

240RE

Half-yearly
Financial report
as at 30 June 2023

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■ Composition of Corporate Bodies

The Board of Directors and the Board of Statutory Auditors of Il Sole 24 ORE S.p.A. (the "Company") were elected by the Ordinary Shareholders' Meeting on 27 April 2022.

The Board of Directors and the Board of Statutory Auditors shall remain in office until the Shareholders' Meeting called to approve the financial statements for the year 2024.

■ Board of Directors

Chairperson	Edoardo GARRONE
Deputy Chairperson	Claudia PARZANI
Chief Executive Officer	Mirja CARTIA d'ASERO
Directors	Roberta COCCO ¹ Diamante Ortensia D'ALESSIO Veronica DIQUATTRO Marco LIERA Ferruccio RESTA Alexander John ROSS Alessandro TOMMASI Gianmario VERONA ²

■ Control, Risk and Related Parties Committee

Chairperson	Ferruccio RESTA
Members	Veronica DIQUATTRO Claudia PARZANI

■ Appointments and Remuneration Committee

Chairperson	Ferruccio RESTA
Members	Diamante Ortensia D'ALESSIO Veronica DIQUATTRO

¹ Appointed by the Ordinary Shareholders' Meeting of 27 April 2023

² Appointed by the Ordinary Shareholders' Meeting of 27 April 2023

■ Committee on compliance with the 24 ORE Group's Editorial Mission

Chairperson	Roberta COCCO ³
Members	Veronica DIQUATTRO Alexander John ROSS

■ ESG and Technological Innovation Committee

Chairperson	Claudia PARZANI
Members	Marco LIERA Alexander John ROSS Alessandro TOMMASI

■ Board of Statutory Auditors

Chairperson	Tiziana VALLONE
Standing Auditors	Myriam AMATO Giuseppe CRIPPA
Alternate Auditors	Marianna GIROLOMINI Roberto MENEGAZZI

Common representative of special category shareholders	Marco PEDRETTI
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Manager in charge of financial reporting	Emilio BERNACCHI ⁴
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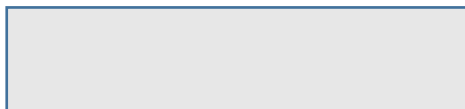
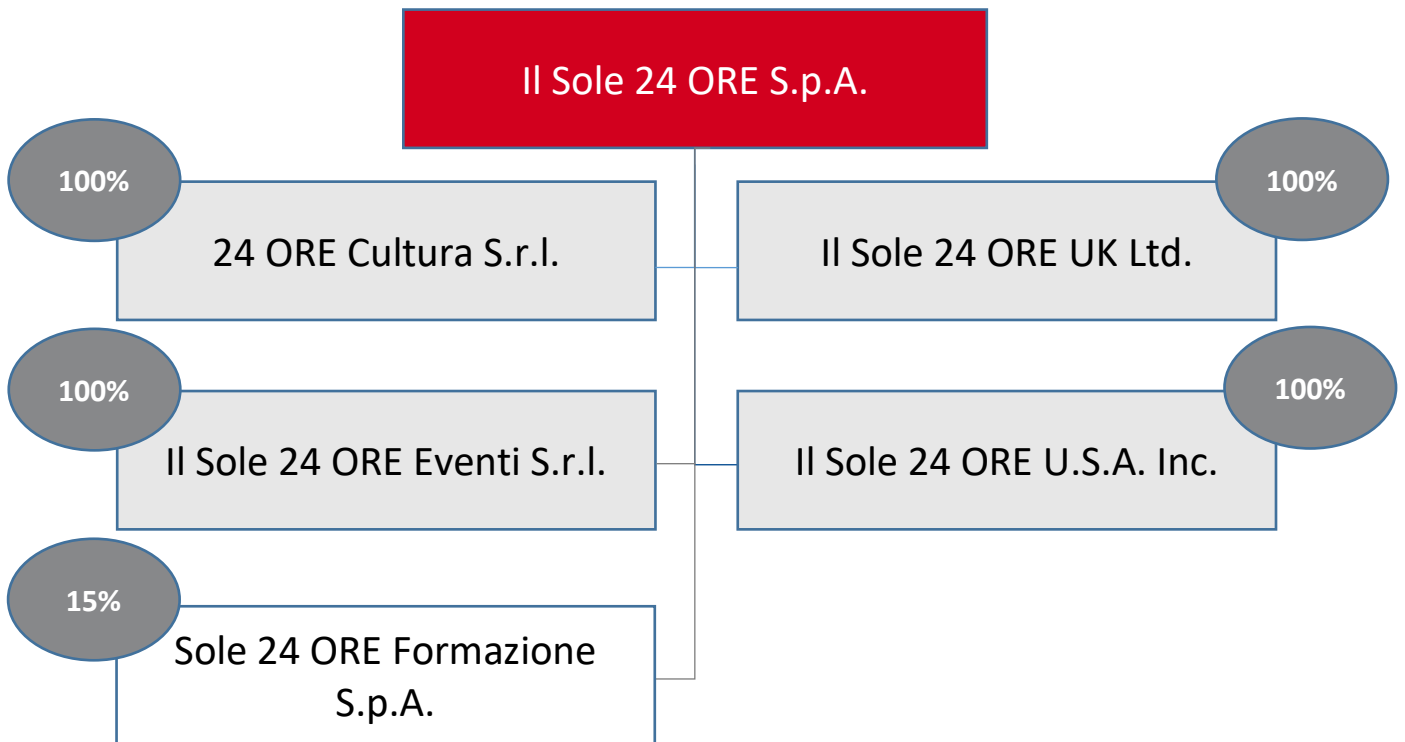
Internal Audit Manager	Katia AONDIO
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Independent Auditors	EY S.p.A.
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³ Appointed by the Board of Directors on 10 May 2023

⁴ Appointed by the Board of Directors on 30 January 2023

STRUCTURE OF THE 24 ORE GROUP AT 30 JUNE 2023



Fully consolidated company



Associate consolidated using the equity method

24 ORE GROUP AT 30 JUNE 2023 - SUMMARY FIGURES AND INFORMATION

■ 24 ORE Group Profile

The 24 ORE Group is the main multimedia publishing group active in Italy in the economic-financial, professional and cultural information market, offering its services to the public, professional categories, businesses and financial institutions.

