

Press Release

Pursuant to Consob Resolution 11971/99 as amended

**Il Sole 24 ORE S.p.A.: Board of Directors approves
Interim Report on Operations at 31 March 2023**

**Improved performance compared to Q1 2022 across all economic and
financial indicators**

Key consolidated figures of the 24 ORE Group:

- **EBITDA positive at Euro 5.4 million (positive Euro 1.8 million as at 31 March 2022), an improvement of 3.6 million**
- **EBIT positive at Euro 1.6 million (negative Euro 2.0 million as at 31 March 2022), an improvement of 3.6 million**
- **Net profit of Euro 0.4 million (loss of Euro 3.5 million as at 31 March 2022), an improvement of 3.8 million**

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

- **EBITDA positive at Euro 3.2 million (positive Euro 1.8 million as at 31 March 2022), an improvement of 1.4 million**
- **EBIT negative at Euro 0.6 million (negative Euro 2.0 million as at 31 March 2022), an improvement of 1.4 million**
- **Net loss of Euro 1.8 million (loss of Euro 3.5 million as at 31 March 2022), an improvement of 1.7 million**

Consolidated revenues amounted to Euro 48.9 million, up Euro 1.6 million (+3.3%) compared to 31 March 2022

The net financial position was a negative Euro 34.7 million, an improvement of Euro 9.1 million compared to the negative Euro 43.8 million as at 31 December 2022

Consolidated shareholders' equity of Euro 16.2 million compared to Euro 15.9 million as at 31 December 2022

Milan, 10 May 2023 - The Board of Directors of Il Sole 24 ORE S.p.A. met today under the chairmanship of Edoardo Garrone and approved the Interim Report on Operations as at 31 March 2023 of the 24 ORE Group.

Key summary figures of the 24 ORE Group

The 24 ORE Group closed Q1 2023 with a positive EBITDA of Euro 5.4 million, a positive EBIT of Euro 1.6 million and a net profit of Euro 0.4 million. Shareholders' equity amounted to Euro 16.2 million, an increase of Euro 0.2 million compared to shareholders' equity in the consolidated financial statements at 31 December 2022, which amounted to Euro 15.9 million.

The following are the Group's key financial figures at 31 March 2023 derived from the consolidated financial statements:

KEY CONSOLIDATED FIGURES OF THE 24 ORE GROUP		
Euro millions	Q1 2023	Q1 2022
Revenues	48.9	47.3
Gross operating margin (EBITDA)	5.4	1.8
Operating profit (loss) (EBIT)	1.6	(2.0)
Profit (loss) before taxes	0.4	(3.1)
Net profit (loss)	0.4	(3.5)
	31.03.2023	31.12.2022
Non-current assets	106.0	114.0
Current assets	147.0	131.7
Assets available for sale	5.2	-
Total assets	258.1	245.8
Group equity	16.2	15.9
Minority interests	-	-
Total Equity	16.2	15.9
Non-current liabilities	104.7	107.4
Current liabilities	137.3	122.4
Liabilities available for sale	-	-
Total liabilities	242.0	229.8
Total equity and liabilities	258.1	245.8

Market context

The macroeconomic and geopolitical scenario is characterised by elements of uncertainty such as the ongoing conflict in Ukraine, a sharp rise in inflation, rising interest rates, the residual effects of Covid-19 and rising commodity and energy costs.

Preliminary ISTAT estimates indicate GDP growth of 0.8% in 2023 (*source: ISTAT – Press release Preliminary estimate of GDP – Q1 2023 – 28 April 2023*).

ADS data for major national newspapers indicate a decline in total circulation of print copies added to digital copies of -5.2% for the period January-February 2023 compared to the same period of 2022, with a decline in circulation of the print version of -12.3% offset in part by an increase in digital circulation of +10.0% (*source: ADS data processing January - February 2023*).

The most recent listening figures for radio refer to the year 2022 and recorded a total of 33,809,000 listeners on the average day, essentially equal to 2021 (-0.1%. *Source: RadioTER 2021-2022*).

In the January-February 2023 period, the System reference market closed at +10.9% (net of local newspaper advertising): newspapers came in at +9.7% (net local), magazines at +2.2%, radio at +16.0% and digital at +10.7% (*source: Nielsen January-February 2023 vs. 2022*).

For 2023, the forecasts from the end of the previous year (2022) for the professional publishing sector indicated a recovery in the sector's overall turnover thanks to the expected reforms, the new boost to digitalization involving professionals and companies, the investments established in the National Recovery and Resilience Plan for companies and Public Administration and indirectly for professionals in their role as consultants. Specifically, tax publishing was expected to grow by +4.5% and legal publishing by +2.6% (*source: "Rapporto Databank Editoria Professionale" – Cerved S.p.A, December 2022*).

In terms of media in 2023, the current trends already in place do not seem to change: overall, electronic publishing is expected to grow by +6.3%, driven by *online* and digital contents (+6.8%), and management software by +5.4%, which will see an increase in the integration of digital publishing content in management software (*source: "Rapporto Databank Editoria Professionale" – Cerved S.p.A., December 2022*).

