding negative impact.

SHAREHOLDERS' EQUITY & LIABILITIES

12. SHAREHOLDERS' EQUITY

Capital and reserve movements

Changes in consolidated shareholders' equity at December 31st 2024 and 2023 are shown in the financial statements.

Share capital

The Share capital amounts to Euro 125 million, consisting of 125,000,000 ordinary shares at a nominal value of Euro 1 each.
All of the ordinary shares issued are fully paid-in. There are no shares subject to guarantees or restrictions on the distribution of dividends. At December 31st 2024, Caltagirone Editore SpA had 18,209,738 treasury shares, comprising 14.57% of the share capital for a value of Euro 23.6 million, which was recognised as a reduction of equity for which a specific, restricted reserve has been established.

Reserves

	31.12.2024	**31.12.2023**
Share Capital	125,000	125,000
Share capital issue costs	(18,865)	(18,865)
Share premium reserve	459,126	459,126
Legal Reserve	25,000	25,000
Treasury shares	(23,641)	(23,641)
Reserve for treasury shares	23,641	23,641
Fair Value reserve	126,010	41,836
IAS 19 post-employment benefit reserve	(2,069)	(2,086)
Other FTA Reserves	18,208	18,209
Retained earnings	(213,831)	(229,077)
Net Profit	8,191	16,231
Total net equity	**526,769**	**435,373**

Euro thousands

The fair value reserve (for greater details reference should be made to Note 4) of positive Euro 126 million, includes the net increase in the year of Euro 84.2 million, to adjust equity instruments to market value.

Post-employment benefits and employee provisions

Post-employment benefits in the Group companies with less than 50 employees represents a liability relating to the benefits recognised to employees and paid either on termination or after employment service. This liability, together with the senior management indemnity provision, is a defined benefit plan and therefore is determined applying the actuarial method.

In the Group companies with over 50 employees, in accordance with the pension reform, the employee leaving indemnity matured at December 31st 2006 represents the payable matured by the company to be paid at the end of the employment service. This payable is valued applying actuarial and financial techniques without however considering the future salaries of the employee. The assumptions relating to the determination of the plan are summarised in the table below:

	31.12.2024	31.12.2023
Annual technical discounting rate	3.20%	3.10%
Annual inflation rate	2.00%	2.50%
Annual increase in leaving indemnity	3.00%	3.30%
Annual increase in salaries	2.75%	2.75%

Values in percentage

The movements in the year are as follows:

	31.12.2024	31.12.2023
Net liability at beginning of year	**10,041**	**11,318**
Current cost for the year (service cost)	170	172
Interest charge (interest cost)	292	385
Actuarial profits/(losses)	(20)	153
(Services paid)	(1,525)	(1,986)
Net liability at end of year	**8,958**	**10,041**

Euro thousands

In relation to the sensitivity analyses, an increase of 0.5% to the discount rate utilised may prompt a reduction in the net liabilities of the provision of Euro 201 thousand; a similar decrease in the rate may result in an increased net liability of Euro 211 thousand.

The comparison between the employee benefit provision and the liability in accordance with Italian regulations is as follows:

	31.12.2024	31.12.2023
Nominal value of the provision	9,229	10,185
Actuarial adjustment	(270)	(143)
Total DBO	**8,958**	**10,041**

Euro thousands

Employee numbers and cost

	2024	2023
Salaries and wages	35,284	34,618
Social security contributions	10,907	10,492
Employee provisions and complementary pension	2,580	2,492
Other costs	1,146	690
Total labour costs	**49,916**	**48,292**

Euro thousands

Other costs include charges concerning labour disputes, leaving incentives and the social security institution contributions from the restructuring in the year.
The following table shows the average number of employees by category:

	31.12.2024	31.12.2023	Average 2024	Average 2023
Executives	22	19	21	19
Managers & white-collar	184	180	184	175
Journalists and collaborators	307	313	307	318
Graphics staff	64	64	63	66
Total	**577**	**576**	**576**	**577**

14. CURRENT AND NON-CURRENT PROVISIONS

	Legal disputes	Other risks	Total
Balance at January 1st 2023	**7,349**	**1,512**	**8,861**
Provisions	623	23	646
Utilisations	(352)	(53)	(406)
Balance at December 31st 2023	**7,620**	**1,481**	**9,101**
Of which:			
Current portion	*7,620*	*1,248*	*8,868*
Non-current portion	-	*234*	*234*
Total	**7,620**	**1,481**	**9,101**
Balance at January 1st 2024	**7,620**	**1,481**	**9,101**
Provisions	291	-	291
Utilisations	(561)	(528)	(1,089)
Balance at December 31st 2024	**7,350**	**953**	**8,303**
Of which:			
Current portion	*7,350*	*737*	*8,087*
Non-current portion	-	*216*	*216*
Total	**7,350**	**953**	**8,303**

Euro thousands

The provision for legal disputes refers principally to the provisions made against liabilities prevalently deriving from damages requested for slander. The provision was estimated taking into consideration the nature of the business, based on experience in similar cases and on all the information available at the date of preparation of these consolidated financial statements, considering the difficulty in estimating charges and the timing connected to each single case.

The provisions for other risks principally include residual charges relating to the restructuring plans by some companies of the Group; the relative provisions are included in labour costs.

15. CURRENT AND NON-CURRENT FINANCIAL LIABILITIES

	31.12.2024	31.12.2023
Payables for leasing assets	1,079	1,211
Payables for leased assets to companies under common control	7,544	8,395
Non-current financial liabilities	**8,624**	**9,606**
Bank payables	13,936	7,614
Payables for leasing assets	769	666
Payables for leased assets to companies under common control	3,189	3,085
Derivatives	-	535
Current financial liabilities	**17,894**	**11,899**

Euro thousands

Current and non-current financial liabilities to companies subject to the common control of the Parent Company refer to liabilities recognised in application of IFRS 16 in relation to existing lease contracts.
The due dates of the financial liabilities are as follows:

	31.12.2024	31.12.2023
Within 3 months	14,926	8,589
Between 3 months & 1 year	2,967	3,310
Current financial liabilities	**17,894**	**11,899**
Between 1 and 2 years	3,765	3,066
Between 2 and 5 years	4,677	6,302
Beyond 5 years	183	237
Non-current financial liabilities	**8,624**	**9,606**
Total financial liabilities	**26,518**	**21,504**

Euro thousands

The interest rates at the balance sheet date on the financial liabilities are as follows:

	2024	2023
Current financial liabilities		
Bank payables	6.0	5.5

Values in percentage

In relation to the variable rate of financial liabilities, an annual interest rate increase of 1%, at like-for-like terms, would have a negative impact on the net profit of approx. Euro 265 thousand. A decrease in interest rates of the same level would have a corresponding positive impact.

16. OTHER CURRENT AND NON-CURRENT LIABILITIES

	31.12.2024	31.12.2023
Other non-current liabilities		
Deferred income	1,196	978
Total	**1,196**	**978**
Other current liabilities		
Social security institutions	3,708	3,986
Employee payables	4,773	4,345
VAT payables	181	193
Withholding taxes	1,972	1,743
Other payables	7,303	6,714
Payables to related companies	-	24
Deferred income	1,875	1,542
Total	**19,813**	**18,547**

Euro thousands

Other payables include Euro 5.4 million as the amount available to the Board of Directors in accordance with Article 25 of the by-laws which establishes the allocation to this account of 2% of net profit.

17. TRADE PAYABLES

	31.12.2024	31.12.2023
Trade payables	26,669	20,414
Payables to related companies	358	724
Total	**27,027**	**21,138**

Euro thousands

Trade payables principally refer to operating subsidiaries in the publishing sector and relate to the purchase of raw materials and services. The book value of the trade payables reported above approximates their fair value.
There are no payables due over 12 months.

INCOME STATEMENT

18. REVENUES FROM SALES AND SERVICES

A breakdown of revenues by product/service is shown below:

	2024	2023
Advertising revenues	58,234	61,918
Circulation Revenues	39,340	42,444
Revenues from services	1,535	1,484
Other Circulation Revenues	3,110	2,806
Total revenues from sales and services	**102,219**	**108,652**
of which related parties	*174*	*145*

Euro thousands

19. OTHER OPERATING REVENUE

	2024	2023
Operating grants	6,543	4,587
Recovery of expenses from third parties	1,340	854
Rent, leases and hire charges	-	53
Other revenues	1,900	2,319
Total other operating income	**9,783**	**7,813**
of which related parties	*57*	*73*

Euro thousands

Operating grants include contributions received for paper purchase and distribution expenses.

20. RAW MATERIAL COSTS

	2024	2023
Paper	6,220	7,934
Other publishing materials	2,869	2,885
Change in inventory of raw materials and goods	125	357
Total raw materials costs	**9,214**	**11,177**

Euro thousands

21. OTHER OPERATING COSTS

	2024	2023
Distribution fees	7,589	8,415
Editorial services	8,481	8,600
Transport and delivery	4,059	3,970
Commissions and agent costs	6,631	6,571
Misc. services	3,108	2,737
Maintenance and repair costs	3,167	3,269
Consultancy	3,628	3,422
Outside contractors	1,200	1,216
Directors and Statutory Auditors fees	1,064	1,059
Utilities and power	1,584	1,647
Advertising & promotions	1,592	1,779
Cleaning and security	1,328	1,349
Other costs	5,637	4,639
Total costs for services	**49,067**	**48,673**
Rental	133	256
Hire	595	586
Total rent, lease and hire costs	**728**	**842**
Other operating charges	2,294	1,912
Total other costs	**2,294**	**1,912**
Total other operating costs	**52,088**	**51,428**
of which related parties	*961*	*765*

Euro thousands

22. AMORTISATION, DEPRECIATION, PROVISIONS & WRITE-DOWNS

	2024	2023
Amortisation of intangible assets	257	195
Depreciation of property, plant & equipment	2,297	2,326
Amort. leased assets	3,985	3,900
Provision for risks and charges	291	623
Write-down of intangible assets with indefinite life	15,000	-
Doubtful debt provision	437	138
Total amortisation, depreciation, provisions & write-downs	**22,267**	**7,181**

Euro thousands

The depreciation of tangible fixed assets principally relates to the depreciation on printing and rotary plant.
Regarding the write-down of intangible assets with indefinite useful life, please see Note 2.