The information offered by Il Sole 24 ORE, the leading daily newspaper in economic, financial and regulatory news, is integrated with the press agency Radiocor Plus (Italian leader in financial information), the portal www.ilsole24ore.com and the news & talk radio station Radio 24.

The Group's reference market for advertising consists of the press (excluding local advertising), radio and digital media.

The Group has a leadership position in services for professionals and businesses, entirely owned in Italy, with an integrated range of publishing products and services aimed at meeting the needs of professionals, businesses and the public administration for updates and in-depth analysis on tax, legal, regulatory and economic-financial issues. The Group is also present on the software market with products focused on professional clients.

The 24 ORE Group also boasts an important presence in the organization of exhibitions and cultural events through the company 24 ORE Cultura S.r.l., one of the main players in the market which, with twenty years of experience and over 200 major exhibitions produced, can boast a consolidated network of relationships with leading institutions in Italy and around the world.

The Group operates in the management and organization, promotion and sale, both in Italy and abroad, of conferences, events and meetings, also in collaboration with public and private entities through the company Il Sole 24 ORE Eventi S.r.l.

In September 2022, the 24 ORE Group re-entered the training business, in particular also through its partnership with the Multiversity Group, through the organization, management, promotion and sale of a quality training proposal in different product types and formats.

■ Key summary figures of the 24 ORE Group

The 24 ORE Group closed H1 2023 with a positive *EBITDA* of Euro 14.9 million, a positive *EBIT* of Euro 8.5 million and a net profit of Euro 5.4 million. Equity amounted to Euro 21.3 million, an increase of Euro 5.4 million compared to equity in the consolidated financial statements at 31 December 2022, which amounted to Euro 15.9 million.

The following are the 24 ORE Group's key financial figures at 30 June 2023 deriving from the consolidated financial statements:

KEY CONSOLIDATED FIGURES OF THE 24 ORE GROUP		
Euro thousands	H1 2023	H1 2022
Revenues	104,583	104,628
Gross operating margin (EBITDA)	14,901	10,409
Operating profit (loss) (EBIT)	8,473	2,254
Profit (loss) before taxes	6,090	394
Net profit (loss)	5,413	(405)
	30.06.2023	31.12.2022
Non-current assets	105,812	114,032
Current assets	155,254	131,733
Assets available for sale	-	-
Total assets	261,066	245,765
Group equity	21,338	15,925
Minority interests	-	-
Total Equity	21,338	15,925
Non-current liabilities	107,748	107,417
Current liabilities	131,981	122,423
Liabilities available for sale	-	-
Total liabilities	239,729	229,840
Total equity and liabilities	261,066	245,765

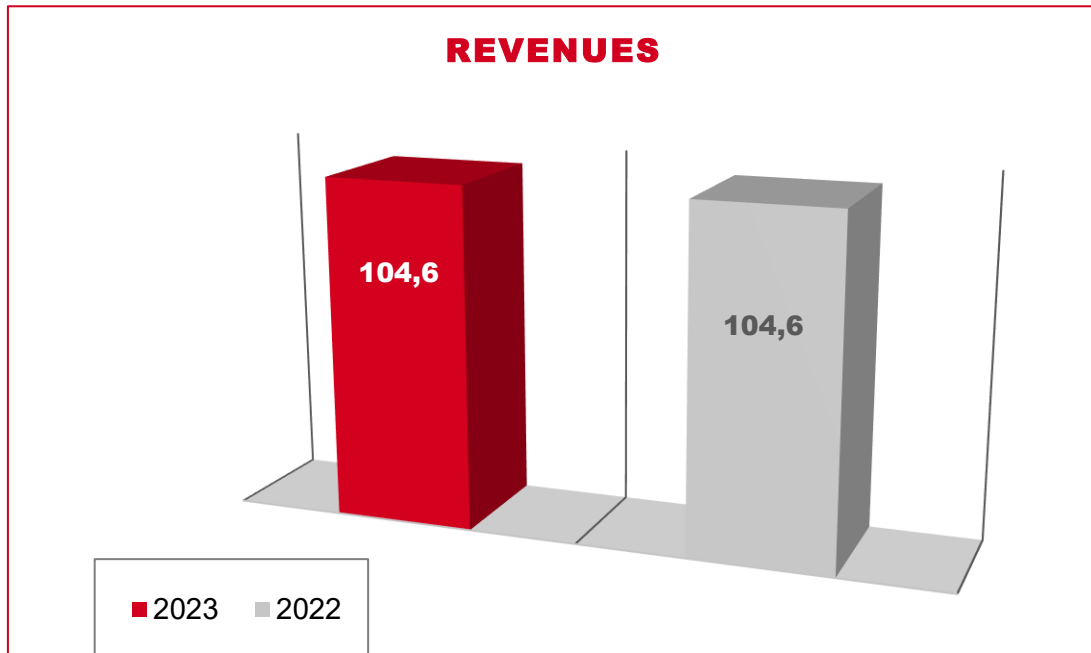
Key summary figures of the 24 ORE Group net of non-recurring income and expenses

Below are the Group's key financial figures for H1 2023, net of non-recurring income and expenses:

