GRUPPO 24 ORE

Press Release

Pursuant to CONSOB Resolution 11971/99 as subsequently amended and supplemented

Il Sole 24 ORE S.p.A.: BoD approves Interim Management Statement at 30 September 2021

EBITDA and EBIT in first nine months 2021 improve versus the same period of 2020, thanks to revenue growth from high quality content, the launch of the new format of the Daily, the good performance in advertising sales and events, the continued growth in the Tax&Legal area and an improved pandemic environment

Consolidated highlights of the 24 ORE Group:

- **Positive EBITDA of € 13.3 million (a positive € 10.5 million at 30 September 2020)**
- **Positive EBIT of € 0.2 million (a negative € 2.1 million at 30 September 2020)**
- **Net loss of € 3.7 million (loss of € 3.4 million at 30 September 2020)**

Consolidated financial highlights of the 24 ORE Group net of non-recurring expense and income

- **Positive EBITDA of € 12.5 million (a positive € 8.9 million at 30 September 2020)**
- **Positive EBIT of € 0.7 million (a negative € 3.8 million at 30 September 2020)**
- **Net loss of € 3.2 million (loss of € 5.0 million at 30 September 2020)**

Negative net financial position of € 57.0 million versus a negative € 50.9 million at 31 December 2020, due primarily to cash flows from investing activities and payment of non-recurring expense from voluntary redundancies settled during the period

Consolidated equity of € 31.3 million versus € 35.3 million at 31 December 2020

Milan, 8 November 2021 - The Board of Directors of Il Sole 24 ORE S.p.A., chaired by Edoardo Garrone, met today and approved the Interim Management Statement at 30 September 2021 of the 24 ORE Group.

Financial highlights of the 24 ORE Group

The 24 ORE Group closed first nine months 2021 with a positive EBITDA of € 13.3 million, a positive EBIT of € 0.2 million and a net loss of € 3.7 million. Equity amounted to € 31.3 million, down by € 4.0 million versus € 35.3 million at 31 December 2020.

The key financial figures of the Group at 30 September 2021 taken from the consolidated financial statements are as follows:

MAIN CONSOLIDATED FIGURES OF THE 24 ORE GROUP		
€ millions	9M 2021	9M 2020
Revenue	142.6	132.5
Gross operating profit (EBITDA)	13.3	10.5
Operating profit (loss) (EBIT)	0.2	(2.1)
Pre-tax profit (loss)	(2.3)	(3.5)
Profit (loss) of the period	(3.7)	(3.4)
	30.09.2021	31.12.2020
Non-current assets	139.9	146.7
Current assets	112.5	127.7
Total assets	**252.4**	**274.4**
Equity attributable to owners of the parent	31.3	35.3
Equity attributable to non-controlling interests	-	-
Total equity	**31.3**	**35.3**
Non-current liabilities	117.5	112.9
Current liabilities	103.6	126.1
Total liabilities	**221.1**	**239.1**
Total equity and liabilities	**252.4**	**274.4**

Market environment

Starting from the second half of February 2020, the market has been affected by the Covid-19 health emergency and the spread of the virus; since April 2021 however, there have been signs of growth brought by the improved pandemic context and an increased confidence in the recovery that are driving the market as a whole.

ADS figures of the main national newspapers show a -4.3% drop in total circulation of print+digital copies for the period January-August 2021 versus the same period of 2020. The trend is attributable to the -9.3% decline in circulation of the print version, partly offset by the +10.6% increase in digital circulation (*ADS January- August 2021*).

The latest radio audience figures refer to first half 2021 and indicate a total of 33,216,000 listeners on average day, down by 4.6% versus first half 2019 *(RadioTer 2019-2021*); the figures for the first half of the year and for 2020 are unavailable owing to the temporary interruption of surveys by research institutes due to the spread of the Covid-19 pandemic.

The relevant market for the Group's advertising sales closed the first eight months of 2021 up by +13.4% (net of local newspaper advertising), thus consolidating the signs of recovery seen in second quarter 2021, after more than a year negatively impacted by the Covid-19 health emergency: newspapers closed at +6.2% (net of local), magazines at +1.7%, radio at +14.3% and the Internet at +24.3% *(Nielsen January/August 2021*).

2021 continues to loom large as a challenging year for professional publishing players, owing to the long wave triggered by the ongoing Covid-19 health emergency, which will affect the areas in which the clients of professionals, the main target market (accountants and lawyers in particular), operate. According to Confcommercio, which processed Movimprese Unioncamere data, more than 300 thousand businesses were forced to close in 2020 due to the effects of the Covid-19 pandemic. Additionally, forecasts on the self-employed population, whether registered in associations or not, indicate the shutdown of business for approximately 200 thousand professionals from professional, scientific, technical, administrative, services and other areas.

Estimates show a drop for tax publishing (-2.4%) and for the legal area (-2.1%), affected by the lower earnings of professionals, who will suffer the long wave of the crisis triggered in 2020, due to the Covid-19 related effects of the restrictive measures on business activities, therefore on their client base.