23. NET FINANCIAL INCOME/(CHARGES)

	31.12.2024	31.12.2023
Financial income		
Dividends	18,897	17,161
Bank deposit interest	173	200
Income from derivatives transactions	186	-
Fair value bonds	1,218	-
Income from bonds and government securities	2,719	753
Exchange gains	683	-
Other financial income	302	322
Total	**24,177**	**18,437**
Financial charges		
Interest on bank accounts	(547)	(381)
Financial charges on post-em. bens.	(292)	(385)
Banking commissions and charges	(157)	(198)
Int. on leased assets IFRS 16	(134)	(180)
Charges on derivative transactions	(1,042)	(469)
Other financial charges	(170)	(77)
Total	**(2,342)**	**(1,690)**
of which related parties	*(121)*	*(150)*
Financial result	**21,835**	**16,747**

Euro thousands

The dividends included in financial income comprise:

Dividend breakdown	31.12.2024	31.12.2023
Assicurazioni Generali	9,856	8,700
Azimut	139	494
Banca Popolare di Sondrio	-	238
Banca Popolare di Milano	560	-
Italgas	422	380
Mediobanca	6,848	5,440
Poste Italiane	1,072	1,909
Total	**18,897**	**17,161**

24. EARNINGS PER SHARE

Earnings per share is calculated by dividing the Group net result for the year by the weighted average number of ordinary shares outstanding in the year.

	2024	2023
Net profit/(loss) for the year (thousands)	8,191	16,231
Number of ordinary shares outstanding (thousands)	106,790	106,790
Basic earnings per share (Euro per share)	**0.077**	**0.152**

Diluted earnings per share is the same as basic EPS in that all Caltagirone Editore SpA shares are ordinary shares, and there are no financial instruments and/or contracts that grant the holder the right to obtain ordinary shares. Dividends totaling Euro 4.3 million were distributed in 2024.

25. OTHER CONSOLIDATED COMPREHENSIVE INCOME STATEMENT ITEMS

The breakdown of the other comprehensive income statement items, excluding the tax effects, is reported below:

	31.12.2024			31.12.2023		
	Gross value	Tax effect	Net value	Gross value	Tax effect	Net value
Actuarial gains/(losses) of defined-benefit plans	20	(5)	15	(143)	34	(109)
Profit/(loss) from the disposal of Investments in equity instruments net of the tax effect	3,774	(400)	3,374	1,592	(382)	1,210
Gain/(loss) from recalculation of AFS financial assets, net of fiscal effect	84,933	(758)	84,175	36,701	(252)	36,449

Euro thousands

26. RELATED PARTY TRANSACTIONS

The transactions of Group companies with related parties, including inter-company transactions, generally relate to normal operations and are regulated at market conditions. They principally relate to the exchange of goods, the provision of services, and the provision and use of financial resources by associated companies and subsidiaries excluded from the consolidation scope, as well as with other companies belonging to the Caltagirone Group or under common control.

There are no atypical or unusual transactions which are not within the normal business operations. The following tables report the values.

31.12.2023	Parent Company	Associated Companies	Companies under common control	Total related parties	Total book value	% on total account items
Balance sheet transactions						
Property, plant and equipment	-	-	11,259	**11,259**	**40,316**	27.9%
Trade receivables	3	-	102	**105**	**35,933**	0.3%
Other current assets	-	-	8	**8**	**4,375**	0.2%
Non-current financial liabilities	-	-	8,395	**8,395**	**9,606**	87.4%
Trade payables	722	-	2	**724**	**21,138**	3.4%
Current financial liabilities	-	-	3,085	**3,085**	**11,899**	25.9%
Other current liabilities	-	-	24	**24**	**18,547**	0.1%
Income statement transactions						
Revenues	22	-	122	**145**	**108,652**	0.1%
Other operating income	-	-	73	**73**	**7,813**	0.9%
Other operating charges	600	-	165	**765**	**51,428**	1.5%
Amort. leased assets	-	-	3,155	**3,155**	**3,899**	80.9%
Financial charges	-	-	150	**150**	**1,690**	8.9%

31.12.2024	Parent Company	Associated Companies	Companies under common control	Total related parties	Total book value	% on total account items
Balance sheet transactions						
Property, plant and equipment	-	-	10,535	**10,535**	**37,670**	28.0%
Trade receivables	34	-	28	**62**	**39,280**	0.2%
Other current assets	-	-	8	**8**	**12,091**	0.1%
Non-current financial liabilities	-	-	7,544	**7,544**	**8,624**	87.5%
Trade payables	350	-	8	**358**	**27,027**	1.3%
Current financial liabilities	-	-	3,189	**3,189**	**17,894**	17.8%
Income statement transactions						
Revenues	26	-	149	**174**	**102,219**	0.2%
Other operating income	-	-	57	**57**	**9,783**	0.6%
Other operating charges	600	-	361	**961**	**52,088**	1.8%
Amort. leased assets	-	-	3,207	**3,207**	**3,985**	80.5%
Financial income	-	-	-	**-**	**24,177**	0.0%
Financial charges	-	-	121	**121**	**2,342**	5.2%

Euro thousands

Trade receivables principally concern commercial transactions for the sale of advertising space.
The costs and trade payables to Parent Companies refer to the invoices received from Caltagirone SpA for administration and tax services performed during the year.
Current and non-current financial liabilities to companies subject to the common control of the Parent Company refer to liabilities recognised in application of IFRS 16 in relation to existing lease contracts of office-use properties.
Revenues principally concern the advertising carried out with Group newspapers by companies under common control.
Amortization and depreciation concern the use by the Parent Company and other Group companies of their respective head offices from companies under common control.

27. BUSINESS SEGMENT INFORMATION

The disclosures required in accordance with IFRS 8 on the segment information are provided below. The Caltagirone Editore Group, in consideration of the economic and financial relations between the various Group companies and the interdependence between the publishing activities of the various Group newspapers and the advertising activity carried out by the Group agency, described in Note 2, as well as of the financial activity carried out by both the parent company and the other subsidiaries, operates within two segments, defined as distinctly identifiable parts of the Group, which provide a set of related products and services and are subject to differing risks and benefits from the other sectors of Group activity. This vision is used by Management to carry out an analysis of operational performance and for the specific management of related risks. The Group operates exclusively in Italy and bases sector performance on turnover volumes and EBITDA from ordinary operations.

2023	Publishing and Advertising activities	Financing activities	Unallocated items and eliminations	Consolidated
Segment revenues	**116,507**	**458**	**(502)**	**116,464**
Inter-segment revenues	(52)	(450)	502	-
Operating grants	116,455	8	-	116,464
Segment EBITDA	**7,120**	**(1,551)**	**-**	**5,569**
Depreciation, amortisation, provisions & write-downs	(6,942)	(238)	-	(7,180)
EBIT	**177**	**(1,790)**	**-**	**(1,613)**
Net financial result	-	17,445	(698)	16,747
Result before taxes	**177**	**15,656**	**(698)**	**15,134**
Income taxes	-	-	-	1,097
Net Result				**16,231**
Segment assets	187,672	347,710	-	535,382
Segment liabilities	90,092	9,918	-	100,010
Investments in intangible and tangible fixed assets	1,855	139	-	1,994

2024	Publishing and Advertising activities	Financing activities	Unallocated items and eliminations	Consolidated
Segment revenues	**111,889**	**340**	**(227)**	**112,002**
Inter-segment revenues	(27)	(200)	227	-
Operating grants	111,862	140	-	112,002
Segment EBITDA	**2,590**	**(1,806)**	**-**	**784**
Depreciation, amortisation, provisions & write-downs	(22,025)	(241)	-	(22,267)
EBIT	**(19,435)**	**(2,048)**	**-**	**(21,483)**
Net financial result	-	22,475	(640)	21,835
Result before taxes	**(19,435)**	**20,427**	**(640)**	**352**
Income taxes	-	-	-	7,839
Net Result				**8,191**
Segment assets	176,008	460,424	-	636,432
Segment liabilities	99,512	10,151	-	109,663
Investments in intangible and tangible fixed assets	3,987	14	-	4,001

Euro thousands

28. OTHER INFORMATION

Information in accordance with Article 149 of Consob Resolution 11971/99

The fees paid to the independent audit firm KPMG SpA for financial year 2024, without including the Consob Contribution or expenses invoiced, amount to Euro 291 thousand, of which Euro 236 thousand refers to audit and limited audit activities, and Euro 55 thousand for the audit of the Sustainability Statement, in addition to Euro 89 thousand for services other than audit.

Transactions with Directors, Statutory Auditors and Senior Management of Group Companies

During the year, no financing was issued to directors, auditors or senior management with strategic responsibilities, and the Group had no receivables for financing granted to such parties as at December 31st 2024.

It should be noted that in 2024 fees paid to directors and to senior executives totalled Euro 803 thousand (Euro 767 thousand in 2023). This compensation is considered a short-term benefit.

For details on the remuneration of the members of the corporate boards, reference should be made to the Remuneration Report, prepared in accordance with Article 123 of the CFA, made available to the public and published as required by Article 84 quater of the Issuers' Regulations.

The Remuneration Report also contains information on the shareholdings held in the Company and its subsidiaries by each member of the management and control bodies.

29. HIERARCHY OF FAIR VALUE ACCORDING TO IFRS 13

The following table shows the hierarchy level for the assets and liabilities which are valued at Fair Value:

31.12.2023	Note	Level 1	Level 2	Level 3	Total
Capital instruments	4	262,351	-	-	262,351
Total assets		**262,351**	**-**	**-**	**262,351**
Derivative financial instruments - Liabilities	4	535	-	-	535
Total liabilities		**535**	**-**	**-**	**535**

31.12.2024	Note	Level 1	Level 2	Level 3	Total
Capital instruments	4	322,895	-	-	322,895
Fixed income securities	4	62,775	-	-	62,775
Total assets		**385,670**	**-**	**-**	**385,670**

Euro thousands

In 2024, no transfers occurred between the various levels and no changes took place in Level 3.