Consolidated results as at 31 March 2023

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

Below are the Group's key profit and loss (net of non-recurring income and expenses), financial position and cash flow figures for the first quarter of 2023:

KEY CONSOLIDATED FIGURES NET OF NON-RECURRING INCOME AND EXPENSES		
Euro millions	Q1 2023	Q1 2022
Revenues	48.9	47.3
EBITDA net of non-recurring income and expenses	3.2	1.8
EBIT net of non-recurring income and expenses	(0.6)	(2.0)
Profit (loss) before taxes net of non-recurring income and expenses	(1.8)	(3.1)
Net profit (loss) net of non-recurring income and expenses	(1.8)	(3.5)
	31.03.2023	31.12.2022
Equity	16.2	15.9
Net financial position	(34.7)	(43.8)

Revenue trend

The macroeconomic and geopolitical scenario is characterised by elements of uncertainty such as the ongoing conflict in Ukraine, a sharp rise in inflation, rising interest rates, the residual effects of Covid-19 and rising commodity and energy costs. In this context, the 24 ORE Group recorded growth driven by the constant development of products in its Professional Services and Training area, the robust performance of its Culture area and advertising sales, the authoritativeness and high quality of its content and effective marketing policies in all areas. In Q1 2023, the 24 ORE Group reported **consolidated revenues** of Euro 48.9 million (Euro 47.3 million in Q1 2022), up 3.3% or Euro +1.6 million compared to the same period of 2022.

In particular, during the period advertising revenues increased by Euro 0.2 million (+1.1% compared to Q1 2022) to Euro 17.6 million, whereas publishing revenues decreased slightly, by Euro 0.1 million (-0.3% from Euro 24.5 million in Q1 2022 to Euro 24.4 million in 2023): the lower revenues generated by the sale of the printed newspaper were largely offset by the growth in revenues from digital subscriptions to the newspaper and the site www.ilsole24ore.com. Other revenues increased by Euro 1.4 million (+26.5% from Euro 5.4 million in Q1 2022 to Euro 6.9 million in Q1 2023), mainly due to higher revenues from the Culture area and the Professional Services and Training area, in relation to the good performance of the most innovative products and resumption of the training business.

The main dynamics that characterized consolidated revenues are:

- circulation revenues of the newspaper (print + digital) amounted to Euro 10.2 million, down by Euro 0.1 million (-1.3%) compared to Q1 2022. Circulation revenues of the

digital newspaper amounted to Euro 4.9 million, up by Euro 0.2 million (+3.9%) compared to 2022. Circulation revenues of the print newspaper amounted to Euro 5.2 million, down Euro 0.3 million (-5.7%) compared to 2022. The agency Radiocor Plus reported revenues of Euro 1.8 million, up by +9.0%;

- the Group's advertising revenues of Euro 17.6 million were up 1.1% on Q1 2022. The concessionaire is maintaining its position, consolidating its market share thanks to the development of special initiatives, increasingly recognized by companies as an effective vehicle of values and a means of building loyalty with its audience. The reference market recorded growth of 10.9% in the first two months of 2023 (*source: Nielsen January/February 2023*).

Revenues from the Events area amounted to Euro 0.5 million in Q1 2023, substantially in line with the same period of 2022. Noteworthy initiatives included the four "*Road to Trento*" international events organised in collaboration with Italian Embassies abroad in the run-up to the next edition of the Trento Festival of Economics scheduled from 25 to 28 May 2023;

- revenues from electronic publishing in the Professional Services and Training area amounted to Euro 9.6 million, up by Euro 0.1 million (+1.4%) vs. Q1 2022 by virtue of the renewal of the product portfolio and the sales network launched in previous years. In addition, the Valore 24 software and Partner 24 ORE networking product lines contributed a total of Euro 1.8 million to area revenues (+21.0%; Euro +0.3 million over the same period of the previous year);
- Culture Area revenues of Euro 3.9 million were up Euro 0.6 million (+19.5%) on Q1 2022 due to the strong performance of exhibitions during the period.

Circulation (paper + digital) of the daily newspaper Il Sole 24 ORE from January to February 2023 totalled 132,584 average copies per day (-5.1% compared to January-February 2022, a result essentially in line with the market, which declined -5.2%). Specifically, the average daily print circulation reported to ADS for the period January-February 2023 is 47,107 copies (-11.9% compared to the same period of 2022). Digital circulation reported to ADS was 85,477 average copies per day (-0.9% compared to the period January-February 2022). Newsstand sales for January - February 2023 (*source: ADS, Individual print copy sales*) were down 10.0% compared to the same period of the previous year, as the market contracted in the same channel by 11.9%.

The Group also asked an independent third-party company to express an opinion on the effective application of the appropriate procedures adopted for the calculation of the Total Paid For Circulation ("TPFC", i.e. the total number of daily paid sales of Il Sole 24 ORE in all markets through print and digital channels) at 31 March 2023; on conclusion of its checks, the independent third-party company issued an unqualified Assurance Report (ISAE 3000 - Limited assurance) on 5 May 2023.