In terms of media, 2021 seems not to show any change in the current trends: overall, electronic publishing will continue to grow (+1.8%), driven by online and digital content (+3.2%), while offline will continue along its strong downward path (-60%). Management software is expected to slow down growth (+3.7%), which will see digital editorial content increasingly integrate with management software *(Source: "Databank Rapporto Editoria Professionale"- Cerved S.p.A., December 2020).*

Consolidated results at 30 September 2021

Financial highlights of the 24 ORE Group net of non-recurring expense and income

The key financial figures (net of non-recurring expense and income) of the Group in first nine months 2021 are shown below:

MAIN CONSOLIDATED FIGURES OF THE 24 ORE GROUP NET OF NON RECURRING CHARGES		
€ millions	9M 2021	9M 2020
Revenue	142.6	132.5
EBITDA net of non recurring income	12.5	8.9
EBIT net of non recurring income	0.7	(3.8)
Pre-tax profit (loss) net of non recurring income	(1.8)	(5.2)
Net profit (loss) net of non recurring income	(3.2)	(5,0)
	30.09.2021	31.12.2020
Equity	31.3	35.3
Net financial position	(57.0)	(50.9)

Revenue trend

In first nine months 2021, the 24 ORE Group, while still feeling the brunt of the Covid-19 health emergency which started in March 2020, witnessed signs of growth thanks both to the improvement in the pandemic context and an increasing confidence in the recovery, which are driving the market as a whole, and to the authority, high quality content, the launch of the new format of the Daily, the good performance of advertising sales, the continued development of products in the Tax & Legal area, the acceleration of the Events area and the effective business policies across all areas. The 24 ORE Group achieved **consolidated revenue** of € 142.6 million versus € 132.5 million in the same period of 2020, up by € 10.1 million (+7.6%).

Specifically, in the period January-September 2021, advertising revenue was up by € 8.5 million, or 17.4% versus the same period of the prior year, amounting to € 57.5 million, publishing revenue was down by € 0.7 million (-0.9% from € 76.7 to € 76.0 million), due mainly to the reduction in revenue from the sale of the print Daily and magazines, partly offset by the growth of revenue from digital subscriptions to the Daily, the website *www.ilsole24ore.com*, products in the Tax & Legal area, books and add-ons; other revenue increased by € 2.3 million (+33.7% from € 6.8 to € 9.1 million), thanks mainly to the development of new initiatives in the Tax & Legal area and higher revenue in the Culture area. Revenue from the Tax & Legal area was on the rise versus the first nine months of 2020.

The Covid-19 health emergency impacted negatively on sales made on an ongoing basis to the business sectors that have suffered the effects of the lockdown and the restrictive measures. On the other hand, the digital version of the Daily saw a rise in the number of new subscriptions, with an increase in circulation versus the pre-Covid-19 period.

In first nine months 2021, the *ilsole24ore.com* portal recorded a daily average of 1.4 million unique browsers, down by 26.3% versus the average for the same period of 2020 (*Mapp Intelligence – ex Webtrekk*). The result was affected by the comparison with 2020 which, starting from March, shows figures that are not directly comparable; that same month, in fact, had achieved an all-time record with 3.77 million average daily unique browsers, +281.4% versus the same period of the prior year, due to the spread of the Covid-19 emergency which continued in the following months. Conversely, videos saw just a slight decrease thanks to the good performance in the last quarter, with average monthly views in first nine months 2021 down by 3.9% versus the 2020 figure. Indicators were on the rise for social media, specifically Instagram +25.9%, LinkedIn +23.8%, Facebook +5.3% and Twitter +6.3% versus September 2020.

Main trends in consolidated revenue:

- circulation revenue from the Daily (print+digital) amounted to € 33.9 million, down by € 3.4 million (-9.2%) versus the same period of 2020. Circulation revenue from the print Daily amounted to € 18.3 million, down by € 4.6 million (-20.1%) versus 30 September 2020. Circulation revenue from the digital Daily amounted to € 15.6 million, up by € 1.2 million (+8.3%) versus the same period of the prior year.
- Group advertising revenue amounted to € 57.5 million, up versus the same period of 2020. This result was achieved thanks to the authority, high quality content and effective business policies, which enabled Il Sole 24 ORE to contain the negative effects of the pandemic better than the market, as well as to the launch of the new format of the Daily on 16 March 2021. Group advertising revenue outperformed the relevant market, up by 13.4% *(Nielsen - January-August 2021*).
  The spread of Covid-19 led to the forced suspension of the physical events of the subsidiary Il Sole 24 ORE Eventi S.r.l.. In order to alleviate the impact on business performance, Management focused promptly on converting the initiatives to digital by revamping the offering and launching new event formats. These activities resulted in revenue of € 3.6 million in first nine months 2021 (€ 2.0 million in first nine months 2020);
- revenue from e-publishing in the Tax & Legal area amounted to € 28.1 million, up by € 1.4 million (+5.3%) versus first nine months 2020, leveraging on the renewal of the product portfolio and sales network that started in prior years and despite the impact of the Covid-19 health emergency;
- revenue from the Culture area, amounting to € 2.4 million, was up by € 0.7 million (+41.4%) versus the same period of 2020. The Area's results were severely affected by the Covid-19 emergency, following closure of all museums and exhibition venues during the lockdown period.

The circulation (print+digital) of Il Sole 24 Ore for the period January-August 2021 totaled 142,807 average daily copies (-1.6% versus the same period of 2020). Specifically, the average daily print circulation declared to ADS for the period January-August 2021 was 55,226 copies (-11.4% versus the same period of 2020). Digital circulation declared to ADS was 87,581 average daily copies (+5.7% versus January-August 2020). Newsstand sales in the months from January to August 2021 fell by 14.9% versus the same period of the prior year, with the market down in the same channel by 10.7% (*ADS, newsstand sales*).

The Group asked an independent third party to render an opinion on the effective application of the appropriate procedures adopted in the calculation of the *Total Paid For Circulation* ("TPFC", i.e. total number of Il Sole 24 ORE daily fee-based sales on all markets through print and digital channels) at 30 September 2021; following the audit, the independent third party issued an unqualified Report of Assurance (ISAE 3000 - Limited assurance) on 5 November 2021.