30. SUBSEQUENT EVENTS

No significant subsequent events took place.

ATTACHMENTS

LIST OF INVESTMENTS AT 31.12.2024

Company	Registered Office	Share Capital	Currency	Holding Direct	Holding Indirect	*Through*
Companies included in the consolidation under the line-by-line method						
Ced Digital & Servizi Srl	Rome	100,000.00	euro	99.99%	0.01%	Finced Srl
Il Messaggero SpA	Rome	1,265,385.00	euro	99.95%	0.05%	Finced Srl
Il Mattino SpA	Rome	500,000.00	euro	99.95%	0.05%	Finced Srl
Piemme SpA	Rome	91,710.21	euro	100.00%	0.00%	Finced Srl
Leggo Srl	Rome	1,000,000.00	euro	99.95%	0.05%	Finced Srl
Finced Srl	Rome	10,000.00	euro	99.99%	0.01%	Piemme SpA
Corriere Adriatico Srl	Rome	200,000.00	euro	99.95%	0.05%	Finced Srl
Quotidiano di Puglia Srl	Rome	50,000.00	euro	99.95%	0.05%	Finced Srl
Servizi Italia 15 Srl	Rome	100,000.00	euro	99.95%	0.05%	Finced Srl
Stampa Napoli 2015 Srl	Rome	10,000.00	euro	99.95%	0.05%	Finced Srl
Stampa Roma 2015 Srl	Rome	10,000.00	euro	99.95%	0.05%	Finced Srl
Il Gazzettino SpA	Rome	200,000.00	euro	99.95%	0.05%	Finced Srl
Stampa Venezia Srl	Rome	2,267,000.00	euro	74.99%	25.01%	Il Gazzettino SpA
Imprese Tipografiche Venete Srl	Rome	1,730,000.00	euro	45.90%	54.10%	Il Gazzettino SpA
P.I.M. Pubblicità Italiana Multimedia Srl	Rome	1,800,000.00	euro	42.00%	58.00%	Il Gazzettino SpA

Declaration of the Consolidated Financial Statements as per art. 81 - ter of Consob Regulation No. 11971 of May 14th 1999 and subsequent modifications and integrations

1. The undersigned Azzurra Caltagirone, as Chairman of the Board of Directors, and Luigi Vasta, executive responsible for the preparation of the corporate accounting documents of Caltagirone Editore S.p.A., affirm, and also in consideration of Article 154-*bis*, paragraphs 3 and 4, of Legislative Decree No. 58 of February 24th 1998:

    - the accuracy of the information on company operations and
    - the effective application, of the administrative and accounting procedures for the compilation of the consolidated financial statements for 2024.

2. The activity was undertaken evaluating the organisational structure and the execution, control and monitoring processes of the business activities necessary for the preparation of the consolidated financial statements.
In relation to this, no important matters arose.

3. It is also declared that:

3.1 the Consolidated Financial Statements:

a) were prepared in accordance with international accounting standards, recognised in the European Union pursuant to EU regulation No. 1606/2002 of the European Parliament and Council, of July 19th 2002;

b) correspond to the underlying accounting documents and records;

c) provide a true and correct representation of the economic, balance sheet and financial situation of the issuer and of the companies included in the consolidation.

3.2 The Directors' Report, prepared using a standard format for both the individual and consolidated financial statements, includes a reliable analysis on the performance and operating result as well as the situation of the issuer and of the companies included in the consolidation, together with a description of the principal risks and uncertainties to which they are exposed.

Rome, March 12th 2025

The Chairman	**The Executive Responsible**
Mrs. Azzurra Caltagirone	Mr. Luigi Vasta

CALTAGIRONE EDITORE

FINANCIAL STATEMENTS
DECEMBER 31ST 2024

CALTAGIRONE EDITORE SPA
BALANCE SHEET

ASSETS	Note	31.12.2024	31.12.2023
Non-current assets			
Property, plant and equipment	1	1,188,660	1,413,858
of which related parties		*1,186,916*	*1,413,858*
Equity investments valued at cost	2		
subsidiary companies		*327,670,449*	*353,838,620*
other companies		*10*	*10*
Equity investments and non-current securities	3	77,719,500	54,435,000
Deferred tax assets	4	50,317,120	47,065,453
TOTAL NON-CURRENT ASSETS		**456,895,740**	**456,752,941**
Current assets			
Trade receivables	5	226,218	456,098
of which related parties		*226,218*	*456,098*
Current financial assets	6	47,333,833	17,552,713
of which related parties		*47,333,833*	*9,570,990*
Other current assets	7	7,947,023	5,013,497
of which related parties		*7,876,783*	*4,990,338*
Cash and cash equivalents	8	68,061	181,044
TOTAL CURRENT ASSETS		**55,575,135**	**23,203,352**
TOTAL ASSETS		**512,470,875**	**479,956,293**

In Euro

CALTAGIRONE EDITORE SPA
BALANCE SHEET

SHAREHOLDERS' EQUITY & LIABILITIES	31.12.2024	31.12.2023
Shareholders' Equity		
Share capital	125,000,000	125,000,000
Share capital issue costs	(18,864,965)	(18,864,965)
Other reserves	287,832,978	265,197,035
Profit/(Loss) for the year	40,169,130	3,976,456
TOTAL SHAREHOLDERS' EQUITY	**434,137,143**	**375,308,527**
LIABILITIES		
Non-current liabilities		
Employee provisions	112,963	109,873
Non-current financial liabilities	969,484	1,196,657
of which related parties	*969,484*	*1,196,657*
Deferred tax liabilities	458,336	178,922
TOTAL NON-CURRENT LIABILITIES	**1,540,783**	**1,485,451**
Current liabilities		
Trade payables	1,178,515	1,132,466
of which related parties	*494,161*	*781,544*
Current financial liabilities	21,734,491	53,977,852
of which related parties	*21,734,278*	*53,977,011*
Current income tax payables	-	-
Other current liabilities	53,879,942	48,051,998
of which related parties	*47,806,431*	*42,078,705*
TOTAL CURRENT LIABILITIES	**76,792,948**	**103,162,315**
TOTAL LIABILITIES	**78,333,732**	**104,647,766**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**512,470,875**	**479,956,293**

In Euro

CALTAGIRONE EDITORE SPA
INCOME STATEMENT

	Note	2024	2023
Other operating revenues	14	472,651	458,789
of which related parties		*472,492*	*458,000*
TOTAL OPERATING REVENUES		**472,651**	**458,789**
Labour costs	10	(247,042)	(232,519)
Other operating charges	15	(1,932,169)	(1,714,531)
of which related parties		*(746,945)*	*(675,205)*
TOTAL OPERATING COSTS		**(2,179,211)**	**(1,947,050)**
EBITDA		**(1,706,560)**	**(1,488,261)**
Amortisation, depreciation, prov. & write-downs		(436)	-
Amort. leased assets	16	(241,407)	(238,962)
of which related parties		*(241,407)*	*(238,962)*
TOTAL AMORTISATION, DEPRECIATION, PROVISIONS & WRITE-DOWNS		**(241,843)**	**(238,962)**
EBIT		**(1,948,403)**	**(1,727,223)**
Financial Income	17	71,669,433	7,233,831
of which related parties		*65,591,297*	-
Financial Charges	17	(30,028,293)	(2,166,196)
of which related parties		*(1,487,102)*	*(1,378,592)*
Net financial income/(charges)		**41,641,139**	**5,067,635**
PROFIT BEFORE TAXES		**39,692,736**	**3,340,413**
Income taxes	4	476,394	636,044
PROFIT FROM CONTINUING OPERATIONS		**40,169,130**	**3,976,456**
NET PROFIT FOR THE YEAR		**40,169,130**	**3,976,456**

In Euro

CALTAGIRONE EDITORE SPA
COMPREHENSIVE INCOME STATEMENT

	2024	2023
Net profit for the year	**40,169,130**	**3,976,456**
Items which may not be subsequently reclassified to the profit/(loss) for the year		
Effect of actuarial gains/losses, net of tax effect	5,540	(2,285)
Profit/(Loss) from the valuation of Investments in equity instruments net of the tax effect	23,005,086	6,997,263
TOTAL OTHER ITEMS OF THE COMPREHENSIVE INCOME STATEMENT	**23,010,626**	**6,994,978**
COMPREHENSIVE PROFIT/(LOSS)	**63,179,756**	**10,971,434**

In Euro

CALTAGIRONE EDITORE SPA

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY 2023

	Share capital	Listing charges	Treasury shares	Fair Value reserve	Other reserves	Net Result	Total Net Equity
Balance at January 1st 2023	**125,000,000**	**(18,864,965)**	**(23,640,925)**	**7,734,016**	**257,156,839**	**20,567,178**	**367,952,145**
Dividends distributed	-	-	-	-	(3,203,708)	-	**(3,203,708)**
Previous year results carried forward	-	-	-	-	20,567,178	(20,567,178)	**-**
Amount set aside to BoD	-	-	-	-	(411,344)	-	**(411,344)**
Total transactions with Shareholders	**-**	**-**	**-**	**-**	**16,952,126**	**(20,567,178)**	**(3,615,052)**
Change in fair value reserve	-	-	-	6,997,263	-	-	**6,997,263**
Net change in post-emp. ben. reserve	-	-	-	-	(2,285)	-	**(2,285)**
Net Profit	-	-	-	-	-	3,976,456	**3,976,456**
Total comprehensive profit/(loss)	**-**	**-**	**-**	**6,997,263**	**(2,285)**	**3,976,456**	**10,971,434**
Balance at December 31st 2023	**125,000,000**	**(18,864,965)**	**(23,640,925)**	**14,731,279**	**274,106,681**	**3,976,456**	**375,308,527**