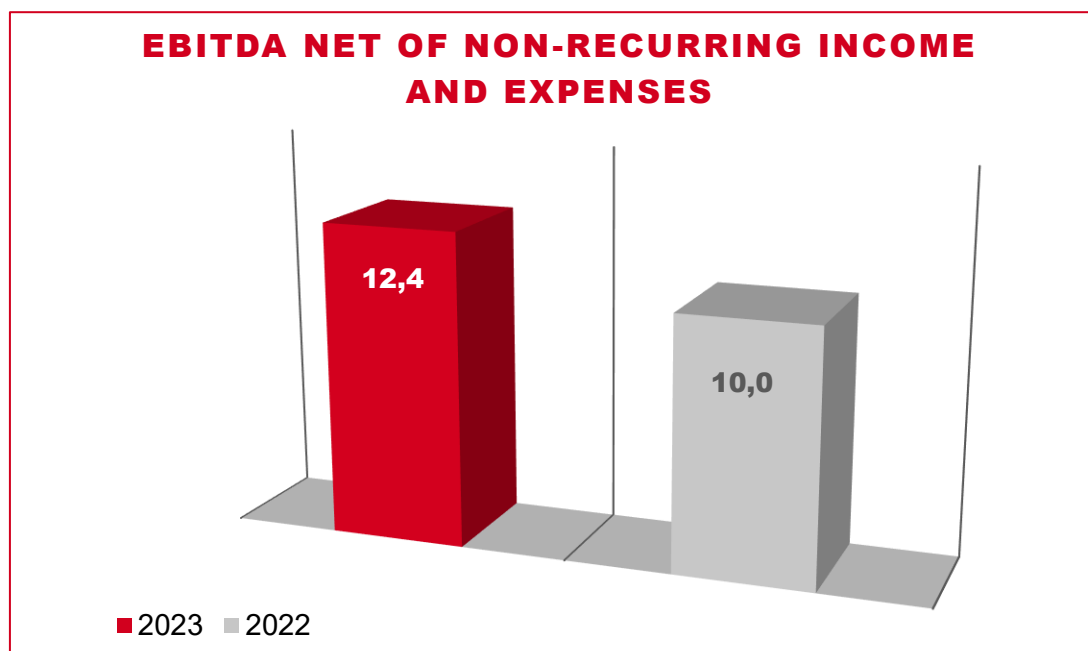
KEY CONSOLIDATED FIGURES NET OF NON-RECURRING INCOME AND EXPENSES		
Euro thousands	H1 2023	H1 2022
Revenues	104,583	104,628
EBITDA net of non-recurring income and expenses	12,385	9,988
EBIT net of non-recurring income and expenses	4,800	1,833
Profit (loss) before taxes net of non-recurring income and expenses	2,418	(27)
Net profit (loss) net of non-recurring income and expenses	1,740	(826)
	30.06.2023	31.12.2022
Equity	21,338	15,925
Net financial position	(29,230)	(43,803)

The macroeconomic and geopolitical scenario is characterized by elements of uncertainty such as the ongoing conflict in Ukraine, a sharp rise in inflation, rising interest rates and rising commodity and energy

costs. In this context, the 24 ORE Group recorded growth in its results thanks to the effective reorganization policies implemented, the continuous development of products in the Professional Services and Training area, the good performance of the Events area, and product and content credibility, high quality and innovation. In H1 2023, the 24 ORE Group reported **consolidated revenues** of Euro 104.6 million (Euro 104.6 million in H1 2022), in line with the same period of 2022.



The **gross operating margin** (EBITDA), net of non-recurring income and expenses at 30 June 2023 was a positive Euro 12.4 million, compared to a positive Euro 10.0 million in H1 2022. EBITDA for the period benefitted from non-recurring income of Euro 2.1 million deriving from the tax credit for the year 2021, provided to newspaper and periodical publishing companies registered with the ROC (Registry of Communication Operators) on expenses incurred in the year 2020 for the distribution of the titles published, 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, and Euro 0.4 million relating to the partial release of the liability recognized in previous years for charges that the Group could have incurred for the disposal of production plants and for which the relative risk was eliminated with the disposal of the relative properties.



Below is the breakdown of non-recurring income and expenses:

BREAKDOWN OF CONSOLIDATED NON-RECURRING INCOME AND EXPENSES		
Euro thousands	H1 2023	H1 2022
Gross operating margin (EBITDA)	14,901	10,409
Covid-19 contributions		300
Distribution contributions	2,146	
Release of provision for risks - disposal of production plants	370	
Release (allocation) of provision for social security risks		121
Total non-recurring income and expenses with impact on EBITDA	2,516	421
EBITDA net of non-recurring income and expenses	12,385	9,988
Operating profit (loss) (EBIT)	8,473	2,254
Total non-recurring income and expenses with impact on EBITDA	2,516	421
Gain on disposal of real estate	1,157	
Total non-recurring income and expenses with impact on EBIT	3,673	421
EBIT net of non-recurring income and expenses	4,800	1,833
Profit (loss) before taxes	6,090	394
Total non-recurring income and expenses with impact on EBIT	3,673	421
Total non-recurring income and expenses on profit (loss) before taxes	3,673	421
Profit (loss) before taxes net of non-recurring income and expenses	2,418	(27)
Net profit (loss)	5,413	(405)
Total non-recurring income and expenses on net profit (loss) before taxes	3,673	421
Total non-recurring income and expenses on net profit (loss)	3,673	421
Net profit (loss) net of non-recurring income and expenses	1,740	(826)

The **net financial position** at 30 June 2023 was a negative Euro 29.2 million and compares with a negative Euro 43.8 million at 31 December 2022, an improvement of Euro 14.6 million. The change in the net financial position is mainly related to cash flows from operating activities and the collection of Euro 6.5 million deriving from the sale of the two production sites located in Milan and Carsoli (AQ).

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 offices, broadcasting equipment and cars totalling Euro 34.6 million (Euro 35.2 million at 31 December 2022) in application of IFRS 16.

The Group's current net financial position at 30 June 2023 was a positive Euro 48.5 million (positive Euro 35.3 million at 31 December 2022) and includes Euro 2.2 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 5.5 million.

■ Significant events in H1 2023

On 30 January 2023, the Board of Directors resolved, subject to the favourable opinion of the Board of Statutory Auditors, to appoint Emilio Bernacchi *ad interim* as Manager in charge of financial reporting.

On 31 January 2023, the 24 ORE Group's first ESG Plan was approved and Gionata Tedeschi was appointed General Manager Innovation and Sustainability of the 24 ORE Group.

On 21 February 2023, the 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 context.