Based on these procedures, the average *Total Paid For Circulation* for the period January-September 2021 was 181,408 thousand copies (+1.0% versus the same period of 2020), including all multiple digital copies sold, but not declarable as circulated for ADS purposes, therefore not included in the relating declaration.

Margins trend

EBITDA in first nine months 2021 came to a positive € 13.3 million versus a positive € 10.5 million in the same period of the prior year. The change in EBITDA, amounting to a positive € 2.8 million versus the same period of 2020, is due mainly to the increase in revenue of € 10.1 million (+7.6%), lower operating income of € 1.7 million and an increase in costs totaling € 5.6 million. Net of non-recurring expense and income, EBITDA in first nine months 2021 closed at a positive € 12.5 million versus a positive EBITDA of € 8.9 million in the same period of 2020, improving by € 3.6 million.

Personnel expense, amounting to € 56.8 million, decreased by € 0.2 million (-0.4%) versus € 57.0 million at 30 September 2020. After non-recurring restructuring costs of € 0.6 million, personnel expense decreased by € 0.8 million (-1.4%). The average headcount, amounting to 824 units, decreased by 43 units (regarding mainly graphic designers and printers) versus 867 units in the prior year. Lower personnel expense is the result mainly of the reduction in average headcount versus the same period of 2020, following redundancies resulting from the optimization measures taken. Additionally, in order to reduce the effects of the Covid-19 health emergency on business performance, the Group resorted to the work support measures provided by law. With particular regard to printers and graphic designers, the ordinary wage subsidies treatment was in effect from 18 January 2021 for "Covid-19" reasons for the maximum period allowed by law; regarding journalists, agreements were signed on the use of the redundancy fund in derogation for "Covid-19" reasons, with different starting dates for the various titles and expiring on 30 June 2021. Additionally, as from 15 March 2021, following the termination of printing activities at the Group's printing facilities, an agreement was reached with the trade unions on the management of surplus printers and graphic designers.

Service costs, amounting to € 63.5 million, increased by € 5.7 million (+9.8%) versus the same period of the prior year. The main changes refer to higher commissions and other sales expenses (€ +1.3 million), higher printing costs (€ +2.3 million) related to the new production setup, higher promotional and marketing expenses (€ +1.9 million), relating primarily to the launch of the new Daily, and higher costs for meetings and exhibitions (€ +0.6 million). Conversely, distribution costs (€ -1.2 million), administrative costs (€ -0.3 million) and other consulting fees (€ -0.3 million) were down versus first nine months 2020.

EBIT in first nine months 2021 came to a positive € 0.2 million, improving by € 2.4 million versus a negative € 2.1 million in the same period of 2020. Amortization and depreciation amounted to € 11.8 million versus € 12.7 million in first nine months 2020. During the period, intangible assets were written down for a total of € 1.3 million, relating to advancements to software no longer in use. Net of non-recurring expense and income, the positive EBIT of € 0.7 million improved by € 4.5 million versus € -3.8 million in the same period of the prior year.

The **loss before tax** was € 2.3 million versus a loss of € 3.5 million at 30 September 2020. The result was affected by net financial expense of € 2.5 million (€ -1.4 million in the same period of 2020).

In first nine months 2021, **income tax** incorporates the reversal of deferred tax assets on taxed temporary differences of € 1.4 million.

The **loss attributable to the owners of the parent** came to € -3.7 million, deteriorating by € 0.3 million versus € -3.4 million in the same period of 2020. The loss attributable to the owners of the parent, net of non-recurring expense and income, amounted to € -3.2 million, improving by € 1.8 million versus the net loss of € -5.0 million at 30 September 2020.

Statement of Financial Position

The **net financial position** stands at € -57.0 million at 30 September 2021 versus € -50.9 million at 31 December 2020, deteriorating by € 6.1 million. The change in the net financial position is attributable mainly to cash flows from investing activities and payment of non-recurring expense related to voluntary redundancies settled during the period.

Non-current financial debt includes the *Senior Unsecured Bond* with a principal amount of € 45 million and a duration of 7 years, intended exclusively for qualified investors, and financial payables from the present value of lease payments under contracts for premises, transmission plant and cars totaling € 36.6 million (€ 37.9 million at 31 December 2020) in application of IFRS 16.

The Group's current net financial position stands at a positive € 28.8 million versus a positive € 30.9 million at 31 December 2020. Current financial receivables include € 16.3 million from Education Acquisitions Limited referring to the present value of the deferred component of the sale of the investment in Business School24 S.p.A., and current financial receivables under IFRS 16 for € 19 thousand. Current financial payables from the present value of lease payments under IFRS 16 amounted to € 3.0 million.

Equity amounted to € 31.3 million, or € 4.0 million lower than at 31 December 2020, when it amounted to € 35.3 million, due to the result in first nine months 2021 of € -3.7 million, and the actuarial assessment of post-employment benefits, which had a negative impact of € 0.3 million.

Business outlook

April 2021 witnessed the first signs of a market recovery, which reflect positively on the performance of advertising sales. Specifically, the improved pandemic context and an increased confidence in the recovery are driving the market as a whole.

In Italy, April 2021 marked the start of the initial easing of anti-Covid-19 restrictions; most recent ISTAT forecasts for Italy indicate sustained GDP growth in both 2021 (+4.7% also confirmed in the *monthly note on Italian economic trends - September 2021*) and 2022 (+4.4% - *ISTAT press release - Italian economic outlook 2021-2022 - 4 June 2021)*.