Based on these procedures, the average Total Paid For Circulation for the period January-March 2023 was determined to be 174,838 copies (+9.4% compared to 2022), including all multiple digital copies sold, but not reportable as circulated for ADS purposes and therefore not included in the relevant statement.

In Q1 2023, the portal www.ilsole24ore.com recorded a daily average of 1.1 million unique browsers, down 18.7% compared to the average for Q1 2022, characterised by greater demand for information regarding the conflict in Ukraine (*source: Mapp Intelligence, formerly*

Webtrekk). The video component had average views per month of 19.2 million in January-March 2023, down 0.7% from the figure for the same period of 2022. Indicators were up on social media, and in particular LinkedIn, where Il Sole 24 ORE remains the leading publisher with over 1.2 million followers and ended Q1 2023 at +15.6% compared to 31 March 2022. Also growing year-on-year were Instagram (+9.0%), Twitter (+9.4%), Facebook (+3.0%), YouTube (+27.9%) and TikTok (+247.8%) compared to 31 March 2022 (source: *LinkedIn Analytics, Facebook Insights, Twitter Analytics, Youtube Analytics, TikTok Analytics, Crowdtangle*) for a total fanbase of 5.2 million.

The focus on multimedia information continues: in Q1 2023, the digital offering of Il Sole 24 ORE were expanded to include video productions, with a new daily schedule of live broadcasts on the website; audio productions, with the continuation of the daily and weekly formats of "Start24" and "Market Mover" and the production of new podcasts; and the new Lab24 dedicated to climate change, raw materials and labour.

The push towards digital and multimedia also continues for Radio 24, which in March 2023 saw its audio streams (downloads and on-demand streaming) of podcasts, accessible from the Radio 24 website and app, as well as from the main third-party platforms (Spotify, Google Podcasts and Apple Podcasts), reach 7.5 million. From January to March 2023, 20.7 million podcasts were downloaded (sources for January-March 2023: *Audiometrix for the site and app, Spotify Metrix for Spotify, Google Podcast Analytics for Google, Apple Analytics for Apple and Amazon Analytics for Amazon*).

Profit margin trends

Gross operating margin (EBITDA) was a positive Euro 5.4 million in Q1 2023 and compares to a positive EBITDA of Euro 1.8 million in 2022, making for an improvement of Euro 3.6 million. The change in EBITDA is mainly attributable to the growth in revenues of Euro 1.6 million (+3.3%), higher operating income of Euro 2.0 million and stable overall costs. During the period, personnel costs declined, offset by higher direct and operating costs, and in particular raw material (paper) and service costs. In Q1 2023, non-recurring income of Euro 2.1 million was recognised on the tax credit for the year 2021, granted to newspaper and periodical publishing companies registered with the ROC on the expenses incurred, in 2020, for the distribution of publications, pursuant to Article 67, paragraph 1, of Decree-Law No. 73 of 25 May 2021, converted with amendments by Law No. 106 of 23 July 2021. Net of non-recurring income, EBITDA was a positive Euro 3.2 million, an improvement of Euro 1.4 million compared to a positive Euro 1.8 million in Q1 2022.

Personnel costs of Euro 18.0 million were down Euro 2.3 million on Q1 2022. During the period, lower costs were mainly due to the decrease in the headcount and the turnover trend, as well as to the increased use of redundancy funds and the use of the residual holiday fund. The average number of employees, 717, decreased by 85 (mainly graphic designers and printers) compared with the previous year when it amounted to 802.

Costs for services amounted to Euro 23.2 million, up Euro 1.1 million (+5.1%) compared to 2022. The main changes are due to higher commissions and other sales expenses (Euro +0.6 million), higher promotional and marketing expenses (Euro +0.4 million) and higher utility expenses (Euro +0.3 million). On the other hand, distribution costs decreased compared to 2022 (Euro -0.5 million).

Operating profit (EBIT) in Q1 2023 was positive by Euro 1.6 million and compares with a negative EBIT of Euro 2.0 million in Q1 2022, an improvement of Euro 3.6 million. Depreciation and amortization for the period amounted to Euro 3.8 million, in line with Q1 2022. Net of non-recurring income and expenses, EBIT was a negative Euro 0.6 million, an improvement of Euro 1.4 million compared to a negative Euro 2.0 million in Q1 2022.

The **profit before taxes** was Euro 0.4 million and compares with a loss of Euro 3.1 million at 31 March 2022. Negative net financial expenses and income of Euro 1.2 million (negative Euro 1.1 million in 2022) had an impact. In Q1 2023, **income taxes** were essentially zero due to the tax loss for the period.

The **net profit attributable to shareholders of the parent company** was Euro 0.4 million, an improvement of Euro 3.8 million on the loss of Euro 3.5 million in Q1 2022. Net of non-recurring income, the net loss attributable to shareholders of the parent company was Euro 1.8 million, an improvement of Euro 1.7 million over the loss of Euro 3.5 million reported in Q1 2022.

Statement of financial position

The **net financial position** at 31 March 2023 was a negative Euro 34.7 million and compares with a negative Euro 43.8 million at 31 December 2022, an improvement of Euro 9.1 million. The change in the net financial position mainly refers to the trend in net working capital included in cash flows from operating activities.