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;
- ✓ globalisation in every segment with the strengthening of existing partnerships with some of the leading international news organizations;
- ✓ 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 Ordinary Shareholders' Meeting held on 27 April 2023:

i) approved the allocation of the year's profit of Euro 623,172 for Euro 114,025 to the "Legal Reserve", so that the latter is equal to one-fifth of the Share Capital, pursuant to article 2430 of the Italian Civil Code,

and for Euro 509,147 to the "Restricted reserve from the write-back of equity investments measured using the equity method";

ii) acknowledged the 2022 Consolidated Non-Financial Statement, contained in the 2022 Annual Financial Report, published on 6 April 2023 and prepared in accordance with Legislative Decree no. 254 of 30 December 2016;

iii) resolved to approve the first section of the Report on Remuneration Policy and Remuneration Paid pursuant to article 123-ter, paragraph 3-bis, of the Consolidated Law on Finance, containing the illustration of the Company's Policy on the remuneration of the Boards of Directors, Key Executives, Other Executives and, without prejudice to the provisions of article 2402 of the Italian Civil Code, of the members of the Board of Statutory Auditors as well as the procedures used for the adoption and implementation of this policy;

iv) voted in favour of the second section of the Report relating to the remuneration paid during the relevant year pursuant to article 123-ter, paragraph 6, of the Consolidated Law on Finance;

v) also approved the appointment, pursuant to and for the purposes of article 2386, first paragraph, of the Italian Civil Code and article 19 of the Articles of Association, and therefore until the end of the term of office of the other Directors currently in office, i.e. until the date of the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2024, of Gianmario Verona as Independent Director, pursuant to the applicable legislative and regulatory provisions, and of Roberta Cocco as Non-Independent Director of the Company, who will receive remuneration equal to that approved for the other Directors currently in office by the Ordinary Shareholders' Meeting of 27 April 2022.

Lastly, the Extraordinary Shareholders' Meeting approved the amendment of articles 13 (*Participation in and running of the Shareholders' Meeting*), 19 (*Requirements and appointment of Directors*), 22 (*Meetings of the Board of Directors*) and 37 (*Distribution of profits*) of the Articles of Association, as proposed in the Board of Directors' report pursuant to article 72 of the Issuers' Regulation adopted by CONSOB resolution no. 11971 of 14 May 1999, and published on 6 April 2023, it being understood that the resolution to amend article 37 of the Articles of Association, which had also obtained the approval of the Shareholders' Meeting of the holders of special category shares, also held on 27 April 2023, was subject to the fulfilment of the "Condition Precedent", as defined in the text of the same explanatory report of the Board of Directors, which should be referred to for the details, which then took place on 7 June 2023.

Exclusively with regard to the proposed amendment to article 37 of the Articles of Association, the Board of Directors deemed this amendment to be relevant pursuant to article 2437, paragraph 1, letter g) of the Italian Civil Code, pursuant to which shareholders who did not participate in the approval of the resolutions concerning the following have the right to withdraw from the Company, for all or part of their shares: "*amendments to the articles of association concerning voting or participation rights*" (the "Right of Withdrawal").

For further information on the terms and conditions for exercising the Right of Withdrawal, please refer to the report of the Board of Directors published on 6 April 2023, inter alia, on the Company's website www.gruppo24ore.ilsole24ore.com, in the "Governance-Shareholders Info" section.

The Shareholders' Meeting of the holders of special category shares of Il Sole 24 ORE S.p.A., also held on 27 April 2023:

i) approved the financial statements pursuant to article 146, paragraph 1 lett. c) of Legislative Decree no. 58/1998 ("Consolidated Law on Finance") of the Common Representative for the 2020-2022 three-year period, relating to the fund set up for the expenses necessary to protect the common interests of the Shareholders holding special category shares;

ii) confirmed as Common Representative of special category Shareholders Marco Pedretti, determining the duration of the term of office of the Common Representative as three financial years and therefore until the

Shareholders' Meeting called for the approval of the financial statements for the year that will close on 31 December 2025 and set his remuneration at Euro 10,000.00 gross per year, therefore leaving it unchanged from the previous term of office;

iii) approved, pursuant to article 146 para. 1, letter b) of the Consolidated Law on Finance, the proposal to amend article 37 of the Articles of Association concerning the Distribution of Profits in accordance with the proposal made by the Common Representative in his report, in compliance with the proposal formulated by the Board of Directors in the relative report pursuant to article 72 of the Issuers' Regulation adopted with CONSOB Resolution no. 11971 of 14 May 1999, both published on 6 April 2023.

On 10 May 2023, the Board of Directors appointed Roberta Cocco as Chairperson of the Committee on compliance with the 24 ORE Group's Editorial Mission, confirming the appointment already assigned to her on 30 January 2023. The term of office of this position had come to an end when the term of office as Director ended on 27 April 2023.

On 23 May 2023, the minutes of the Extraordinary Shareholders' Meeting of Il Sole 24 ORE S.p.A. held on 27 April 2023 ("*Shareholders' Meeting*"), which approved the amendment of articles 13 (*Participation in and running of the Shareholders' Meeting*), 19 (*Requirements and appointment of Directors*), 22 (*Meetings of the Board of Directors*) and 37 (*Distribution of profits*) of the Articles of Association, as proposed in the Board of Directors' report pursuant to article 72 of the Issuers' Regulation adopted by CONSOB resolution no. 11971 of 14 May 1999, and published on 6 April 2023, were registered with the Register of Companies of Milan.

It follows that, effective as of the registration in the Register of Companies of Milan, pending the above-mentioned Condition Precedent to which the effectiveness of the amendment to article 37 was subject, the amendments to articles 13, 19 and 22 of the Articles of Association became effective immediately.

On 12 June 2023, the Board of Directors of Il Sole 24 ORE S.p.A. resolved to convene the Shareholders' Meeting for 14 July 2023, in order to submit to a proposed settlement with the former Editorial Director of the corporate liability action pursuant to articles 2392 and 2393 of the Italian Civil Code brought, subject to authorization by the Shareholders' Meeting pursuant to article 2393 of the Italian Civil Code on 30 April 2019, through civil action G.R. no. 30810/2019 lodged before the Court of Milan.

On 19 June 2023, with reference to the resolution of the Extraordinary Shareholders' Meeting of the Company held on 27 April 2023 that approved the amendment, in particular, of article 37 (*Distribution of Profits*) of the Articles of Association, the Company disclosed the fulfilment of the Condition Precedent that made the effectiveness of the resolution to amend article 37 of the Articles of Association conditional on the fact that the amount to be paid by the Company pursuant to article 2437-*quater* of the Italian Civil Code, to the Shareholders holding special category shares that had exercised their right of withdrawal, did not exceed a total of Euro 2,000,000.

On 20 June 2023, the Articles of Association with the updated article 37 (*Distribution of Profits*) were registered with the Register of Companies of Milan, thus becoming effective.