The current uncertainty arising from potential developments in the transmission of Covid-19 and its variants requires a certain degree of caution over the positive forecasts of the macroeconomic scenario. In light of the health emergency situation, publishing, the advertising market in particular, and the activities revolving around exhibition and event organization, remain dominated by uncertainty over the possible effects of the ongoing Covid-19 pandemic.

On 25 February 2021, the Board of Directors of the Company approved the 2021-2024 Plan, which reiterates the strategic path and medium-long term objectives contained in the previous 2020-2023 post-Covid Plan approved on 30 June 2020, representing its update, evolution and acceleration.

The 2021-2024 Plan confirms the steady improvement of operating and financial indicators, driven by the growth of consolidated revenue and the reduction of costs, including personnel expense for all categories. Compared to the 2020-2023 post-Covid Plan, the updated estimates show a slower recovery for the current year, due to the effects of the pandemic, and an acceleration in the following years.

The Group continues to closely monitor the developments of the Covid-19 health emergency and the trend of the relevant markets against the assumptions of the Plan, evaluating the actual possibility of rescheduling the initiatives planned, while keeping a proactive and constant eye on the containment of all costs and the identification of initiatives that can further alleviate the risk tied to revenue in order to shield profitability and expected cash flows. Against this backdrop, the meetings held with the trade unions reiterated the strategic target of reducing payroll costs, to be achieved through structural cost-curbing measures involving all professional categories, as envisaged in the 2021-2024 Business Plan. As a result, the effects of the simplification and rationalization measures already envisaged in the 2021-2024 Business Plan will be brought forward to the current year 2021, with the setup of a liability for restructuring costs, which is expected to lead to a lower-than-previously-announced result for the current year in terms of EBITDA and EBIT, without this, however, materially changing the overall cumulative results expected over the 2021-2024 Business Plan period.

Consolidated financial statements at 30 September 2021

CONSOLIDATED STATEMENT OF FINANCIAL POSITION		
€ millions	30.09.2021	31.12.2020
ASSETS		
Non-current assets		
Property. plant and equipment	56.9	59.6
Goodwill	22.0	22.0
Intangible assets	38.8	40.9
Non-current financial assets	0.7	0.7
Other non-current assets	0.2	0.8
Deferred tax assets	21.2	22.6
Total	**139.9**	**146,7**
Current assets		**-**
Inventories	1.9	1.9
Trade receivables	48.4	58.9
Other receivables	5.3	5.2
Other current financial assets	16.4	16.0
Other current assets	6.1	4.8
Cash and cash equivalents	34.4	40.9
Total	**112.5**	**127.7**
Assets held for sale	-	-
TOTAL ASSETS	**252.4**	**274,4**

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT.)

€ millions	30.09.2021	31.12.2020
EQUITY AND LIABILITIES		
Equity		
Equity attributable to owners of the parent		
Share capital	0.6	0.6
Equity reserves	19.5	19.5
Post-employment benefits Reserve - IAS adjustment	(5.1)	(4.8)
Retained earnings	20.1	21.1
Profit (loss) attributable to owners of the parent	(3.7)	(1.0)
Total equity	**31.3**	**35.3**
Non-current liabilities		
Non-current financial liabilities	85.9	81.8
Employee benefit obligations	15.4	15.8
Deferred tax liabilities	5.6	5.6
Provisions for risks and charges	10.6	9.6
Other non-current liabilities	0.0	0.1
Total	**117.5**	**112.9**
Current liabilities		
Bank overdrafts and loans - due within one year	14.3	17.2
Other financial liabilietes	7.7	8.8
Trade payables	64.3	79.1
Other current liabilities	0.2	0.4
Other payables	17.2	20.6
Total	**103.6**	**126.1**
Liabilities held for sale	-	-
Total liabilities	**221.1**	**239.1**
TOTAL EQUITY AND LIABILITIES	**252.4**	**274,4**

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CONSOLIDATED INCOME STATEMENT

€ millions	9M 2021	9M 2020
1) Continuing operations		
Revenue	**142.6**	**132.5**
Other operating income	2.6	4.3
Personnel expenses	(56.8)	(57.0)
Change in inventories	0.0	(1.0)
Purchase of raw materials and consumables	(2.6)	(3.0)
Services	(63.5)	(57.8)
Use of third party assets	(4.2)	(4.0)
Other operating costs	(1.9)	(1.9)
Provisions	(1.8)	(0.6)
Provisions for bad debts	(1.2)	(1.1)
Gross operating profit	**13.3**	**10.5**
Amortisation of intangible assets	(5.0)	(4.5)
Depreciation of property, plant and equipment	(6.8)	(8.1)
Impairment losses on property, plant and equipment and intangible assets	(1.3)	-
Net gains on disposal of non-current assets	0.1	0.0
Operating profit	**0.2**	**(2.1)**
Financial income	0.5	0.6
Financial expenses	(3.1)	(2.1)
Total Financial income (expenses)	**(2.6)**	**(1.5)**
Other income from investment assests and liabilities	0.0	0.1
Net profit (loss) before tax	**(2.3)**	**(3.5)**
Income tax	(1.4)	0.1
Net profit (loss) from continuing operations	**(3.7)**	**(3.4)**
2) Discontinued operations		
Profit (loss) from discontinued operations	**-**	**-**
Profit (loss)	**(3.7)**	**(3.4)**
Profit (loss) attributable to minorities	**-**	**-**
Profit (loss) attributable to the shareholders of the parent company	**(3.7)**	**(3.4)**