Non-current financial debt includes the non-convertible senior unsecured bond with a principal amount of Euro 45 million and a duration of 7 years, intended exclusively for qualified investors, and financial payables arising from the present value of lease payments under contracts for headquarters, broadcasting equipment and cars totalling Euro 33.7 million (Euro 35.2 million at 31 December 2022) in application of IFRS 16.

The Group's current net financial position as of 31 March 2023 was a positive Euro 42.5 million (positive Euro 35.3 million as at 31 December 2022) and includes Euro 2.7 million restricted as a guarantee for the residual financial payable relating to the indemnity for the early termination of the lease agreement for the former Milan – Via Monte Rosa office. Current financial receivables include Euro 0.7 million in application of IFRS 16. Current financial payables deriving from the present value of lease payments in application of IFRS 16 amounted to Euro 6.0 million.

Shareholders' equity amounted to Euro 16.2 million, an increase of Euro 0.2 million compared to 31 December 2022, when it amounted to Euro 15.9 million, due to the result for the year, which was positive by Euro 0.4 million, and the actuarial valuation of employee severance indemnity (TFR), which resulted in a negative effect of Euro 0.1 million.

Outlook

The evolution of the reference context – in particular, the current uncertainty linked to the ongoing conflict in Ukraine, the sharp upturn in inflation, the rise in interest rates, the residual effects of Covid-19 and the rise in raw material and energy costs – requires us to continue to maintain a degree of caution with respect to the forecasts of the macroeconomic scenario.

In Q1 2023, estimated gross domestic product (GDP) increased by 0.5% compared to the previous quarter and by 1.8% on the same quarter of the previous year. The acquired increase for 2023 is +0.8% (source: *ISTAT – Press release Preliminary estimate of GDP – Q1 2023 – 28 April 2023*).

In this macroeconomic context characterised by uncertainties, the Group's will is to continue to pursue steady and sustainable growth by leveraging innovation, digitisation of products and processes, globalisation, ESG initiatives and continuous brand enhancement. The Group intends to further strengthen its role as a reference media group for the country system in terms of information and tools to support the business community in facing new challenges in national and international markets, including training. A gradual improvement of the main economic and financial indicators is confirmed even in the changed geopolitical, economic and market environment.

The Group constantly monitors both the performance of the reference markets in relation to the assumptions of the Plan and any repercussions that may arise from the evolution of the geopolitical and macroeconomic context, and the implementation of the actions set forth in the 2023-2026 Plan, while maintaining proactive and constant attention to the containment of all costs and the identification of initiatives that can further mitigate the risk linked to revenues to protect profitability and expected cash flows.

At the meeting held today, the Board of Directors also resolved to appoint Roberta Cocco as Chairman of the Committee on Compliance with the Editorial Mission of the 24 ORE Group, confirming her previous appointment on 30 January 2023. This term of office had ended concurrently with that of Director, which concluded on 27 April 2023.

Consolidated Financial Statements as at 31 March 2023

CONSOLIDATED STATEMENT OF FINANCIAL POSITION		
Euro millions	31.03.2023	31.12.2022
ASSETS		
Non-current assets		
Property, plant and equipment	38.8	45.8
Goodwill	20.4	20.4
Intangible assets	25.5	26.4
Investments in associates and joint ventures	0.3	0.3
Non-current financial assets	0.8	0.8
Other non-current assets	6.0	6.2
Deferred tax assets	14.1	14.1
Total	106.0	114.0
Current assets		
Inventories	3.3	2.9
Trade receivables	60.9	62.6
Other receivables	5.7	1.6
Other current financial assets	3.5	4.3
Other current assets	9.2	6.2
Cash and cash equivalents	64.4	54.1
Total	147.0	131.7
Assets available for sale	5.2	-
TOTAL ASSETS	258.1	245.8

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

Euro millions	31.03.2023	31.12.2022
EQUITY AND LIABILITIES		
Equity		
Equity attributable to shareholders of the Parent Company		
Share capital	0.6	0.6
Capital reserves	19.5	19.5
Employee severance indemnity (TFR) reserve - IAS adjustment	(3.9)	(3.8)
Profits (losses) carried forward	(0.3)	(0.9)
Profit (loss) attributable to shareholders of the Parent Company	0.4	0.5
Total	16.2	15.9
Equity attributable to minority shareholders		
Capital and reserves attributable to minority shareholders	-	-
Profit (loss) attributable to minority shareholders	-	-
Total	-	-
Total equity	16.2	15.9
Non-current liabilities		
Non-current financial liabilities	77.2	79.1
Employee benefits	9.7	10.7
Deferred tax liabilities	4.2	4.3
Provisions for risks and charges	6.9	6.7
Other non-current liabilities	6.7	6.7
Total	104.7	107.4
Current liabilities		
Current bank overdrafts and loans	15.3	14.1
Other current financial liabilities	10.1	8.9
Trade payables	91.8	78.7
Other current liabilities	0.8	0.7
Other payables	19.4	20.0
Total	137.3	122.4
Liabilities available for sale	-	-
Total liabilities	242.0	229.8
TOTAL EQUITY AND LIABILITIES	258.1	245.8