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STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY 2024

	Share capital	Listing charges	Treasury shares	Fair Value reserve	Other reserves	Net Result	Total Net Equity
Balance at January 1st 2024	**125,000,000**	**(18,864,965)**	**(23,640,925)**	**14,731,279**	**274,106,681**	**3,976,456**	**375,308,527**
Dividends distributed	-	-	-	-	(4,271,610)	-	**(4,271,610)**
Previous year results carried forward	-	-	-	-	3,976,456	(3,976,456)	**-**
Amount set aside to BoD	-	-	-	-	(79,529)	-	**(79,529)**
Total transactions with Shareholders	**-**	**-**	**-**	**-**	**(374,683)**	**(3,976,456)**	**(4,351,140)**
Change in fair value reserve	-	-	-	23,005,086	-	-	**23,005,086**
Net change in post-emp. ben. reserve	-	-	-	-	5,540	-	**5,540**
Net Profit	-	-	-	-	-	40,169,130	**40,169,130**
Total comprehensive profit/(loss)	**-**	**-**	**-**	**23,005,086**	**5,540**	**40,169,130**	**63,179,756**
Balance at December 31st 2024	**125,000,000**	**(18,864,965)**	**(23,640,925)**	**37,736,365**	**273,737,538**	**40,169,130**	**434,137,144**

In Euro

CALTAGIRONE EDITORE SPA
CASH FLOW STATEMENT

	Note	2024	2023
CASH & CASH EQUIVALENTS PREVIOUS YEAR	**8**	**181,044**	**102,583**
Net profit for the year		40,169,130	3,976,528
Amortisation & depreciation		241,843	238,962
(Revaluations) and write-downs		26,168,171	(2,927,448)
Net financial income/(charges)		(67,809,310)	(2,140,187)
of which related parties		*64,104,195*	*1,378,592*
Income taxes		(476,394)	(636,044)
Changes in employee provisions		5,222	3,028
OPERATING CASH FLOW BEFORE CHANGES IN WORKING CAPITAL		**(1,701,338)**	**(1,485,161)**
(Increase)/Decrease in Trade receivables		229,880	-
Increase/(Decrease) in Trade payables		46,051	(7,096)
Change in other current and non-current liabilities		2,904,028	1,676,041
Change in deferred and current income taxes		(2,823,084)	(1,628,827)
OPERATING CASH FLOW		**(1,344,463)**	**(1,445,043)**
Dividends received		69,239,297	3,306,000
Interest received		68,249	7,533
Interest paid		(215,730)	-

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CALTAGIRONE EDITORE SPA
CASH FLOW STATEMENT

continued from previous page	Note	2024	2023
A) CASH FLOW FROM OPERATING ACTIVITIES		**67,747,353**	**1,868,490**
Investments in Tangible Assets		(2,180)	-
Change in current financial assets		(29,780,794)	1,700,000
of which related parties		*(29,780,794)*	*1,700,000*
B) CASH FLOW FROM INVESTING ACTIVITIES		**(29,782,974)**	**1,700,000**
Change in current financial liabilities		(33,805,752)	(286,322)
Dividends Distributed		(4,271,610)	(3,203,707)
C) CASH FLOW FROM FINANCING ACTIVITIES		**(38,077,362)**	**(3,490,029)**
D) EFFECT EXC. DIFFS. ON CASH & CASH EQUIVALENTS		**-**	**-**
Net Change in Liquidity		(112,983)	78,461
CASH AND CASH EQUIVALENTS CURRENT YEAR	**8**	**68,061**	**181,044**

In Euro

CALTAGIRONE EDITORE

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31ST 2024

INTRODUCTION

Caltagirone Editore SpA (Parent Company) is a limited liability company with its registered office at Rome (Italy), Via Barberini, No. 28.
At the date of this report, the Shareholders with significant holdings, according to the disclosures made pursuant to Article 120 of the CFA and supplemented by additional information are:

Francesco Gaetano Caltagirone 76,638,388 shares (61.311%).
The above investment is held:

- indirectly through the companies:
  - Parted 1982 Srl 44,454,550 shares (35.564%);
  - FGC SpA 32,183,838 shares (25.747%).

The company in addition holds 18,209,738 treasury shares, equal to 14.57% of the share capital.
The present financial statements were authorised for publication by the Directors on March 12th 2025.
At the date of the preparation of the present accounts, the ultimate holding company is FGC SpA, with registered office at Via Barberini 28 Rome, due to the shares held through subsidiary companies.

COMPLIANCE WITH INTERNATIONAL ACCOUNTING STANDARDS APPROVED BY THE EUROPEAN COMMISSION

The financial statements at December 31st 2024 were prepared on the going concern basis and in accordance with Article 2 of Legislative Decree 38/2005 and International Financial Reporting Standards (IFRS), the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC), approved by the European Commission and in force at the balance sheet date, in addition to the preceding International Accounting Standards (IAS). For simplicity, all the standards and interpretations are hereafter stated simply as "IFRS".
In the preparation of the present document, account was taken of Article 9 of Legislative Decree No. 38 of February 28th 2005, of the provisions of the civil code, of Consob Resolution No. 15519 ("Regulations relating to financial statements to be issued in accordance with Article 9, paragraph 3 of Legs. Decree No. 38/2005") and No. 15520 ("Modifications and amendments to the implementation rules of Legs. Decree No. 58/1998"), both of July 27th 2006, as well as Consob Communication No. DEM/6064293 of July 28th 2006 ("Disclosure of issuers of shares and financial instruments in accordance with Article 116 of the CFA").

BASIS OF PRESENTATION

The Financial Statements at December 31st 2024 are presented in Euro and all the amounts refer to units of the currency, except where indicated otherwise. They consist of the Balance Sheet, the Income Statement, the Comprehensive Income Statement, the Statement of changes in Shareholders' Equity, the Cash Flow Statement and the Explanatory Notes.
The financial statements have been prepared on a going concern basis as the Directors, having fully assessed the risks and uncertainties facing the Company, have a reasonable expectation that the Company will continue to operate for the foreseeable future.

Regarding the presentation of the financial statements, the Company has made the following choices:

1. the current and non-current assets and current and non-current liabilities are presented as separate classifications in the Balance Sheet;
2. the income statement items are classified by the nature of the expense;
3. the comprehensive income statement, beginning with the net result, highlights the effect of profits and losses recorded directly to net equity;
4. the cash flow statement is presented using the indirect method.

ACCOUNTING POLICIES

Equity investments and non-current securities

Equity investments other than in subsidiaries, associates and joint ventures are recognised at cost at the date of acquisition as "equity investments and non-current securities", as this is representative of their fair value including directly attributable transaction costs.

After initial accounting, these investments are measured at fair value with the effects charged to Other Comprehensive Income in accordance with IFRS 9.

Investments not involving subsidiaries or associations that are not listed on an active market and for which the use of an appropriate valuation model would not produce reliable results remain measured at cost.

Investments in subsidiaries, in jointly-controlled companies and in associates are recorded at cost of acquisition or establishment, less impairment losses. Where there is evidence of impairment, recoverability is tested by comparing the carrying amount with the recoverable amount. Where there is a subsequent improvement in the performance of the investee subject to the write-down such as to consider the reasons for the impairment no longer existing, the investments are revalued within the limits of the write-downs recognised in previous years, to "Financial income".

ASSETS

1. PROPERTY, PLANT AND EQUIPMENT

Historical cost	Equipment	Other assets	Right of use assets	Total
01.01.2023	**31,236**	**213,333**	**2,383,741**	**2,628,310**
Increases/Decreases	-	-	139,182	**139,182**
31.12.2023	**31,236**	**213,333**	**2,522,923**	**2,767,492**
01.01.2024	**31,236**	**213,333**	**2,522,923**	**2,767,492**
Increases/Decreases	-	2,180	14,465	**16,645**
31.12.2024	**31,236**	**215,513**	**2,537,388**	**2,784,137**

Depreciation & loss in value	Equipment	Other assets	Right of use assets	Total
01.01.2023	**31,236**	**213,333**	**870,103**	**1,114,672**
Increases/Decreases	-	-	238,962	**238,962**
31.12.2023	**31,236**	**213,333**	**1,109,065**	**1,353,634**
01.01.2024	**31,236**	**213,333**	**1,109,065**	**1,353,634**
Increases/Decreases	-	436	241,407	**241,843**
31.12.2024	**31,236**	**213,769**	**1,350,472**	**1,595,477**
Net value				
01.01.2023	**-**	**-**	**-**	**1,513,638**
31.12.2023	**-**	**-**	**1,413,858**	**1,413,858**
31.12.2024	**-**	**1,744**	**1,186,916**	**1,188,660**

In Euro

With reference to the impact of the application of IFRS 16 for the lease contract for office-use properties for the Company at December 31st 2024, the following additional information is provided below:

	Land and buildings
Gross value at January 1st 2023	**2,383,740**
Increases	139,183
Gross value at December 31st 2023	**2,522,923**
Accumulated depreciation at January 1st 2023	**870,103**
Depreciation	238,962
Accumulated depreciation at December 31st 2023	**1,109,065**
Net value at December 31st, 2023	**1,413,858**
Gross value at January 1st 2024	**2,522,923**
Increases	14,465
Gross value at December 31st 2024	**2,537,388**
Accumulated depreciation at January 1st 2024	**1,109,065**
Depreciation	241,407
Accumulated depreciation at December 31st 2024	**1,350,472**
Net value at December 31st, 2024	**1,186,916**

In Euro

At December 31st 2024, the right-of-use asset amounted to Euro 1,186,916, and included property contracts.