CONSOLIDATED STATEMENT OF CASH FLOWS

€ millions	9M 2021	9M 2020
Items of the statement of cash flows		
Pre-tax profit (loss) from continuing operations attributable to owners of the parent [a]	(2.3)	(3.5)
Adjustments for [b]	**18.0**	**12.9**
Amortization/Depreciation	11.8	12.7
(Gains) losses	(0.1)	(0.0)
Effect of valuation of investments	(0.0)	(0.0)
Gain on disposal of minority investments	-	(0.1)
Allocation and (release) of provisions for risks and charges	1.7	(1.3)
Restructuring expenses	0.6	-
Provision for employee benefits	0.1	0.1
Impairment of tangible and intangible assets	1.3	-
Financial income and expenses	2.6	1.5
Changes in net working capital [c]	**(11.0)**	**(14.0)**
Increase (decrease) in inventories	(0.0)	1.0
Increase (decrease) in trade receivables	10.5	7.5
Increase (decrease) in trade payables	(14.8)	(10.6)
Other changes in net working capital	(6.6)	(11.8)
Totale cash flow attività operativa [d=a+b+c]	**4.6**	**(4.6)**
Cash flow derivante da attività di investimento [e]	**(7.3)**	**(7.4)**
Investments in intangible assets and property plant and equipment	(7.4)	(7.9)
Fees collected from sale of minority investments	-	0.1
Security deposits paid	-	(0.6)
Other changes in investing activities	0.1	1.0
Cash flow derivante da attività finanziaria [f]	**(3.9)**	**25.2**
Net financial interest paid	(1.9)	(1.7)
Loan backed by a SACE guarantee	(37.5)	36.8
Unsecured and non-convertible bond loan	42.5	-
Repayment of medium/long term bank loans	(0.5)	(0.5)
Changes in short-term bank loans	(3.0)	(2.1)
Change in other financial receivables and payables	(1.9)	(0.5)
Other changes in financial assets and liabilities	-	0.0
Change in payables form IFRS16	(1.6)	(6.9)
Change in financial resources =d+e+f]	**(6.6)**	**13.2**
Opening cash and cash equivalents at the beginning of the period	**40.2**	**15.1**
Closing cash and cash equivalents at the end of the periodo	**33.7**	**28.3**
Increase(decrease) for the period	**(6.6)**	**13.2**

Supplements required by CONSOB pursuant to Article 114, Italian Legislative Decree 58/1998

Update at 30 September 2021

Net financial position of Il Sole 24 ORE S.p.A. and the 24 ORE Group, with separate disclosure of current and non-current components

The statement of net financial position incorporates the ESMA guidance 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. The application of the new statement did not result in any change to the previous one.

NET FINANCIAL POSITION OF THE 24 ORE GROUP		
Euro thousands	30.09.2021	31.12.2020
A. Cash	78	47
B. Cash equivalents	34,303	40,842
C. Other current financial assets	16,421	16,004
D. Liquidity (A + B + C)	**50,801**	**56,893**
E. Current financial payable	(13,584)	(16,545)
F. Current portion of the non-current financial payable	(8,394)	(9,445)
G. Current financial debt (E + F)	**(21,978)**	**(25,991)**
H. Current net financial position (G + D)	**28,823**	**30,902**
I. Non-current financial payables	(43,294)	(81,799)
J. Debt instruments	(42,562)	-
K. Trade payables and other non-current payables	-	-
L. Non-current financial debt (I + J + K)	**(85,856)**	**(81,799)**
M. Net financial position (H + L)	**(57,033)**	**(50,897)**

The **net financial position** stands at € -57.0 million at 30 September 2021 versus € -50.9 million at 31 December 2020, deteriorating by € 6.1 million. The change in the net financial position is attributable mainly to cash flows from investing activities and payment of non-recurring expense related to voluntary redundancies settled during the period.

Non-current financial debt includes the *Senior Unsecured Bond* with a principal amount of € 45 million and a duration of 7 years, intended exclusively for qualified investors, and financial payables from the present value of lease payments under contracts for premises, transmission plant and cars totaling € 36.6 million (€ 37.9 million at 31 December 2020) in application of IFRS 16.

The Group's current net financial position stands at a positive € 28.8 million versus a positive € 30.9 million at 31 December 2020. Current financial receivables include € 16.3 million from Education Acquisitions Limited referring to the present value of the deferred component of the sale of the investment in Business School24 S.p.A., and current financial receivables under IFRS 16 for € 19 thousand. Current financial payables from the present value of lease payments under IFRS 16 amounted to € 3.0 million.

Net financial position of the Parent Company

The statement of net financial position incorporates the ESMA guidance 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. The application of the new statement did not result in any change to the previous one.

NET FINANCIAL POSITION OF IL SOLE 24 ORE S.p.A.		
Euro thousands	30.09.2021	31.12.2020
A. Cash	28	29
B. Cash equivalents	29.971	36.595
C. Other current financial assets	16.329	16.328
D. Liquidity (A + B + C)	**46.329**	**52.951**
E. Current financial payable	(13.584)	(16.545)
F. Current portion of the non-current financial payable	(10.529)	(9.780)
G. Current financial debt (E + F)	**(24.113)**	**(26.325)**
H. Current net financial position (G + D)	**22.216**	**26.626**
I. Non-current financial payables	(42.364)	(80.713)
J. Debt instruments	(42.562)	-
K. Trade payables and other non-current payables	-	-
L. Non-current financial debt (I + J + K)	**(84.926)**	**(80.713)**
M. Net financial position (H + L)	**(62.710)**	**(54.087)**

The **net financial position** stands at € -62.7 million at 30 September 2021 versus € -54.1 million at 31 December 2020, deteriorating by € 8.6 million. The change in the net financial position is attributable mainly to cash flows from investing activities and payment of non-recurring expense related to voluntary redundancies settled during the period.