On 21 June 2023, the Company published the Notice to Shareholders holding special category shares of Il Sole 24 ORE S.p.A. (pursuant to article 84 of Consob Regulation no. 11971/1999 concerning the filing with the Milan Register of Companies Office, pursuant to article 2437-*quater*, paragraph 2, of the Italian Civil Code, of the offer under option of 8,032 special category shares of Il Sole 24 ORE S.p.A. for which the Right of Withdrawal has been exercised).

Pursuant to article 2437-*quater*, paragraph 1 and 2 of the Italian Civil Code, the Withdrawn Shares were offered under option, on equal terms, to the holders of special category shares of the Company in proportion with the number of special category shares held by each of them at the close of business on 22 June 2023 (record date) for which the Right of Withdrawal had not been exercised, in the following ratio: no. 1 Withdrawn Share for every 6,974 option rights (the "Option Rights") exercised.

The Withdrawn Shares were offered under option at a unit price of Euro 0.490 per Withdrawn Share (the "Offer Price"), corresponding to the Unit Settlement Value established in accordance with article 2437-ter, paragraph 3, of the Italian Civil Code.

The acceptance period of the Offer under Option within which Entitled Parties could exercise - under penalty of forfeiture - their Option Rights and Pre-emption Rights ran from 21 June 2023 until 28 July 2023.

The Company will announce the overall results of the Offer under Option, including any exercise of the Pre-emption Right, by publishing a specific notice in the daily newspaper Il Sole 24 ORE and on the Company's website www.gruppo24ore.ilsole24ore.com.

The number of Withdrawn Shares allotted to the Entitled Parties that have exercised their Option Rights and any Pre-emption Right, will be disclosed to the parties concerned by their respective intermediaries, within the terms and according to the procedure applied by them.

The execution of the purchase and transfer of the Withdrawn Shares (and, therefore, the payment of the equivalent value of the Withdrawn Shares purchased following the exercise of the Option Rights and any Pre-emption Right and the crediting of the Withdrawn Shares to the accounts of those entitled) will take place through the intermediaries to which the Offer Acceptance Form was submitted or the intermediaries where the purchasing Entitled Parties have their securities accounts.

If, at the end of the above-mentioned procedure, including the Offer under Option and any exercise of the Pre-emption Right, there are any Withdrawn Shares not purchased by the Entitled Parties (the "**Residual Shares**"), the Company will consider the opportunity to place the Residual Shares with third parties at the Offer Price (the "**Third Party Placement**") pursuant to article 2437-*quater*, paragraph 4, of the Italian Civil Code; as a last resort, the Residual Shares that are not placed with third parties will be purchased directly by the Company at the Offer Price using available reserves within the term pursuant to article 2437-*quater*, paragraph 5, of the Italian Civil Code.

The terms and conditions of any Third Party Placement will be announced in accordance with the terms and timing established by the applicable regulations and published on the Company's website www.gruppo24ore.ilsole24ore.com.

Any further details on the terms and methods of the procedure for the settlement of the Company's special category shares (including details on any Third Party Placement) will be communicated in accordance with the terms and timing established by applicable laws and regulations and published on the Company's website www.gruppo24ore.ilsole24ore.com and in the daily newspaper Il Sole 24 ORE in accordance with the terms and manners established by law.

■ Market context

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

Italian GDP is expected to grow in both 2023 (+1.2%) and 2024 (+1.1%), albeit at a slower pace than in 2022 (*source: ISTAT - Italian economy outlook 2023-2024 of 6 June 2023*).

ADS data for major national newspapers indicate a decline in total circulation of print copies added to digital copies of -4.4% for the period January-May 2023 compared to the same period of 2022, with a decline in circulation of the print version of -11.2% offset in part by an increase in digital circulation of +9.8% (*source: ADS data processing January - May 2023*).

The most recent listening figures for radio refer to H1 2023 and recorded a total of 36,605,000 listeners on the average day, up 8.8% from the same period of 2022 (*source: RadioTER 2022-2023*).

In the January-May 2023 period, the System reference market closed with +2.8% (net of local newspaper advertising): newspapers closed at -5.3% (net local), magazines at +4.8%, radio at +4.4% and digital at +6.3% (*source: Nielsen January/May 2023 vs 2022*).

The forecasts from the end of the previous year (2022) for the professional publishing sector indicated a recovery in the sector's overall turnover in 2023 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 content (+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*).

REPORT ON PERFORMANCE OF BUSINESS AREAS

The following table shows the 24 ORE Group's key financial figures broken down by area of activity, highlighting EBITDA and EBIT as described in the following paragraphs.

INCOME STATEMENT BY BUSINESS AREA							
SECTOR	Revenues from third parties	Intersegment revenues	Total Revenues	EBITDA	Amortization/Depreciation	Gains/losses	EBIT
PUBLISHING & DIGITAL							
H1 2023	29,117	21,099	50,215	5,620	(1,740)	1,187	5,067
H1 2022	30,033	22,245	52,278	4,389	(2,170)	6	2,225
PROFESSIONAL SERVICES AND TRAINING							
H1 2023	26,557	137	26,694	8,587	(620)	-	7,968
H1 2022	24,414	139	24,552	7,555	(565)	0	6,989
RADIO							
H1 2023	188	7,903	8,091	976	(1,246)	0	(270)
H1 2022	127	9,009	9,136	1,973	(1,410)	1	564
SYSTEM 24							
H1 2023	40,376	(1,471)	38,905	601	(16)	-	585
H1 2022	42,626	(1,551)	41,075	67	(14)	-	53
EVENTS							
H1 2023	2,739	1,807	4,546	1,044	(14)	-	1,031
H1 2022	1,886	1,581	3,467	742	(8)	-	734
CULTURE							
H1 2023	5,605	429	6,034	(955)	(237)	(0)	(1,192)
H1 2022	5,542	506	6,048	(451)	(224)	-	(676)
CORPORATE AND CENTRALIZED SERVICES							
H1 2023	0	-	0	(973)	(3,743)	0	(4,716)
H1 2022	0	-	0	(3,866)	(3,772)	2	(7,636)
CONSOLIDATED							
H1 2023	104,583	-	104,583	14,901	(7,615)	1,187	8,473
H1 2022	104,628	-	104,628	10,409	(8,164)	9	2,254

The H1 2023 comparative figures have been appropriately reclassified to reflect the new organization. In particular, the results of Radiocor Plus operating sector are included in the Publishing & Digital area (in H1 2022, they were included in the Professional Services and Training area).