2. INVESTMENTS VALUED AT COST

The movements in the account are as follows:

Investments in subsidiaries	Registered Office	Share capital	%	Book value 01.01.2023	Revaluations/ (Write-downs)	Book value 31.12.2023	Share of Adjusted Net equity at 31.12.2023	Difference compared to book value at 31.12.2023
Ced Digital & Servizi Srl	Rome	100,000	99.99	4,968,503	-	4,968,503	7,447,231	2,478,728
Corriere Adriatico Srl	Rome	200,000	99.95	6,492,017	-	6,492,017	5,512,709	(979,308)
Finced Srl	Rome	10,000	99.99	180,697,368	-	180,697,368	198,337,871	17,640,503
Il Gazzettino SpA	Rome	200,000	99.95	44,067,897	-	44,067,897	19,710,793	(24,357,105)
Il Mattino SpA	Rome	500,000	99.95	14,767,761	-	14,767,761	13,438,887	(1,328,874)
Il Messaggero SpA	Rome	1,265,385	99.95	50,439,010	-	50,439,010	36,188,221	(14,250,789)
Imprese Tipografiche Venete Srl	Rome	1,730,000	45.90	4,800,000	-	4,800,000	5,139,312	339,312
Leggo Srl	Rome	1,000,000	99.95	5,741,184	899,770	6,640,954	6,640,954	-
Nuovo Quotidiano di Puglia Srl	Rome	50,000	99.95	5,478,260	1,952,998	7,431,258	7,431,258	-
Piemme SpA	Rome	91,710	99.99	5,015,304	(776,287)	4,239,017	4,239,016	(1)
P.I.M. Srl	Rome	1,800,000	42.00	5,000,000	-	5,000,000	6,681,003	1,681,003
Servizi Italia 15 Srl	Rome	100,000	99.95	4,922,737	483,298	5,406,035	6,879,082	1,473,047
Stampa Napoli 2015 Srl	Rome	10,000	99.95	4,996,976	366,139	5,363,115	5,363,115	-
Stampa Roma 2015 Srl	Rome	10,000	99.95	8,624,155	1,530	8,625,685	11,484,727	2,859,042
Stampa Venezia Srl	Rome	2,267,000	74.99	4,900,000	-	4,900,000	6,868,588	1,968,588
Total				**350,911,172**	**2,927,448**	**353,838,620**		

Investments in subsidiaries	Registered Office	Share capital	%	Book value 01.01.2024	Revaluations/ (Write-downs)	Book value 31.12.2024	Share of Adjusted Net equity at 31.12.2024	Difference compared to book value at 31.12.2024
Ced Digital & Servizi Srl	Rome	100,000	99.99	4,968,503	(837,069)	4,131,434	1,339,713	(2,791,721)
Corriere Adriatico Srl	Rome	200,000	99.95	6,492,017	(3,046,371)	3,445,646	2,320,727	(1,124,919)
Finced Srl	Rome	10,000	99.99	180,697,368	-	180,697,368	212,483,702	31,786,334
Il Gazzettino SpA	Rome	200,000	99.95	44,067,897	-	44,067,897	13,696,116	(30,371,781)
Il Mattino SpA	Rome	500,000	99.95	14,767,761	(2,996,873)	11,770,888	11,737,904	(32,984)
Il Messaggero SpA	Rome	1,265,385	99.95	50,439,010	-	50,439,010	31,695,884	(18,743,126)
Imprese Tipografiche Venete Srl	Rome	1,730,000	45.90	4,800,000	-	4,800,000	1,902,129	(2,897,871)
Leggo Srl	Rome	1,000,000	99.95	6,640,954	(5,282,834)	1,358,120	1,528,035	169,915
Nuovo Quotidiano di Puglia Srl	Rome	50,000	99.95	7,431,258	(2,063,110)	5,368,147	1,903,881	(3,464,266)
Piemme SpA	Rome	91,710	99.99	4,239,017	2,361,887	6,600,903	6,600,903	(1)
P.I.M. Srl	Rome	1,800,000	42.00	5,000,000	(1,393,413)	3,606,587	1,518,767	(2,087,820)
Servizi Italia 15 Srl	Rome	100,000	99.95	5,406,035	(4,857,509)	548,526	548,526	-
Stampa Napoli 2015 Srl	Rome	10,000	99.95	5,363,115	(3,621,004)	1,742,111	1,742,111	-
Stampa Roma 2015 Srl	Rome	10,000	99.95	8,625,685	(4,431,872)	4,193,813	1,204,309	(2,989,504)
Stampa Venezia Srl	Rome	2,267,000	74.99	4,900,000	-	4,900,000	2,737,891	(2,162,109)
Total				**353,838,620**	**(26,168,171)**	**327,670,449**		

In Euro

For the purpose of testing for impairment, the equity of the investee was considered as an indicator of the recoverable value of the investee, adjusted for any capital gains arising from the valuation of the Publishing Titles following the results of the impairment tests (for more details regarding the methodology and basic assumptions made with reference to the impairment test, see Note 2 included in the Notes to the Group's consolidated financial statements) and other capital gains such as the fair value of the equities held. The write-downs made reflect losses that, in the judgment of the directors, are to be considered permanent. With regard to the shareholders' equity of Il Gazzettino SpA, the pro-rata shareholders' equity of its subsidiaries was also taken into consideration.
The investments in other companies consist of:

Investments in other companies	01.01.2023	Increases/ (Decreases)	Reversals/ (Impairment losses)	31.12.2023
Banca Popolare di Vicenza	10	-	-	10
Total	**10**	**-**	**-**	**10**

Investments in other companies	01.01.2024	Increases/ (Decreases)	Reversals/ (Impairment losses)	31.12.2024
Banca Popolare di Vicenza	10	-	-	10
Total	**10**	**-**	**-**	**10**

In Euro

3. EQUITY INVESTMENTS AND NON-CURRENT SECURITIES

Equity investments and non-current securities	01.01.2023	Increases/ (Decreases)	Fair value change	Reclassifications	31.12.2023
Investments in equity instruments	47,352,750	-	7,082,250	-	54,435,000
Fixed income securities	7,765,160	-	-	(7,765,160)	-
Total	**55,117,910**	**-**	**7,082,250**	**(7,765,160)**	**54,435,000**

Equity investments and non-current securities	01.01.2024	Increases/ (Decreases)	Fair value change	Reclassifications	31.12.2024
Investments in equity instruments	54,435,000	-	23,284,500	-	77,719,500
Total	**54,435,000**	**-**	**23,284,500**	**-**	**77,719,500**

In Euro

The breakdown of the account "Investments in equity instruments" is as follows:

Capital instruments	01.01.2023	Increases/ (Decreases)	Fair value change	31.12.2023
Assicurazioni Generali SpA	47,352,750	-	7,082,250	54,435,000
Total	**47,352,750**	**-**	**7,082,250**	**54,435,000**

Capital instruments	01.01.2024	Increases/ (Decreases)	Fair value change	31.12.2024
Assicurazioni Generali SpA	54,435,000	-	23,284,500	77,719,500
Total	**54,435,000**	**-**	**23,284,500**	**77,719,500**

In Euro

The changes in the fair value reserve are reported below:

Fair Value reserve	01.01.2023	Increases	Decreases	31.12.2023
Fair Value reserve	7,827,951	7,082,250	-	14,910,201
Tax effect	(93,935)	-	(84,987)	(178,922)
Fair value reserve, net of tax effect	**7,734,016**	**7,082,250**	**(84,987)**	**14,731,279**
Changes in the year				**6,997,263**

Fair Value reserve	01.01.2024	Increases	Decreases	31.12.2024
Fair Value reserve	14,910,201	23,284,500	-	38,194,701
Tax effect	(178,922)	-	(279,414)	(458,336)
Fair value reserve, net of tax effect	**14,731,279**	**23,284,500**	**(279,414)**	**37,736,365**
Changes in the year				**23,005,086**

In Euro

In relation to the disclosure required by IFRS 13, concerning the so-called "hierarchy of fair value", these equity instruments belong to level one, as defined in paragraph 27 A (IFRS 13), as concerning financial instruments listed on an active market.

4. DEFERRED AND CURRENT TAXES

The deferred tax assets refer to losses carried forward and temporary differences between the values recorded in the financial statements and the corresponding values recognised for tax purposes.
The movements are shown below of the deferred tax assets and liabilities:

	01.01.2023	Provisions	Uses	Other changes	31.12.2023
Deferred tax assets					
Tax losses carried forward	44,762,906	650,319	-	1,568,775	46,982,000
Others	55,875	12,778	(8,458)	23,258	83,453
Total	**44,818,781**	**663,097**	**(8,458)**	**1,592,033**	**47,065,453**
Deferred tax liabilities					
Others	93,935	-	-	84,987	178,922
Total	**93,935**	**-**	**-**	**84,987**	**178,922**
Net deferred tax assets	**44,724,846**	**663,097**	**(8,458)**	**1,507,046**	**46,886,531**

	01.01.2024	Provisions	Uses	Other changes	31.12.2024
Deferred tax assets					
Tax losses carried forward	46,982,000	468,839	-	2,774,816	50,225,655
Others	83,453	19,594	(12,038)	457	91,465
Total	**47,065,453**	**488,432**	**(12,038)**	**2,775,273**	**50,317,120**
Deferred tax liabilities					
Others	178,922	-	-	279,414	458,336
Total	**178,922**	**-**	**-**	**279,414**	**458,336**
Net deferred tax assets	**46,886,531**	**488,432**	**(12,038)**	**2,495,859**	**49,858,784**

In Euro

The other changes in deferred tax assets and liabilities include the deferred tax assets recorded due to the losses incurred by the subsidiaries within the tax consolidation, against which the related liability has been recorded under other liabilities. Taking account of the timing differences and based on forecasts, it is considered that the Group Companies will have, in the coming years, sufficient assessable income to recover the deferred tax assets recorded in the financial statements at December 31st 2024.