Non-current financial debt includes the *Senior Unsecured Bond* with a principal amount of € 45 million and a duration of 7 years, intended exclusively for qualified investors, and financial payables from the present value of lease payments under contracts for premises, transmission plant and cars totaling € 35.7 million (€ 36.8 million at 31 December 2020) in application of IFRS 16.

The Company’s current net financial position stands at a positive € 22.2 million versus a positive € 26.6 million at 31 December 2020. Current financial receivables include € 16.3 million from Education Acquisitions Limited referring to the present value of the deferred component of the sale of the investment in Business School24 S.p.A.. Current financial payables from the present value of lease payments under IFRS 16 amounted to € 2.8 million.

Company and Group amounts due, split up by nature (financial, trade, tax, social security and to employees) and any associated action by creditors (reminders, orders for payment, suspended deliveries, etc.)

Amounts due by the 24 ORE Group split up by nature at 30 September 2021

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	714	505	99	40	4	7	28	1,227	2,625
Social security payables	-	-	-	-	-	-	-	-	-
Payables to employees	-	-	-	-	-	-	-	-	-
Tax payables	-	-	-	-	-	-	-	-	-
	714	**505**	**99**	**40**	**4**	**7**	**28**	**1,227**	**2,625**

Amounts due by Il Sole 24 ORE S.p.A. split up by nature at 30 September 2021

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	708	505	97	38	4	5	18	1,187	2,562
Social security payables	-	-	-	-	-	-	-	-	-
Payables to employees	-	-	-	-	-	-	-	-	-
Tax payables	-	-	-	-	-	-	-	-	-
	708	**505**	**97**	**38**	**4**	**5**	**18**	**1,187**	**2,562**

Amounts due by the 24 ORE Group and the parent company Il Sole 24 ORE S.p.A. refer to trade payables.

Regarding past dues over 210 days, it should be noted that the amount includes suppliers blocked for items in dispute for a total of € 336 thousand on the Parent Company. The Parent Company received a payment order for € 51 thousand on the disputed amounts, filing its objection. On 29 April 2021, a summons was served for the reinstatement before the Court of Milan of an injunction issued in 2018 by the Court of Rome and then, through ruling no. 1547/2021 of 28 January 2021, revoked by the same Court which had stated to have no jurisdiction.

Regarding action by creditors, mention should be made that the reminders received fall into the ordinary administrative activities. At the date of the Interim Management Statement at 30 September 2021, there is no evidence of further payment orders served referring to the above amounts due; no suspended delivery has been made such as to affect normal business operations.

GRUPPO 24 ORE

Main changes in related party transactions of the Company and its Group since the latest Annual or Half-Year Report approved, pursuant to Article 154-ter of the TUF

TRANSACTIONS WITH RELATED PARTIES - CONSOLIDATED AT 30 SEPTEMBER 2021								
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)	-	-	-	-	38	-	-	-
Total Parent Company	**-**	**-**	**-**	**-**	**38**	**-**	**-**	**-**
Key Executives	-	-	(115)	-	-	(1,338)	-	-
Board of Directors	-	-	(206)	-	-	(1,353)	-	-
Board of Statutory Auditors	-	-	(158)	-	-	(165)	-	-
Other related parties	83	-	(52)	-	130	(80)	-	-
Total other related parties	**83**	**-**	**(531)**	**-**	**130**	**(2,936)**	**-**	**-**
Total related parties	**83**	**-**	**(531)**	**-**	**168**	**(2,936)**	**-**	**-**

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

- sale of daily newspapers, books and magazines;
- sale of computer-based products by subscription;
- sale of advertising space.

Revenue refers mainly to the sale of advertising space in the Group's titles and subscriptions to the Daily Newspaper.

In accordance with the RPT Regulation and the CONSOB Regulation, the Company updates the Register of Related Parties to the Company at least every six months. In line with the RPT Regulation and the CONSOB Regulation, on 30 June 2021 the Company identified its direct and indirect Related Parties by means of appropriate statement forms addressed to the "Related Parties" referred to in Annex 1 of the CONSOB Regulation to which the RPT Regulation refers.

At 30 September 2021, the Key management personnel are: Paolo Fietta - General Manager Corporate & CFO; Federico Silvestri - General Manager System 24 and General Manager Radio 24; Karen Sylvie Nahum - General Manager Publishing & Digital; Eraldo Minella - General Manager Professional Services; Romeo Marrocchio - Central Director Personnel and Organization.

On 28 April 2021, the Shareholders' Meeting resolved to appoint Mirja Cartia d'Asero and Veronica Diquattro as Directors of the Company, pursuant to Article 2386, first paragraph, of the Italian Civil Code, and to Article 19 of the Bylaws, who were co-opted on 23 July 2020 and 7 October 2020, respectively, to replace Vanja Romano and Marcella Panucci. The Directors thus appointed will remain in office until expiry of the term of office of the other Directors currently in office, therefore, until the date of the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2021.

No changes were reported in existing contractual relations from the situation relating to the last approved Half-Year Report.