■ Publishing & Digital

Publishing & Digital is the business area that includes the daily newspaper Il Sole 24 ORE, digital products linked to the newspaper, products attached to the newspaper, magazines, add-ons, the website and the press agency Radiocor Plus.

RESULTS OF THE PUBLISHING & DIGITAL AREA

Euro thousands	H1 2023	H1 2022	change %
Circulation revenues/other	29,290	30,163	-2.9%
Advertising revenues	20,925	22,115	-5.4%
Revenues	50,215	52,278	-3.9%
Gross operating margin (EBITDA)	5,620	4,389	28.0%
EBITDA Margin %	11.2%	8.4%	2.8 p.p.
Operating profit (loss) (EBIT)	5,067	2,225	>100.0%

Market performance

ADS data for major national newspapers indicate a decline in total circulation of print copies added to digital copies of -4.4% for the period January-May 2023 compared to the same period of 2022, with a decline in circulation of the print version of -11.2% offset in part by an increase in digital circulation of +9.8% (*source: ADS data processing January - May 2023*).

Area performance

The **Publishing & Digital** area closed H1 2023 with revenues of Euro 50.2 million, down 3.9% compared to the same period of the previous year.

Circulation and other revenues totalled Euro 29.3 million, down (-2.9%) compared to H1 2022, mainly as a result of the drop in revenues generated by the sale of the newspaper. The agency Radiocor Plus recorded revenues of Euro 3.9 million in H1 2023, up by Euro 0.3 million (+7.5%) compared to the same period of 2022.

Circulation figures and copies sold of Il Sole 24 ORE are reported in the section "Operating performance" below.

Advertising revenues amounted to Euro 20.9 million, down Euro 1.2 million (-5.4% compared to the same period of 2022).

The newspaper's circulation revenues (print + digital) were down by Euro 0.9 million (-4.4%) compared to H1 2022, when they were Euro 21.2 million. Circulation revenues of the print newspaper amounted to Euro 10.2 million (-7.0% compared to the same period of the previous year). Circulation revenues of the digital newspaper amounted to Euro 10.1 million, down (-1.6%) compared to H1 2022;

EBITDA in the Publishing & Digital area was positive at Euro 5.6 million and compares with a positive EBITDA of Euro 4.4 million in H1 2022.

The main changes in H1 2023 compared to 2022 refer to:

- personnel costs of Euro 19.8 million, down by Euro 3.3 million (-14.4% compared to H1 2022, when they amounted to Euro 23.1 million);
- direct costs down by Euro 0.6 million (-3.3%), mainly due to lower distribution costs by Euro 0.9 million (-12.8%), partly offset by higher raw material costs by Euro 0.3 million (+17.8%) as a result of the increase in the average purchase price of paper;

- IT costs up by Euro 0.3 million (+12.4%).

During H1 2023, the editorial offer of the newspaper Il Sole 24 ORE for readers was enriched with numerous initiatives and appointments at news-stands:

- the items with focus of *Norme e Tributi*, for a total of eighteen titles, with in-depth analysis of the most important regulatory news explained by the editorial staff of Norme & Tributi;
- Instant guides, for a total of fifteen titles, with a thematic broadening from traditional regulatory, financial and educational topics to more specific topics from technology (Artificial Intelligence Guide) to investments (Wine & Finance Guide, Investing in Art Guide).

In addition, the need to offer specialized content that is always up-to-date has led to the continuation of the "Le sintesi del Sole" format, to provide in-depth, timely and concise information on the most important issues that are subject to continuous amendments in laws and decrees.

The range of information offered by Il Sole 24 ORE is completed by Local Reports (North-west, North-east, Lombardy, Central and South) which, every Friday, report on the economy of the area through investigations, business stories and interviews with the protagonists and the publication, and by Enigmistica24.

Many initiatives also on the line of books and add-ons, which sees books published by Il Sole 24 ORE written by journalists and contributors, with a distribution through news-stands, book stores and digital stores, alongside proposals selected by third-party publishers with a view to expanding the target audience intended only for the news-stand channel.

The initiatives are divided into:

- seventeen issues for books published by Il Sole 24 ORE, including: "Chi ci curerà" by Rosanna Mangano and Paolo Nucci on the occasion of the World Day of the Sick, on the future of public healthcare; "La società liquida" by Thomas Leoncini, co-author of Zygmunt Bauman's latest book; "Cyber Influence" by Emanuele Teti on the topics of propaganda and psychological conditioning online. "Il caso superbonus" with an *excursus* on the vicissitudes of the most debated regulatory case; "Capire l'Economia (e non solo) con Il Sole 24 ORE", a book by the editorial staff on the understanding of current economic events through the "*Sole tool*";
- eleven releases for books in collaboration with third-party publishers, including "Il pane perduto" and "Una bambina e basta", titles for adults and children for Holocaust Remembrance Day; "Prime lezioni di fisica" and "Prime lezioni di filosofia" and manuals including "Lettura Veloce", "Corsa, la medicina perfetta", "Universo Barbecue", "Le ricette antidiabete" and "Allena-mente".

Lastly, the publication of four series for a total of seventeen volumes began in H1 2023: "Instant" as of 21 January 2023: 6 releases during the half-year period; "Quid+" as of 13 April 2023: 5 releases; "Mitologia per ragazzi", as of 21 February 2023, 3 releases: Iliad, Aeneid, Odyssey, "Management"; as of 4 April 2023: 3 releases.

Closing the list of publications in conjunction with Il Sole 24 ORE is *Aspenia*, the quarterly publication of Aspen Institute Italia.