CONSOLIDATED STATEMENT OF PROFIT (LOSS)		
Euro millions	Q1 2023	Q1 2022
1) Continuing operations		
Revenues	48.9	47.3
Other operating income	2.8	0.7
Personnel costs	(18.0)	(20.3)
Change in inventories	0.4	0.5
Purchases of raw and consumable materials	(1.9)	(1.5)
Costs for services	(23.2)	(22.1)
Costs for rents and leases	(1.8)	(1.6)
Other operating expenses	(0.9)	(0.9)
Provisions	(0.4)	(0.1)
Bad debt	(0.3)	(0.3)
Gross operating margin	5.4	1.8
Amortization of intangible assets	(1.9)	(1.7)
Depreciation of tangible assets	(2.0)	(2.1)
Gain/loss on disposal of non-current assets	0.0	0.0
Operating profit (loss)	1.6	(2.0)
Financial income	0.1	0.0
Financial expenses	(1.3)	(1.1)
Total financial income (expenses)	(1.2)	(1.1)
Other income from investment assets and liabilities	0.0	-
Profit (loss) before taxes	0.4	(3.1)
Income taxes	(0.0)	(0.3)
Profit (loss) from continuing operations	0.4	(3.5)
2) Assets held for sale		
Profit (loss) from assets held for sale	-	-
Net profit (loss)	0.4	(3.5)
Profit (loss) attributable to minority shareholders	-	-
Profit (loss) attributable to shareholders of the Parent Company	0.4	(3.5)

CONSOLIDATED STATEMENT OF CASH FLOWS		
Euro millions	Q1 2023	Q1 2022
Statement items		
Profit (loss) before taxes from continuing operations attributable to the Group [a]	0.4	(3.1)
Adjustments [b]	5.5	4.8
Amortization/Depreciation	3.8	3.8
(Gains) losses	(0.0)	(0.0)
Allocation and (release) of provisions for risks and charges	0.4	(0.1)
Provision for employee benefits	0.2	0.0
Financial income and expenses	1.2	1.1
Changes in operating net working capital [c]	5.4	11.1
Change in inventories	(0.4)	(0.5)
Change in trade receivables	1.6	6.2
Change in trade payables	13.1	12.4
Other changes in net working capital	(9.0)	(6.9)
Total cash flow from operating activities [d=a+b+c]	11.3	12.8
Cash flow from investing activities [e]	(0.4)	(0.2)
Investments in intangible and tangible assets	(1.1)	(0.8)
Proceeds from the sale of intangible and tangible assets	0.0	-
Change in receivables guaranteeing financial payables	0.5	0.5
Other changes in investing activities	0.2	0.0
Cash flow from financing activities [f]	(0.6)	(1.0)
Net financial interest paid	(0.6)	(0.4)
Change in medium/long-term bank loans	-	(0.4)
Change in short-term bank loans	0.7	0.6
Changes in other financial payables and receivables	(0.4)	-
Other changes in financial assets and liabilities	-	(0.0)
Change in payables IFRS 16	(0.4)	(0.7)
Change in financial resources [g=d+e+f]	10.3	11.6
Cash and cash equivalents at the beginning of the year	54.1	35.7
Cash and cash equivalents at the end of the period	64.4	47.3
Increase (decrease) for the period	10.3	11.6

Additions at the request of Consob pursuant to Article 114 of Legislative Decree 58/1998 SCOPE

Update as at 31 March 2023

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

The statement of Net Financial Position incorporates the ESMA guidelines on Disclosure Requirements under the "Prospectus Regulation" of 4 March 2021 (ESMA 32-382-1138) and Consob Warning Notice No. 5/21 of 29 April 2021.

NET FINANCIAL POSITION OF THE 24 ORE GROUP		
Euro thousands	31.03.2023	31.12.2022
A. Cash	88	190
B. Cash equivalents	64,303	53,876
C. Other current financial assets	3,499	4,279
D. Liquidity (A + B + C)	67,891	58,345
E. Current financial payable	(15,317)	(14,081)
F. Current portion of the non-current financial payable	(10,055)	(8,929)
G. Current financial debt (E + F)	(25,371)	(23,010)
H. Current net financial position (G + D)	42,520	35,335
I. Non-current financial payable	(34,198)	(36,197)
J. Debt instruments	(43,019)	(42,940)
K. Trade payables and other non-current payables	-	-
L. Non-current financial debt (I + J + K)	(77,217)	(79,138)
M. Net financial position (H + L)	(34,697)	(43,803)

The **net financial position** at 31 March 2023 was a negative Euro 34.7 million and compares with a negative Euro 43.8 million at 31 December 2022, an improvement of Euro 9.1 million. The change in the net financial position mainly refers to the trend in net working capital included in cash flows from operating activities.

Non-current financial debt includes the non-convertible senior unsecured bond with a principal amount of Euro 45 million and a duration of 7 years, intended exclusively for qualified investors, and financial payables arising from the present value of lease payments under contracts for headquarters, broadcasting equipment and cars totalling Euro 33.7 million (Euro 35.2 million at 31 December 2022) in application of IFRS 16.