The income taxes for the year consist of:

	2024	2023
Recording of deferred tax assets	(484,275)	(663,097)
Utilisation of deferred tax assets	12,038	8,458
Prior year taxes	(4,158)	18,595
Deferred tax assets	**(476,394)**	**(636,044)**
Total income taxes	**(476,394)**	**(636,044)**

In Euro

The breakdown of income taxes is as follows:

	31.12.2024	31.12.2023
Current and deferred IRES tax	(476,394)	(636,044)
Total	**(476,394)**	**(654,639)**

In Euro

The analysis of the difference between the theoretical and actual tax rates in relation to IRES are as follows:

IRES	**2024**		**2023**	
	Amount	**Tax**	**Amount**	**Tax**
Result before taxes	**35,123,820**	**24.00%**	**3,340,413**	**24.00%**
Theoretical tax charge		**8,429,717**		**801,699**
Permanent differences increase/(decrease):				
Dividends	(67,828,559)	(16,278,854)	(3,140,700)	(753,768)
Write-down of equity investments	30,737,087	7,376,901	776,287	186,309
Revaluations of investments	-	-	(3,703,735)	(888,896)
Other	(17,325)	(4,158)	71	17
Current and deferred IRES tax	**(37,108,797)**	**(476,394)**	**(6,068,077)**	**(654,639)**

In Euro

5. TRADE RECEIVABLES

The breakdown is as follows:

	31.12.2024	31.12.2023
Receivables from related parties	226,218	456,098
Total trade receivables	**226,218**	**456,098**

In Euro

There are no receivables due over 12 months. The value of the receivables reported above approximates their fair value.

6. CURRENT FINANCIAL ASSETS

The breakdown is as follows:

	31.12.2024	31.12.2023
Government securities	-	7,981,723
Financial receivables from Piemme SpA	4,439,384	5,839,384
Financial receivables from Il Mattino SpA	3,690,350	3,690,350
Financial receivables from Leggo	4,934,290	-
Financial receivables from Corriere Adriatico	2,703,345	-
Financial receivables from Ced Digital	4,776,359	-
Financial receivables from Stampa Roma	9,289,171	-
Financial receivables from Quotidiano di Puglia	3,228,819	-
Financial receivables from Stampa Venezia	3,341,035	-
Financial receivables from ITV	2,915,596	-
Financial receivables from P.I.M.	3,110,047	-
Financial receivables from Il Gazzettino	4,863,856	-
Finance prepayments on leases	41,582	41,256
Total current financial assets	**47,333,833**	**17,552,713**

In Euro

During 2024, non-interest-bearing loans were granted to subsidiaries to improve their financial equilibrium.
The value of current financial assets approximates their fair value.

7. OTHER CURRENT ASSETS

The breakdown is as follows:

	31.12.2024	31.12.2023
Receivables from subsidiaries	7,876,783	4,990,338
Receivables from third parties	70,240	23,159
Total current assets	**7,947,023**	**5,013,497**

In Euro

The receivables from subsidiaries due within one year relate to transactions under the national tax consolidation and the VAT positions transferred by the subsidiaries as part of the VAT consolidation, as follows:

	31.12.2024	31.12.2023
Ced Digital & Servizi Srl	302,525	275,374
P.I.M. Srl	517,364	480,145
Stampa Roma 2015 Srl	335,249	277,366
Stampa Venezia Srl	138,291	65,972
Imprese Tipografiche Venete Srl	1,208,631	1,069,738
Total tax consolidation	**2,502,061**	**2,168,594**
Il Messaggero SpA	2,488,054	486,140
Il Mattino SpA	1,035,688	503,407
Leggo Srl	21,622	538
Quotidiano di Puglia Srl	347,589	145,281
Corriere Adriatico Srl	167,193	11,133
Servizi Italia 15 Srl	12,301	-
Il Gazzettino SpA	-	367,297
Stampa Napoli 2015 Srl	-	6,450
Total Consolidated VAT	**4,072,447**	**1,520,246**
Il Messaggero SpA	287	-
Il Mattino SpA	1,301,989	1,301,497
Total other receivables	**1,302,276**	**1,301,497**
Total receivables from subsidiaries	**7,876,783**	**4,990,338**

In Euro

The other receivables from Il Mattino SpA concern payments made by Caltagirone Editore SpA as the tax consolidating company, in relation to tax disputes in previous years.
The value of other current assets approximates their fair value.

8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are broken down as follows:

	31.12.2024	31.12.2023
Bank and postal deposits	65,494	178,449
Cash in hand and similar	2,567	2,595
Total cash and cash equivalents	**68,061**	**181,044**

In Euro

NET FINANCIAL POSITION

Details are provided of short and medium/long-term loans in accordance with the recommendations of Consob Communication No. 6064293 of July 28th 2006, updated on the basis of the Call to attention No. 5/21 of April 29th 2023. As a result of this update, the comparative balances reported have also been adjusted:

	31.12.2024	31.12.2023
A. Liquidity	68,061	181,044
B. Cash equivalents	-	-
C. Other current financial assets	47,333,833	17,511,457
D. Liquidity (A)+(B)+(C)	**47,401,894**	**17,692,501**
of which related parties	*47,333,833*	*9,529,734*
E. Current financial debt	21,492,746	53,741,546
F. Current portion of non-current financial debt	241,532	236,305
G. Current financial debt (E)+(F)	**21,734,278**	**53,977,852**
of which related parties	*21,734,278*	*53,977,011*
H. Net current financial debt (G)-(D)	**(25,667,616)**	**36,285,351**
I. Non-current financial debt	969,484	1,196,657
J. Debt instruments	-	-
K. Trade payables and other non-current payables	-	-
L. Non-current debt (I)+(J)+(K)	**969,484**	**1,196,657**
of which related parties	*969,484*	*1,196,657*
M. Total financial debt (H + L)	**(24,698,132)**	**37,482,008**

In Euro

The net financial position at December 31st 2024 was a cash position of Euro 24.7 million (debt of Euro 37.5 million Euro at December 31st 2023); the improvement of Euro 62.2 million is mainly attributable to the receipt of dividends from subsidiaries and listed shares, net of dividend distribution and negative operating cash flow.
The average interest rate on liquidity for the year 2024 was 3.1%.

LIABILITIES AND SHAREHOLDERS' EQUITY

9. SHAREHOLDERS' EQUITY

Capital and reserve movements

Changes in shareholders' equity at December 31st 2024 and 2023 are shown in the financial statements.

Share capital

The Share capital amounts to Euro 125 million, consisting of 125,000,000 ordinary shares at a nominal value of Euro 1 each.

All of the ordinary shares issued are fully paid-in. There are no shares subject to guarantees or restrictions on the distribution of dividends. At December 31st 2024, Caltagirone Editore SpA had 18,209,738 treasury shares, comprising 14.57% of the share capital for a value of Euro 23 million, which was recognised as a reduction of equity for which a specific, restricted reserve has been established.

Dividends totaling Euro 4.3 million were distributed in 2024.

	31.12.2024	**31.12.2023**
Share Capital	125,000,000	125,000,000
Share capital issue costs	(18,864,965)	(18,864,965)
Legal Reserve	25,000,000	25,000,000
Share premium reserve	459,125,641	459,125,641
Treasury shares	(23,640,925)	(23,640,925)
Reserve for treasury shares	23,640,924	23,640,924
IAS leaving indemnity reserve	7,653	2,113
Net Fair Value reserve	37,736,365	14,731,279
Other reserves	18,159,032	18,159,032
Retained earnings	20,425,624	20,800,308
Losses carried forward	(272,621,336)	(272,621,336)
Net Profit	40,169,130	3,976,456
Total net equity	**434,137,143**	**375,308,527**

In Euro

The Shareholders' Equity disclosure document with breakdown by individual accounts concerning the availability and usage in previous years is reported below.

SHAREHOLDERS' EQUITY DISCLOSURE AT DECEMBER 31st 2024

Nature/ Description	Amount 31.12.2023	Amount 31.12.2024	Possibility of use	Quota available	Summary utilisation in the previous three years	
					to cover losses	for other reasons
Share Capital	125,000	125,000	-	-	-	-
Share capital issue costs	(18,865)	(18,865)	-	-	-	-
Legal reserve	25,000	25,000	B	-	-	-
Share premium reserve	459,126	459,126	A B C	459,126 *	-	-
Treasury share reserve	23,641	23,641	-	-	-	-
IAS Reserve	8,072	31,082	-	-	-	-
Other Reserves	1,179	1,179	A B C	1,179	-	-
Retained earnings	20,800	20,426	A B C	20,426	-	10,680 **
Losses carried forward	(272,621)	(272,621)	A B C	(272,621)	-	-
	371,332	**393,968**				
Total available				**208,110**		

Euro thousands

Key:
A: share capital increases - B: to cover losses - C: for distribution to Shareholders

* *Utilisations for establishment Acq. Treasury Shares Reserve*
** *Article 2433 of the Civil Code*

LIABILITIES

10. PERSONNEL

Post-employment benefits and employee provisions

Post-employment benefits represent a liability relating to the benefits recognised to employees and paid either on termination or after employment service. This liability is a defined benefit plan and therefore is determined applying the actuarial method under the applicable accounting standards.

The assumptions relating to the determination of the plan are summarised in the table below:

	31.12.2024	31.12.2023
Annual technical discounting rate	3.20%	3.10%
Annual inflation rate	2.00%	2.50%
Annual increase in leaving indemnity	3.00%	3.30%
Annual increase in salaries	2.75%	2.75%

Values in percentage

The movements in the year are as follows:

	31.12.2024	31.12.2023
Net liability at January 1st	**109,873**	**100,873**
Current cost for the year	4,768	4,842
Interest charge (income), net	3,406	3,631
Actuarial profits/(losses)	(5,084)	527
Net liability at December 31st	**112,963**	**109,873**

In Euro

The comparison with the liability in accordance with Italian regulations is as follows:

	31.12.2024	31.12.2023
Nominal value of the provision	121,014	114,426
Actuarial adjustment	(8,051)	(4,553)
Total post-employment benefits	**112,963**	**109,873**

In Euro

As illustrated in the movement, the change between the liability determined in accordance with Italian regulations and IFRS is essentially due to the change in the discount rate utilised, as described previously.