The lively publishing pace on the book front is also expressed through local events:

- from 18 to 22 May 2023, Il Sole 24 ORE was back in the limelight at the Turin Book Fair with an exhibition area featuring the areas of the 24 ORE Group: Radio 24, Professional Services and Training and 24 ORE Cultura; a rich schedule of presentations on the official calendar, meetings with authors at the stand and live radio; the presence of Domenica with the first appointment dedicated to the 40th anniversary of the cultural insert; the launch of the first audiobook "Risparmiare è facile";

- on 29 May 2023, as part of the Trento Festival of Economics, during the second event dedicated to celebrating forty years of *Domenica, Il Sole 24 ORE* launched the second edition of its Economic and Social Non-Fiction Literary Award. The award, dedicated to unpublished works on topics from macroeconomics to finance to sustainability, social cohesion, labour, leadership, open innovation and business, saw the winner "*Gioventù Bloccata*" by Valentina Magri and Francesco Pastore awarded and published in May 2023, presented in Trento along with numerous other presentations of books published by the publishing house. The Trento Festival of Economics also saw the launch of "*Il Manifesto per l'Educazione Finanziaria*": the institutional initiative to promote financial education in schools and more generally for the development of the country's competitiveness. The Manifesto embraces all of the initiatives already undertaken to promote financial education such as *Young Finance*, the project that clearly and accurately explains to secondary school students how to manage their money for the present and their future through a series of formats from videos to books, from podcasts to school tours, and *Capire l'economia (e non solo)* with *Il Sole 24 ORE* dedicated to universities (book and video).

The customary historic event with the readers of *Il Sole 24 ORE* took place on 26 January 2023. For the third year in a row, the *Telefisco* event, which has reached its 32nd edition and is dedicated to all the regulatory news of the tax package, aimed at accountants and spread throughout the country, was entirely realized in digital format, with a mode of access designed to meet all the needs of users through three formulas: basic, with free live broadcasting and training credits, and plus, with deferred and digital handout and with additional webinars included. In addition, for the first time, a podcast dedicated to the salient topics discussed during the event was launched at the end of *Telefisco*.

The *Alto Rendimento Award*, the recognition given by *Il Sole 24 ORE* to Management Companies and Mutual Funds that have best combined the risk/return ratio, now in its 25th edition on 29 March 2023, again rewarded the winners in a Digital Edition with a round table and video contributions from the winners on the website ilsole24ore.com/altorendimento, and introduced the special award ceremony for the most recognized Foreign Fund Manager and Italian Fund Manager during these first 25 years of history of the Award.

Finally, the daily newspaper and the website also participated in the Trento Festival of Economics through special coverage in the form of a series of newspaper inserts, an extensive online dossier with exclusive content and videos, amplification on social channels and special local publicity initiatives.

A series of specific initiatives continued in order to strengthen penetration and engagement with young people and women. In particular, on the occasion of 8 March, *Il Sole 24 ORE* proposed an integrated editorial programme for the community of female readers and users of *Il Sole 24 ORE* with a four-page folder entitled "*Le scelte delle donne*", an online dossier, a book and a reserved subscription offer, all announced through a branding campaign also aimed at making reference to the fact that the 24 ORE Group was the first Italian publishing group to have acquired the Certification on Gender Equality. On the social media front, monitoring of the reference channels continues and the production of content for TikTok, the most recent channel on which *Il Sole 24 ORE* has landed, has intensified.

Revenues from Group magazines (*How to Spend It* and *24 Hours*) closed H1 2023 with growth of 6.8%.

How To Spend It, the monthly magazine dedicated to the world of luxury in collaboration with the Financial Times, began 2023 with the renewal for three years of the agreement with FT and a rebranding: with the February issue, it became HTSI, a synthetic acronym that maintains the brand's DNA and recounts it through a dedicated event in held Milan on 16 February 2023. The exclusive "*HTSI ShowRooms*" event, four rooms enlivened by special experiences to narrate the four underlying elements of the brand's acronym: *heritage, time, sensation, innovation*. To amplify the visibility of the rebranding issue, it was advertised on a billboard in Milan's city centre.

In H1 2023, the portal www.ilsole24ore.com recorded a daily average of 1.0 million unique browsers, down 15.6% compared to the average of H1 2022, impacted by the growth in volumes linked to the war in Ukraine (source: Mapp Intelligence, formerly Webtrekk). The video component saw an increase in views, reaching a monthly average of 18.3 million in H1 2023 (+6.9% compared to the same period of 2022). Growth continued on social networks, which exceeded 5.2 million total followers in June 2023, with year-on-year increases across all platforms, starting with TikTok (+46.0% in June 2023 compared to June 2022) and LinkedIn (+17.1%). Instagram (+9.0%), Twitter (+7.1%), Facebook (+2.7%) and YouTube (+3.0%) also grew compared to H1 2022 (sources: LinkedIn Analytics, Facebook Insights, Twitter Analytics, YouTube Analytics, TikTok Analytics, Crowdtangle). On LinkedIn, where Il Sole 24 ORE holds the record as the top publisher in terms of number of followers, the launch of the first LinkedIn native newsletter, Management24, dedicated to leadership and managerial topics, is being tested.

On 16 January 2023, a new version of the Il Sole 24 ORE app was launched in stores. New features include a new showcase highlighting the newspaper with all its inserts and up-to-date news in article and podcast format, and a new Discovery area presenting a customized feed of content designed for the user thanks to artificial intelligence algorithms. The app launch was supported by a communication campaign across Il Sole 24 ORE media and on large billboards in Milan, and through a dedicated subscription offer.

The focus on multimedia information continued: in H1 2023, the digital offer of Il Sole 24 ORE was enhanced with video productions, with a new daily schedule of live broadcasts on the website and audio productions, with the continuation of the daily and weekly formats of "Start24" and "Market Mover" and the production of new podcasts including Vie d'uscita, Re Carlo, Materie, le Grandi Voci del Festival dell'Economia di Trento, and, for the first time, the first video-podcast entitled Young Finance. The presence on the podcast production front is also reflected in the results achieved: total audio streams in the six-month period from the site, app and platforms exceeded 5.7 million (sources: Mapp Intelligence, Spreaker, Spotify for Podcasters). New Lab24s dedicated to climate change, raw materials with data visualization, labour and the succession of Silvio Berlusconi were also published. A focus was also placed on real time information, with the experimentation of live Radio 24 broadcasts and live video focuses and specials dedicated to the flooding in Emilia Romagna and the death of Silvio Berlusconi; as well as outdoor productions during events such as the Salone del Mobile and the Trento Festival of Economics, for which more than 60 live broadcasts were transmitted on the site, a selection of which were also posted on LinkedIn, Facebook, Twitter and YouTube, and an equal number of video reports of journalistic coverage and video content was created ad hoc for social media.

New video functions were also implemented, including a countdown to the start of live broadcasts.

In February 2023, a new stage of the Young Finance School Tour took place, after the video series and the publication of the book. Il Sole 24 ORE's financial education project for young people goes live with the editorial staff and creators talking to children in classes that have registered to take part in the programme by sending their applications to the dedicated website ilsole24ore.com/schooltour.