The Group's current net financial position as of 31 March 2023 was a positive Euro 42.5 million (positive Euro 35.3 million as at 31 December 2022) and includes Euro 2.7 million restricted as a guarantee for the residual financial payable relating to the indemnity for the early termination of the lease agreement for the former Milan – Via Monte Rosa office. Current financial receivables include Euro 0.7 million in application of IFRS 16. Current financial payables deriving from the present value of lease payments in application of IFRS 16 amounted to Euro 6.0 million.

Net financial position of the Parent Company

The statement of Net Financial Position incorporates the ESMA guidelines on Disclosure Requirements under the "Prospectus Regulation" of 4 March 2021 (ESMA 32-382-1138) and Consob Warning Notice No. 5/21 of 29 April 2021.

NET FINANCIAL POSITION OF IL SOLE 24 ORE S.p.A.		
Euro thousands	31.03.2023	31.12.2022
A. Cash	23	31
B. Cash equivalents	57,933	47,567
C. Other current financial assets	3,363	3,975
D. Liquidity (A + B + C)	61,319	51,573
E. Current financial payable	(15,317)	(14,081)
F. Current portion of the non-current financial payable	(14,805)	(12,585)
G. Current financial debt (E + F)	(30,122)	(26,667)
H. Current net financial position (G + D)	31,198	24,906
I. Non-current financial payable	(33,540)	(35,477)
J. Debt instruments	(43,019)	(42,940)
K. Trade payables and other non-current payables	-	-
L. Non-current financial debt (I + J + K)	(76,559)	(78,417)
M. Net financial position (H + L)	(45,361)	(53,511)

The **Parent Company's net financial position** at 31 March 2023 was negative by Euro 45.4 million and compares with a negative Euro 53.5 million at 31 December 2022, an improvement of Euro 8.1 million. The change in the net financial position mainly refers to the trend in net working capital included in cash flows from operating activities.

Non-current financial debt includes the non-convertible senior unsecured bond with a principal amount of Euro 45 million and a duration of 7 years, intended exclusively for qualified investors, and financial payables arising from the present value of lease payments under contracts for headquarters, broadcasting equipment and cars totalling Euro 33.1 million (Euro 34.5 million at 31 December 2022) in application of IFRS 16.

The Company's current net financial position as of 31 March 2023 was a positive Euro 31.2 million (positive Euro 24.9 million as at 31 December 2022) and includes Euro 2.7 million restricted as a guarantee for the residual financial payable relating to the indemnity for the early termination of the lease agreement for the former Milan – Via Monte Rosa office. Current financial receivables include Euro 0.6 million in application of IFRS 16. Current financial payables deriving from the present value of lease payments in application of IFRS 16 amounted to Euro 5.8 million.

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

Past due debt positions of the 24 ORE Group broken down by type at 31 March 2023

PAST DUE DEBT POSITIONS OF THE 24 ORE GROUP									
values in Euro thousands	Breakdown of payables by days past due								total past due
	0-30	31-60	61-90	91-120	121-150	151-180	181-210	Over 210	
Financial payables	-	-	-	-	-	-	-	-	-
Trade payables	894	269	121	7	24	54	2	613	1,984
Social security payables	-	-	-	-	-	-	-	-	-
Payables to employees	-	-	-	-	-	-	-	-	-
Tax payables	-	-	-	-	-	-	-	-	-
	894	269	121	7	24	54	2	613	1,984

Past due debt positions of Il Sole 24 ORE S.p.A. broken down by type at 31 March 2023

PAST DUE DEBT POSITIONS OF IL SOLE 24 ORE S.p.A.									
values in Euro thousands	Breakdown of payables by days past due								total past due
	0-30	31-60	61-90	91-120	121-150	151-180	181-210	Over 210	
Financial payables	-	-	-	-	-	-	-	-	-
Trade payables	712	233	76	10	16	21	3	568	1,639
Social security payables	-	-	-	-	-	-	-	-	-
Payables to employees	-	-	-	-	-	-	-	-	-
Tax payables	-	-	-	-	-	-	-	-	-
	712	233	76	10	16	21	3	568	1,639

The past due debt positions of the 24 ORE Group and the Parent Company Il Sole 24 ORE S.p.A. refer to trade payables. Amounts past due by zero to 30 days mainly include positions that were netted or settled in April 2023.

With regard to past due amounts exceeding 210 days, it is noted that this past due amount includes suppliers blocked for disputed claims that amount to a total of Euro 336 thousand for the Parent Company.

On 29 April 2021, a summons was served to the Court of Milan for the resumption of an injunction, issued in 2018 by the Court of Rome and then, by judgement No. 1547/2021 of 28 January 2021, revoked by the same Court which had declared itself not to have territorial jurisdiction. On 25 July 2022, the Court of Milan dismissed the counterparty's claims, awarding the costs of the litigation. On 27 February 2023, the other party served a writ of summons on appeal against the aforementioned judgement of the Court of Milan, setting the first appearance hearing for 22 June 2023.