Employee numbers and cost

	2024	2023
Salaries and wages	165,074	159,092
Social security contributions	70,436	63,562
Post-employment benefit provision	4,768	4,842
Other costs	6,763	5,023
Total labour costs	**247,042**	**232,519**

In Euro

The following table shows the average number of employees and consultants by category:

	31.12.2024	31.12.2023	Average 2024	Average 2023
Executives	1	1	1	1
Managers & white-collar	1	1	1	1
Total	**2**	**2**	**2**	**2**

11. NON-CURRENT AND CURRENT FINANCIAL LIABILITIES

	31.12.2024	31.12.2023
Non-current financial liabilities		
Payables for leasing assets to associates	969,484	1,196,657
Total	**969,484**	**1,196,657**
Current financial liabilities		
Payable to subsidiaries	21,492,746	53,740,706
Payables for leasing assets to associates	241,532	236,305
Current bank payables	213	840
Total	**21,734,491**	**53,977,852**

In Euro

Payables to subsidiaries refer to loans received at market rates from the subsidiaries Finced Srl, amounting to Euro 16,892 thousand, and Il Messaggero SpA, amounting to Euro 4,270 thousand, as well as the related interest. The decrease from the previous year is attributed to the total repayment of the loan to Quotidiano di Puglia and the partial repayment of the loan to Finced Srl.
Payables for leasing assets arise from the application of IFRS 16 on the lease of the company's headquarters to a company under common control.

12. TRADE PAYABLES

	31.12.2024	31.12.2023
Trade payables	684,354	350,995
Payables to subsidiaries	131,711	59,471
Payables to holding companies	350,000	722,000
Payables to other Group companies	12,449	-
Total	**1,178,515**	**1,132,466**
of which related parties	*494,161*	*781,544*

In Euro

Payables to holding companies refer to Caltagirone SpA for services rendered during the year.
There are no payables due over 12 months.
The value of payables at December 31st 2024 approximates their fair value.

13. OTHER CURRENT LIABILITIES

	31.12.2024	31.12.2023
Other current liabilities		
Social security institutions	18,980	18,611
Employee payables	45,794	40,032
Payables to subsidiaries	47,806,431	42,078,705
Other payables	6,008,736	5,914,650
Total	**53,879,942**	**48,051,998**

In Euro

The account "Other payables" includes Euro 5,438,806 as amounts available to the Board of Directors in accordance with Article 25 of the Company By-Laws, which provides for the allocation of 2% of the net profits to this account.
The other amounts concern emoluments due to Directors and Statutory Auditors and personnel withholding tax payables.

The other payables to subsidiaries refer to transactions with the companies in the fiscal consolidation and the VAT consolidation. The breakdown is presented in the table below:

	31.12.2024	31.12.2023
Il Messaggero SpA	7,155,337	6,153,806
Il Mattino SpA	10,199,610	9,384,195
Leggo Srl	4,923,244	4,965,668
Il Gazzettino SpA	6,570,941	6,376,858
Piemme SpA	5,767,179	4,911,054
Finced Srl	2,959,424	2,923,954
Corriere Adriatico Srl	3,801,668	3,679,672
Quotidiano di Puglia Srl	984,888	933,493
Stampa Napoli 2015 Srl	204,930	173,076
Servizi Italia 15 Srl	1,316,912	1,228,526
Total tax consolidation	**43,884,133**	**40,730,303**
Il Messaggero SpA	9,239	6,239
Servizi Italia 15 Srl	10	10
Total other payables	**9,249**	**6,249**
Piemme SpA	922,354	457,094
Imprese Tipografiche Venete Srl	792	2,386
P.I.M. Srl	20,586	6,518
Il Gazzettino SpA	234,150	-
Ced Digital & Servizi Srl	1,520,580	473,701
Servizi Italia 15 Srl	-	37,441
Stampa Roma 2015 Srl	609,870	180,408
Stampa Napoli 2015 Srl	26,275	-
Stampa Venezia Srl	578,441	184,606
Total Consolidated VAT	**3,913,049**	**1,342,153**
Total payables to subsidiaries	**47,806,431**	**42,078,705**

In Euro

INCOME STATEMENT

14. OTHER OPERATING REVENUE

	2024	2023
Other operating income	159	789
Other revenues and income from related parties	472,492	458,000
Total revenues from sales and services	**472,651**	**458,789**

In Euro

The other revenues and income from related parties concern services provided to Group companies.

15. OTHER OPERATING COSTS

	2024	2023
Rent, lease and similar costs	79,264	79,161
Services	1,720,386	1,505,093
Other operating charges	132,518	130,276
Total other operating costs	**1,932,169**	**1,714,531**
of which related parties	*746,945*	*675,205*

In Euro

The account Services includes the remuneration of the Board of Statutory Auditors for Euro 33,917, the Board of Directors for Euro 181,640 and the Audit Firm for Euro 147,771. The account also includes the fee to Caltagirone SpA for administrative and tax assistance services.

16. AMORTISATION, DEPRECIATION, PROVISIONS & WRITE-DOWNS

	2024	2023
Depreciation of property, plant & equipment	436	-
Amortisation leased assets	241,407	238,962
Total amortisation, depreciation, provisions & write-downs	**241,843**	**238,962**

In Euro

17. NET FINANCIAL INCOME/(CHARGES)

	2024	2023
Dividends from subsidiaries	65,591,297	-
Dividends from other companies	3,648,000	3,306,000
Bank deposit interest	5,908	7,533
Write-down of equity investments and securities	2,361,887	3,703,735
Other financial income	62,341	216,563
Total financial income	**71,669,433**	**7,233,831**

In Euro

The increase in financial income is attributable to the distribution of dividends by subsidiaries, amounting to Euro 65.6 million, including Euro 41 million from capital reserves.
Dividends from other companies refer to the investment in Assicurazioni Generali SpA.

	2024	2023
Write-down of equity investments and securities	28,530,057	776,287
Interest on bank accounts	154	157
Banking commissions and charges	7,573	7,521
Interest expense from subsidiaries	1,473,770	1,363,070
Financial charges from discounting	3,406	3,639
Int. ex. IFRS 16 Leasing	13,333	15,522
Total financial charges	**30,028,293**	**2,166,196**
of which related parties	*1,487,102*	*1,378,592*

In Euro

The increase in financial charges is attributable to write-downs of equity investments in subsidiaries in order to adjust the carrying amount against equity having deemed the difference with the latter to be a permanent loss. Please refer to Note 2 of these financial statements for details on the write-downs.
Interest expenses from subsidiaries relate to loans received, for consideration and at current market rates, from subsidiaries during FY2024.

18. RELATED PARTY TRANSACTIONS

The transactions of the company with related parties, including inter-group operations, generally relate to normal operations and are regulated at market conditions, where not indicated otherwise, and principally relate to the exchange of goods, the provision of services, the provision and use of financial resources of associated companies and subsidiaries as well as with other companies belonging to the Caltagirone Group or under common control.

There are no atypical or unusual transactions which are not within the normal business operations.

31.12.2023	Parent Company	Subsidiaries	Companies under common control	Total related parties	Total book value	% on total account items
Balance sheet transactions						
Property, plant and equipment	-	-	1,413,858	**1,413,858**	**1,413,858**	**100.0%**
Trade receivables	-	450,000	6,098	**456,098**	**456,098**	**100.0%**
Current financial assets	-	9,529,734	41,256	**9,570,990**	**17,552,713**	**54.5%**
Other current assets	-	4,990,338	-	**4,990,338**	**5,013,497**	**99.5%**
Non-current financial liabilities	-	-	1,196,657	**1,196,657**	**1,196,657**	**100.0%**
Trade payables	722,000	59,544	-	**781,544**	**1,132,466**	**69.0%**
Current financial liabilities	-	53,740,706	236,305	**53,977,011**	**53,977,852**	**100.0%**
Other current liabilities	-	42,078,705	-	**42,078,705**	**48,051,998**	**87.6%**
Income statement transactions						
Other operating income	-	450,000	8,000	**458,000**	**458,789**	**99.8%**
Other operating costs	600,000	75,205	-	**675,205**	**1,714,531**	**39.4%**
Amortisation & depreciation	-	-	238,962	**238,962**	**238,962**	**100.0%**
Financial charges	-	1,363,070	15,522	**1,378,592**	**2,166,196**	**63.6%**

31.12.2024	Parent Company	Subsidiaries	Companies under common control	Total related parties	Total book value	% on total account items
Balance sheet transactions						
Property, plant and equipment	-	-	1,186,916	**1,186,916**	**1,188,660**	**99.9%**
Trade receivables	-	226,218	-	**226,218**	**226,218**	**100.0%**
Current financial assets	-	47,292,251	41,582	**47,333,833**	**47,333,833**	**100.0%**
Other current assets	-	7,876,783	-	**7,876,783**	**7,947,023**	**99.1%**
Non-current financial liabilities	-	-	969,484	**969,484**	**969,484**	**100.0%**
Trade payables	350,000	143,911	249	**494,161**	**1,178,515**	**41.9%**
Current financial liabilities	-	21,492,746	241,532	**21,734,278**	**21,734,491**	**100.0%**
Other current liabilities	-	47,806,431	-	**47,806,431**	**53,879,942**	**88.7%**
Income statement transactions						
Other operating income	-	464,492	8,000	**472,492**	**472,651**	**100.0%**
Other operating costs	600,000	75,345	71,600	**746,945**	**1,932,169**	**38.7%**
Amortisation & depreciation	-	-	241,407	**241,407**	**241,843**	**99.8%**
Financial income	-	65,591,297	-	**65,591,297**	**71,669,433**	**91.5%**
Financial charges	-	1,473,770	13,333	**1,487,102**	**30,028,293**	**5.0%**

In Euro

For further information on the breakdown of the individual accounts reported above, reference should be made to the comments concerning each area of the financial statements.