GRUPPO 24 ORE

TRANSACTIONS WITH RELATED PARTIES - PARENT COMPANY AT 30 SEPTEMBER 2021								
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)	-	-	-	-	38	-	-	-
Total Parent Company	**-**	**-**	**-**	**-**	**38**	**-**	**-**	**-**
24 ORE Cultura S.r.l.	549	-	(10)	(1,451)	406	(325)	(11)	-
Il Sole 24 ORE Eventi S.r.l.	1,063	-	(888)	(891)	721	(1,416)	(7)	-
Il Sole 24 ORE UK Ltd	-	-	(96)	-	-	(304)	-	-
Il Sole 24 ORE U.S.A. Inc	-	-	(171)	-	-	(377)	-	-
Total Subsidiaries	**1,611**	**-**	**(1,165)**	**(2,342)**	**1,126**	**(2,422)**	**(18)**	**-**
Key Executives	-	-	(115)	-	-	(1,338)	-	-
Board of Directors	-	-	(206)	-	-	(1,353)		
Board of Statutory Auditors	-	-	(148)	-	-	(148)	-	-
Other related parties	83	-	(52)	-	130	(80)	-	-
Total other related parties	**83**	**-**	**(521)**	**-**	**130**	**(2,919)**	**-**	**-**
Total related parties	**1,694**	**-**	**(1,686)**	**(2,342)**	**1,295**	**(5,341)**	**(18)**	**-**

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

- sale of daily newspapers, books and magazines;
- sale of computer-based products by subscription;
- sale of advertising space in Group titles;
- receivables for corporate services;
- receivables for the brokerage of advertising space;
- tax consolidation and VAT receivables.

Trade and other payables refer mainly to:

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

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

Revenue and operating income refer mainly to:

- sale of daily newspapers, books and magazines;
- sale of computer-based products by subscription;
- sale of advertising space in Group titles;
- charging of centralized services to Group companies;

Costs refer mainly to:

- a contractual agreement with the subsidiary Il Sole 24 ORE UK Ltd., for the commercial intermediation activity relating to the sale of advertising space in the UK;
- a contractual agreement with the subsidiary Il Sole 24 ORE U.S.A. Inc. for services rendered;
- a contractual agreement with the subsidiary Il Sole 24 Ore Eventi S.r.l., for the commercial intermediation activity relating to the sale of advertising space and for its share of event sponsorship.

In accordance with the RPT Regulation and the CONSOB Regulation, the Company updates the Register of Related Parties to the Company at least every six months. In line with the RPT Regulation and the CONSOB Regulation, on 30 June 2021 the Company identified its direct and indirect Related Parties by means of appropriate statement forms addressed to the "Related Parties" referred to in Annex 1 of the CONSOB Regulation to which the RPT Regulation refers.

At 30 September 2021, the Key management personnel are: Paolo Fietta - General Manager Corporate & CFO; Federico Silvestri - General Manager System 24 and General Manager Radio 24; Karen Sylvie Nahum - General Manager Publishing & Digital; Eraldo Minella - General Manager Professional Services; Romeo Marrocchio - Central Director Personnel and Organization.

On 28 April 2021, the Shareholders' Meeting resolved to appoint Mirja Cartia d'Asero and Veronica Diquattro as Directors of the Company, pursuant to Article 2386, first paragraph, of the Italian Civil Code, and to Article 19 of the Bylaws, who were co-opted on 23 July 2020 and 7 October 2020, respectively, to replace Vanja Romano and Marcella Panucci. The Directors thus appointed will remain in office until expiry of the term of office of the other Directors currently in office, therefore, until the date of the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2021.

No changes were reported in existing contractual relations from the situation relating to the last approved Half-Year Report.

Failure to meet covenants, negative pledges and any other clause of the Group's debt involving limits in the use of financial resources, with the disclosure to date of the degree of compliance with such clauses

On 20 July 2020, the Company and Monterosa SPV concluded an agreement to extend the maturity of the transaction until December 2026; it should be noted, however, that under the agreement, both parties may conclude operations at the end of each calendar semester.

The maximum total financeable amount is € 50.0 million; at 30 September 2021, the credit facility for the securitization of trade receivables with recourse (for a total of € 20.0 million) was utilized for € 13.6 million.

The securitization agreement does not contain financial covenants, but rather impediments to the purchase of the Company's portfolios of receivables which, in the event of failure to remedy, may also result in termination of the agreement. At 30 September 2021, no such impediments to the purchase had arisen, and/or significant events as to determine the termination of the agreement.

On 20 July 2020, the Group signed a medium/long-term SACE-backed loan agreement with a pool of Lending Banks, comprising Intesa Sanpaolo (also in its capacity as the Loan and Guarantee Agent Bank), Cassa Depositi e Prestiti, Banco BPM, Banca Popolare di Sondrio and Banca Monte dei Paschi di Siena, pursuant to Decree Law no. 23 of 8 April 2020, the so-called "Liquidity Decree".

The loan amounted to € 37.5 million and the duration was 6 years with a maturity date of 30 June 2026 and 24 months grace period; the repayment plan provided for quarterly instalments with constant principal and interest margin equal to Euribor 3 months +1.65%.

On 23 July 2021, Il Sole 24 ORE S.p.A. signed with Goldman Sachs International, MPS Capital Services and Banca Popolare di Sondrio, the agreements on the issuance of a *Senior Unsecured Bond* for a principal amount of € 45 million and a duration of 7 years, repayment at maturity in a single payment (so-called bullet), intended exclusively for qualified investors, derogating from the rules on public offerings provided for by Regulation (EU) 2017/1129.

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

The bond regulations envisage compliance with a financial covenant on an incurrence basis, relating to the ratio between net financial position and EBITDA of the 24 ORE Group applicable only in the event of any new borrowing.

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

The bond, which enabled the voluntary early repayment of the loan of € 37.5 million, backed by a SACE guarantee pursuant to Legislative Decree no. 23 of 8 April 2020, the so-called

"Liquidity Decree", enables the Company to further strengthen its financial structure, ensuring the flexibility and resources to carry out the investments and actions planned over the period of the plan, which are functional to the development of revenue and the achievement of greater operating efficiency.

State of implementation of the Business Plan, and disclosure of deviations of actual figures from forecasts.