As far as creditor initiatives are concerned, it is noted that the reminders received are part of normal administrative operations. At the date of the Interim Report on Operations at 31 March 2023, there is no evidence of any further injunctions received in relation to the above debt positions and no suspensions in supply have been implemented that would compromise normal business operations.

The main changes in the related party transactions of this Company and Group since the last Annual or Half-Yearly Financial Report approved in accordance with Article 154-ter of the Consolidated Law on Finance (TUF) are as follows

TRANSACTIONS WITH RELATED PARTIES – CONSOLIDATED AT 31 March 2023								
Company	Receivables and other assets	Financial receivables	Payables and other liabilities	Financial payables	Operating revenues and income	Costs	Financial income	Financial expenses
Confederazione Generale dell'Industria Italiana (General Confederation of Italian Industry)	-	-	-	-	16	-	-	-
Total Parent Company	-	-	-	-	16	-	-	-
Sole 24 ORE Formazione S.p.A.	-	-	-	-	-	-	-	-
Total associated companies	-	-	-	-	-	-	-	-
Key Executives	-	-	(815)	-	-	(595)	-	-
Board of Directors	-	-	(620)	-	-	(295)	-	-
Board of Statutory Auditors	-	-	(55)	-	-	(55)	-	-
Other related parties	128	-	(51)	-	110	(55)	-	-
Total other related parties	128	-	(1,541)	-	110	(1,000)	-	-
Total related parties	128	-	(1,541)	-	126	(1,000)	-	-

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

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

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

On 7 November 2022, a sublease agreement was signed with the associate Sole 24 ORE Formazione S.p.A., providing for the lease of the premises of the Milan - Viale Sarca office. This transaction, within the scope of IFRS 16, resulted in the recognition of the related financial receivable, which amounted to Euro 6,496 thousand at 31 March 2023. In Q1 2023, Euro 250 thousand of rent for the period was collected.

In accordance with the RPT Regulation and the Consob Regulation, the Company updates the Company's Register of Related Parties at least every six months. In line with the RPT Regulation and the Consob Regulation, the Company lastly identified, on 31 December 2022, through specific declaration forms addressed to "Related Parties" as per Annex 1 of the Consob Regulation to which the RPT Regulation refers, its direct and indirect Related Parties.

As at 31 March 2023, Key Executives ("DIRS") are: Federico Silvestri – General Manager Media & Business; Karen Sylvie Nahum – General Manager Publishing & Digital; Eraldo Minella – General Manager Professional Services and Training; Romeo Marrocchio – Central Director Personnel and Organization.

On 27 April 2023 the Ordinary Shareholders' Meeting also resolved to appoint as directors of the Company Roberta Cocco and Gianmario Verona, co-opted on 20 December 2022, to replace Chiara Laudanna and Fabio Domenico Vaccarone, respectively, who resigned with effect from 10 November 2022, pursuant to Article 2386, first paragraph, of the Italian Civil Code and Article 19 of the Company's Articles of Association.

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

TRANSACTIONS WITH RELATED PARTIES – PARENT COMPANY AT 31 March 2023								
Company	Receivables and other assets	Financial receivables	Payables and other liabilities	Financial payables	Operating revenues and income	Costs	Financial income	Financial expenses
Confederazione Generale dell'Industria Italiana (General Confederation of Italian Industry)	-	-	-	-	16	-	-	-
Total Parent Company	-	-	-	-	16	-	-	-
24 ORE Cultura S.r.l.	1,322	-	(747)	(2,403)	237	(183)	-	(40)
Il Sole 24 ORE Eventi S.r.l.	571	-	(190)	(2,532)	174	(148)	-	(26)
Il Sole 24 ORE UK Ltd	-	-	(435)	-	-	(65)	-	-
Il Sole 24 ORE U.S.A. Inc	-	-	(314)	-	-	(113)	-	-
Total Subsidiaries	1,893	-	(1,686)	(4,935)	411	(508)	-	(66)
Sole 24 ORE Formazione S.p.A.	-	-	-	-	-	-	-	-
Total associated companies	-	-	-	-	-	-	-	-
Key Executives	-	-	(815)	-	-	(595)	-	-
Board of Directors	-	-	(620)	-	-	(295)	-	-
Board of Statutory Auditors	-	-	(49)	-	-	(49)	-	-
Other related parties	128	-	(51)	-	110	(55)	-	-
Total other related parties	128	-	(1,535)	-	110	(994)	-	-
Total related parties	2,021	-	(3,221)	(4,935)	537	(1,502)	-	(66)

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

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

Trade payables/other payables mainly refer to:

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

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

Operating revenues and income mainly refer to:

- sale of newspapers, books and magazines;
- sale of subscription electronic products;
- sale of advertising space in its proprietary publications;

- debit of centralized services to Group companies.

Costs mainly refer to:

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

On 7 November 2022, a sublease agreement was signed with the associate Sole 24 ORE Formazione S.p.A., providing for the lease of the premises of the Milan - Viale Sarca office. This transaction, within the scope of IFRS 16, resulted in the recognition of the related financial receivable, which amounted to Euro 6,496 thousand at 31 March 2023. In Q1 2023, Euro 250 thousand of rent for the period was collected.