19. OTHER INFORMATION

Information in accordance with Article 149 of Consob Resolution 11971/99

The fees paid to the independent audit firm KPMG SpA refer to the legal audit of the annual financial statements and the Sustainability Statement carried out in FY 2024, in the amount of Euro 107 thousand, as well as Euro 50 thousand for non-audit services.

20. HIERARCHY OF FAIR VALUE ACCORDING TO IFRS 13

The following table shows the hierarchy level for the assets and liabilities which are valued at Fair Value:

31.12.2023	Note	Level 1	Level 2	Level 3	Total
Capital instruments	3	54,435,000	-	-	54,435,000
Total assets		**54,435,000**	**-**	**-**	**54,435,000**

31.12.2024	Note	Level 1	Level 2	Level 3	Total
Capital instruments	3	77,719,500	-	-	77,719,500
Total assets		**77,719,500**	**-**	**-**	**77,719,500**

In Euro

In 2024, there were no transfers between the various levels.

21. BUSINESS SEGMENT INFORMATION

Caltagirone Editore SpA, as the holding company, carries out its activities exclusively in Italy; therefore, no separate operating segments or geographic areas are identified.

22. OTHER COMPREHENSIVE INCOME STATEMENT ITEMS

Details of the other comprehensive income statement items are shown below with indication of the relevant tax effect:

	31.12.2024			31.12.2023		
	Gross value	Tax effect	Net value	Gross value	Tax effect	Net value
Actuarial gains/(losses) of defined-benefit plans	7,783	(2,243)	5,540	(3,210)	925	(2,285)
Gain/(loss) from recalculation of AFS financial assets, net of fiscal effect	23,284,500	(279,414)	23,005,086	7,082,250	(84,987)	6,997,263

In Euro

23. SUBSEQUENT EVENTS

There were no subsequent events to year-end.

PROPOSALS TO THE SHAREHOLDERS' MEETING

Dear Shareholders,
we propose to you the approval of the Financial Statements at December 31st 2024, consisting of the Balance Sheet, Income Statement, Comprehensive Income Statement, Statement of Changes in Shareholders' Equity and the Cash Flow Statement, as well as the relative attachments and the Directors' Report.
As the Legal Reserve has reached the limit of one-fifth of the Share Capital as per Article 2430 of the Civil Code, the Board of Directors proposes to the Shareholders' Meeting to allocate the net profit for the year of the Parent Company Caltagirone Editore SpA of Euro 40,169,130 as follows:

- Euro 803,382.60 as 2% available to the Board of Directors in accordance with Article 25 of the company's By-Laws;
- Euro 4,271,610.48 as the total dividend, corresponding to Euro 0.04 for each of the 106,790,262 ordinary shares currently in circulation, taking into account the treasury shares in portfolio, currently numbering 18,209,738;
- Euro 35,094,136.92 to retained earnings.

The Board finally proposes May 19th 2025 for the allocation of the dividend coupon, based on the record date of May 20th 2025, for the granting of profit distribution rights and the establishment of the dividend payment date, net of withholding taxes where applicable, as from May 21st 2025 by the intermediaries appointed through the Sistema di Gestione Accentrata Monte Titoli SpA.

Rome, March 12th 2025

For the Board of Directors

The Chairperson
Ms. Azzurra Caltagirone

Declaration of the Financial Statements as per Art. 81 - ter of Consob Regulation No. 11971 of May 14th 1999 and subsequent modifications and integrations

1. The undersigned Azzurra Caltagirone, as Chairman of the Board of Directors, and Luigi Vasta, executive responsible for the preparation of the corporate accounting documents of Caltagirone Editore S.p.A., affirm, and also in consideration of Article 154-*bis*, paragraphs 3 and 4, of Legislative Decree No. 58 of February 24th 1998:

    - the accuracy of the information on company operations and
    - the effective application,

    of the administrative and accounting procedures for the compilation of the financial statements for 2024.

2. The activity was undertaken evaluating the organisational structure and the execution, control and monitoring processes of the business activities necessary for the preparation of the financial statements.
   In relation to this, no important matters arose.

3. It is also declared that:

3.1 the financial statements:

a) were prepared in accordance with international accounting standards, recognised in the European Union pursuant to EU regulation No. 1606/2002 of the European Parliament and Council, of July 19th 2002;

b) correspond to the underlying accounting documents and records;

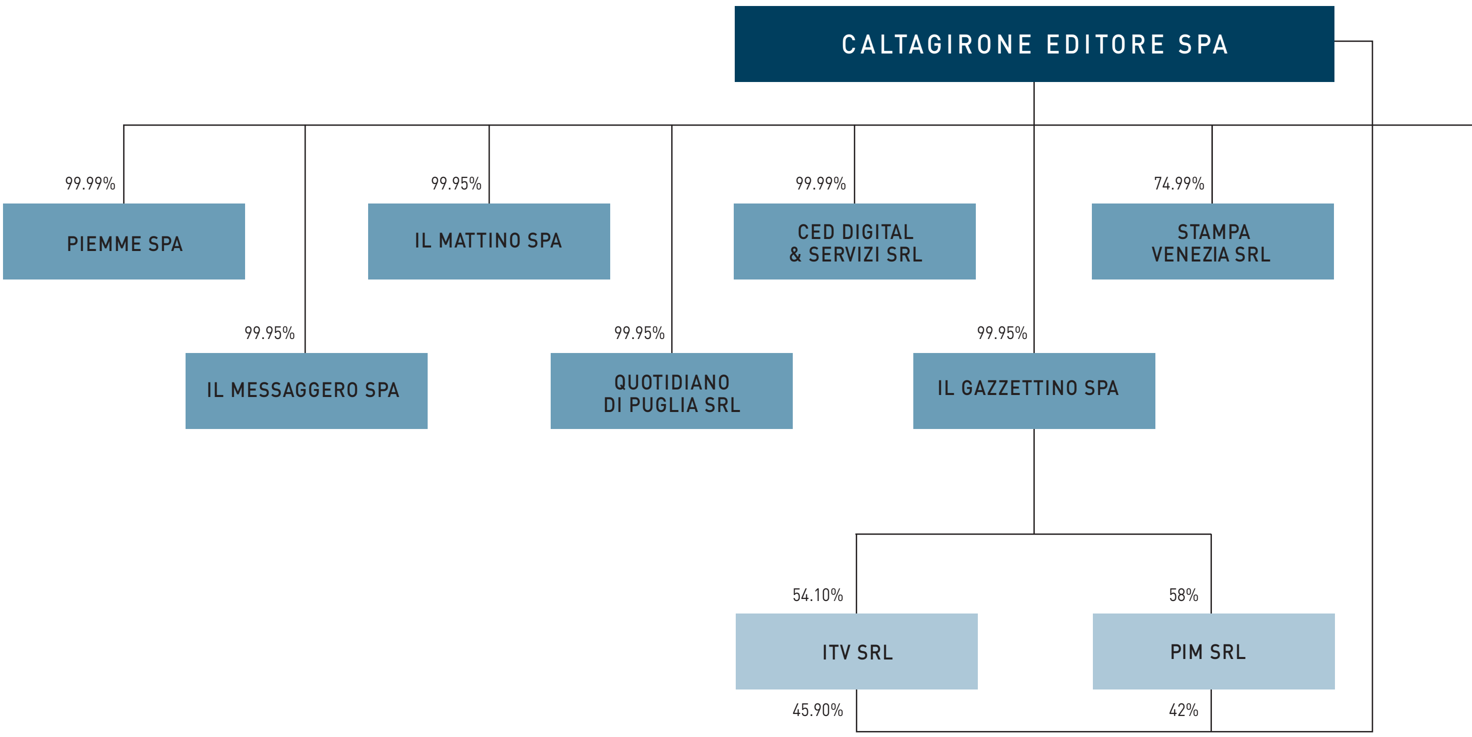
c) provide a true and correct representation of the balance sheet, financial situation and result for the year of the issuer.

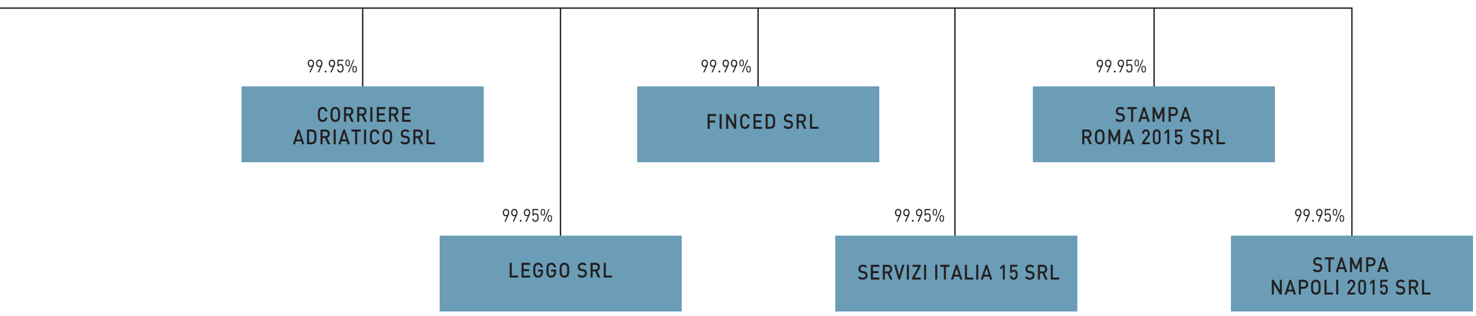
3.2 The Directors' Report, prepared using a standard format for both the individual and consolidated financial statements, includes a reliable analysis on the performance and operating result as well as the situation of the issuer, together with a description of the principal risks and uncertainties to which they are exposed.

Rome, March 12th 2025

The Chairman	**The Executive Responsible**
Mrs. Azzurra Caltagirone	Mr. Luigi Vasta

CALTAGIRONE EDITORE GROUP
CONTROLLED COMPANIES AND MAIN INVESTMENTS AT DECEMBER 31ST, 2024

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CORRIERE ADRIATICO SRL
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LEGGO SRL
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2025, April