On 25 February 2021, the Board of Directors of the Company approved the 2021-2024 Plan, which reiterates the strategic path and medium-long term objectives contained in the previous 2020-2023 post-Covid Plan approved on 30 June 2020, representing its update, evolution and acceleration.

The estimates contained in the 2021-2024 Plan reflect the new market trend forecasts and incorporate an update of the implementation timeline for the initiatives already set out in the post-Covid 2020-2023 Plan, confirming the investments in print products, first and foremost the re-launch of the Daily in the new format, and in innovative digital initiatives.

The actions of the Plan hinge on a "*digital first*" strategy as the driver of the continued enhancement of the multi-format and multi-platform product system of Il Sole 24 ORE, process efficiency, the sustainability of initiatives and the reduction of all operating costs, including labour costs for all professional categories.

The 2021-2024 Plan confirms the steady improvement of operating and financial indicators, driven by the growth of consolidated revenue and the reduction of costs. Compared to the post-Covid 2020-2023 Plan, the updated estimates show a slower recovery in 2021, due to the effects of the pandemic, and an acceleration in the following years.

On 16 March 2021, the new format of the Daily Newspaper was launched. The initiative marks the most tangible new sign in a broader plan to enhance the value of content (including audio/video/podcast content) and to continue to renew the offering from a multi-format and multi-platform viewpoint, made possible thanks to the "*digital first*" strategy. Additionally, the new format of Il Sole 24 ORE and related initiatives represent an opportunity to bolster circulation and pursue the engagement of traditional and new relevant targets.

The enhancement of the print and digital portfolio in the professional area leverages on new publishing and technology platforms to develop products and services and to create a product system enhancing the great strength of the brand.

The 2021-2024 Plan also envisages initiatives aimed at strengthening coverage of the radio market and expanding the audience.

As part of a process of accelerated digital transformation of the Group, the 2021-2024 Plan envisages a greater push on investments in new publishing initiatives, supported by innovative product technologies and management systems.

The 2021-2024 Plan sets the strategic objective of reducing the costs of the operating structure through a deep industrial and editorial process reorganization, the streamlining of support and staff structures and the development of distinctive skills.

The forecasts in the 2021-2024 Plan confirm the growth of profitability over time, thanks also to the continued focus on further efficiencies to be achieved in direct and operating costs, and on the containment of labour costs involving all professional categories to be achieved both through temporary measures and structural cost reduction actions.

The forecasts in the 2021-2024 Plan show a deterioration of the net financial position in 2021 and 2022, due mainly to the acceleration of investments and the outlays for personnel restructuring costs, to then gradually improve in following years over the period of the Plan.

The main operating indicators forecast in the 2021-2024 Plan are shown below:

2021-2024 PLAN		
€ millions	2021 Plan	2024 Plan
Revenue	203	245
EBITDA	16	54
EBIT	(2)	36

In first nine months 2021, the 24 ORE Group, while still feeling the brunt of the Covid-19 health emergency which started in March 2020, began witnessing signs of growth thanks both to the improvement in the pandemic context and an increasing confidence in the recovery, which are driving the market as a whole, and to the authority, high quality content, the launch of the new format of the Daily, the continued development of products in the Tax & Legal area, the acceleration of the Events area and effective business policies across all areas.

However, consolidated revenue in first nine months 2021 is lower than expected, with particular regard to the Culture area, which was able to reopen the Mudec only from May 2021, and the slower recovery of revenue from the Radio area.

In terms of EBITDA and EBIT, first nine months 2021, owing to different business development and actions to contain direct and operating costs, improved results versus the plan.

On 8 November 2021, the meetings held with the trade unions reiterated the strategic target of reducing payroll costs, to be achieved through structural cost-curbing measures involving all professional categories, as envisaged in the 2021-2024 Business Plan. As a result, the effects of the simplification and rationalization measures already envisaged in the 2021-2024 Business Plan will be brought forward to the current year 2021, with the setup of a liability for restructuring costs, which is expected to lead to a lower-than-previously-announced result for the current year in terms of EBITDA and EBIT, without this, however, materially changing the overall cumulative results expected over the 2021-2024 Business Plan period.

The Group confirms its expectations to comply with existing financial covenants.

The forward-looking data appearing in the 2021-2024 Plan represent strategic targets set in the frame of corporate planning.

The preparation of the 2021-2024 Plan was based, among other things, on (i) general, hypothetical, as well as discretionary assumptions, and on (ii) a series of estimates and assumptions regarding the implementation, by the directors, of specific actions to be undertaken in the time frame covered by the Plan, or regarding future events that may be only partly influenced by the directors, or events which may not occur or be subject to change over the period of the Plan.

The accomplishment of the targets and the results set in the 2021-2024 Plan depends not only on the actual achievement of the volume of revenue envisaged, but also on the effectiveness and timely implementation of the actions identified, within the time frames and with the operating impacts assumed.

A significant negative deviation of Group results from the 2021-2024 Plan could impact on operations and on the financial situation, as well as on the Group's prospects.

The Group continues to closely monitor the developments of the Covid-19 health emergency and the trend of the relevant markets against the assumptions of the Plan, evaluating the actual possibility of rescheduling the initiatives planned, while keeping a proactive and constant eye on the containment of all costs and the identification of initiatives that can further alleviate the risk tied to revenue in order to shield profitability and expected cash flows.

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Under paragraph 2, Article 154-bis of the Consolidated Finance Law (TUF), Paolo Fietta, in his capacity as Financial Reporting Manager, attests that the accounting information contained herein is consistent with the Company's document results, books and accounting records.

For further information:

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