In accordance with the RPT Regulation and the Consob Regulation, the Company updates the Company's Register of Related Parties at least every six months. In line with the RPT Regulation and the Consob Regulation, the Company lastly identified, on 31 December 2022, through specific declaration forms addressed to "Related Parties" as per Annex 1 of the Consob Regulation to which the RPT Regulation refers, its direct and indirect Related Parties.

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

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

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

The maximum total amount that can be financed is Euro 50.0 million; at 31 March 2023, the line of credit for the securitization of trade receivables with recourse (for a total amount of Euro 20.0 million) had been used for Euro 15.3 million.

The securitization contract does not provide for financial covenants but does provide for causes of impediment to the acquisition of the Company's portfolios of receivables, which, if not

remedied, could result in the termination of the contract. At 31 March 2023, there were no causes of impediment to purchase and/or material events that would result in contract termination.

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

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

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

The terms and conditions of the bond also include clauses that are standard practice for this type of transaction, such as: negative pledge, *pari passu*, change of control, and some specific provisions that provide for optional and/or mandatory early repayment upon the occurrence of certain events. Further details regarding the terms and conditions of this bond issue are available in the "Listing Particulars" document dated 29 July 2021 and available on the Company's website.

The bond issue allowed the Company to further strengthen its financial structure, providing it with the flexibility and resources to carry out the investments and actions planned over the Plan period, which are necessary to develop revenues and achieve greater operating efficiency.

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

On 21 February 2023, the Company's Board of Directors approved the 2023-2026 Plan, which confirms the Group's constant and sustainable growth through the digitisation of products and processes, globalisation and continuous brand enhancement. The growth in revenues and margins is also confirmed in the changed geopolitical, economic and market environment.

The evolution of the reference context has led to a revision of some initiatives included in the previous 2022-2025 Plan and to a rescheduling of the timing of their launch at the same time as the introduction of several new business initiatives.

The 2023-2026 Plan has three basic development pillars:

- ✓ digitisation of products and processes with a further acceleration and drive, from a digital first and platform neutral perspective, towards the creation and production of quality content in the various formats, focusing on the integration of the various business units, innovation and the use of customer base usage data;

- ✓ internationalisation in every segment with the strengthening of existing partnerships with some of the leading international news organisations;
- ✓ brand enhancement both in the training business and with the development of new products and services dedicated to professionals in the field of innovation and sustainability.

The 2023-2026 Plan also envisages a further drive on investments enabling the Group's digital transformation and process optimisation, with a time rescheduling compared to the previous 2022-2025 Plan.

In light of the uncertainties of the macroeconomic and geopolitical scenario characterised by the conflict in Ukraine, a sharp upturn in inflation, rising interest rates and the residual effects of Covid-19, the 2023-2026 Plan although reflecting the increase in the incidence of raw material and energy costs and operating costs – with a consequent reduction in expected margins compared to the previous 2022-2025 Plan prepared in a context radically different from the current one – confirms a gradual year-on-year improvement in the main economic and financial indicators, with Euro 250 million in revenues expected in 2026 and a net financial position expected to progressively improve over the Plan period.

The main forecast economic indicators expected in the 2023-2026 Plan are shown below:

2023-2026 PLAN		
Euro millions	Plan 2023	Plan 2026
Revenues	220	250
EBITDA	24	44
EBIT	9	23

Consolidated revenues for Q1 2023 were slightly lower than expected, due mainly to a different planning of some initiatives, while EBITDA and EBIT improved compared to the 2023 plan due to both the different development of activities and actions to contain direct, operating and personnel costs.

It should be noted that the forward-looking figures represented in the 2023-2026 Plan are strategic objectives established as part of corporate planning.

The development of the 2023-2026 Plan was based on, among other things: (i) general and hypothetical assumptions, as well as discretionary assumptions, and (ii) a series of estimates and hypotheses relating to the implementation by the directors of specific actions to be undertaken in the reference time period, or relating to future events that the directors can only partially influence and that may not occur or may vary during the plan period.

The realization of the objectives and the achievement of the results envisaged by the 2023-2026 Plan depend not only on the actual realization of the volume of revenues indicated, but also on the effectiveness of the actions identified and the implementation of these actions, in accordance with the time frame and economic impacts assumed.

If the Group's results were to differ significantly from those forecast in the 2023-2026 Plan, there could be adverse effects on the Group's financial position and prospects.

The Group constantly monitors both the performance of the reference markets in relation to the assumptions of the Plan and any repercussions that may arise from the evolution of the geopolitical and macroeconomic context, and the implementation of the actions set forth in the 2023-2026 Plan, while maintaining proactive and constant attention to the containment of all

costs and the identification of initiatives that can further mitigate the risk linked to revenues to protect profitability and expected cash flows.

The Manager in charge of financial reporting, Emilio Bernacchi, hereby declares, pursuant to Article 154-bis, paragraph 2 of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the documented results, books and accounting records.

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