In March 2023, a number of new features were introduced within the Topics section that gathers articles by tags, which was further enhanced for search engines with the introduction of text components powered by artificial intelligence.

■ Professional Services and Training

Professional Services and Training develops integrated product systems, with technical, regulatory and networking content, aimed at the world of professionals, companies and public administration, also enhanced by high quality training on the various types of products and formats. The specific market segments covered are Tax, Labour, Law, Construction and Public Administration. For each of them, integrated specialized information tools are created, capable of satisfying all the information, operational and networking

needs of the reference targets: databases, vertical newspapers, magazines, books, internet services, software solutions, visibility platforms and continuous learning solutions.

RESULTS OF THE PROFESSIONAL SERVICES AND TRAINING AREA

Euro thousands	H1 2023	H1 2022	change %
Circulation revenues/other	26,557	24,414	8.8%
Advertising revenues	137	139	-1.2%
Revenues	26,694	24,552	8.7%
Gross operating margin (EBITDA)	8,588	7,555	13.7%
EBITDA Margin %	32.2%	30.8%	1.4 p.p.
Operating profit (loss)	7,968	6,989	14.0%

Market performance

The reference external framework is still affected by uncertainties linked to the geopolitical context characterized by the war in Ukraine, higher energy costs, the scarcity and rising costs of raw materials, turbulence in logistics and the supply chain, inflation, rising interest rates, and the slowdown in international growth, with resulting impacts on the Italian economy.

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). Other opportunities are represented by subsidized finance and ESG issues.

In terms of media, in 2023, the current trends do not seem to change: overall, electronic publishing will continue to grow, driven by online and digital content, while offline publishing and paper products will continue their strong contraction trend. On the other hand, the growth of management software will continue, which will see the growing integration of digital editorial content within management software (source: *Rapporto Databank Editoria Professionale* - Cerved S.p.A, December 2022). It will be necessary to investigate the impact on the publishing market of generative artificial intelligence solutions, which from release to release are marking an improvement in performance at great speed, with potentially significant impacts on both the activities of the various professional categories and the services provided to them.

Italian GDP is expected to grow in both 2023 (+1.2%) and 2024 (+1.1%), albeit at a slower pace than in 2022. (source: *ISTAT* - Italian economy outlook 2023-2024 of 6 June 2023).

After a slight decline at the end of 2022, in the first quarter of this year the Italian economic expansion phase continued (quarterly change of +0.6%), bringing the 2023 growth forecast to +0.9%. Despite the particularly positive start, according to Istat the signs for the coming months suggest a slowdown in economic activity later in the year, with an expected growth forecast for the whole of 2023 of +1.2%. The deceleration of foreign trade, the uncertainty surrounding the timing and outcome of the conflict between Russia and Ukraine, the risks of financial instability, and the level of inflation still far from central bank targets are all expected to have negative effects. A further risk factor for Italy could come from the economic consequences, especially on the agricultural sector, of the flooding in Emilia-Romagna.

The effects of the health emergency that began in early 2020 have also had repercussions for professional groups.

According to the 56th Censis Report on the Social Situation of the Country 2022, freelancers (1.4 million in 2021) decreased by 1.8% from 2019 to 2021. Generally speaking, the average incomes of professionals not enrolled in the professional associations fell from Euro 26,200 in 2010 to Euro 24,100 in 2020; the average incomes of professionals enrolled in the professional associations rose from around Euro 37,000 in 2010 to Euro 35,500 in 2020 (*source: 56th Report on the Social Situation of the Country/2022 - Censis, December 2022*).

A particular signal regarding the importance of the economic factor in working as an independent professional is provided by the latest survey on the legal profession in Italy conducted in 2022 by Cassa Forense in cooperation with Censis. The results of the research show that reduced financial returns are among the main reasons why lawyers stop practising law. According to the survey, one-third of lawyers have considered leaving the profession (32.8%), mainly because of the excessive costs involved in the business that are not matched by an adequate financial reward (63.7%) and because of the decline in clients over the years (13.8%). Average income trends in the legal profession show gender as well as age disparities. On one hand, it is necessary to add the income of two women lawyers together to approach the average level received by a man (Euro 23,576 versus nearly Euro 51,000), and on the other hand, the income of a lawyer under 30 is not even one-third of that received by those over 50 (about Euro 13,000 versus Euro 45,943 for the 50-54 age group). Overall, apart from the financial aspect, one in three lawyers fears that their employment situation will worsen by the end of this year and in the course of 2023; among them, there are already those who, with reference to 2022, perceive their employment situation as critical, characterized by a shortage of work and a widespread sense of uncertainty.

The snapshot of the independent professions and the legal market revealed by the Cassa Forense-Censis research seems to reveal a loss of attractiveness and less stability than in the past. It is not only young university graduates who increasingly prefer salaried employment to self-employment, but also self-employed people themselves are changing jobs to choose a less risky and more secure career (*source: "Rapporto sull'avvocatura 2023" - Cassa Nazionale Forense and Censis, April 2023*).

Area performance

Revenues of the Professional Services and Training area in H1 2023 amounted to Euro 26.7 million, an increase of Euro 2.1 million (+8.7%) compared to the same period in 2022 thanks to the revenues generated by the return to the training business, the results of innovative product lines - the Partner 24 ORE networking project and the Valore 24 software line - and databases, only partially offset by the decline in traditional products. Also contributing to the area's revenue growth was the new Licensing Line, characterized by a series of agreements made for brand licensing on innovative projects in finance and procurement.

Revenues from electronic publishing amounted to Euro 19.4 million, up by Euro 0.4 million (+2.1%) vs. H1 2022 in particular thanks to the development of revenue from databases.

The new Valore 24 software and Partner 24 ORE networking product lines contributed a total of Euro 3.7 million to area revenues (+18.3%; Euro +0.6 million over the same period of the previous year).

Traditional paper products, such as books and magazines, amounted to a total of Euro 2.1 million, a fall of 4.2% compared with H1 2022, which amounted to Euro 2.2 million.

Analysing revenues by main market segment, Tax and Labour products achieved revenues of Euro 14.1 million, up 1.1% compared to the same period of 2022; Law products recorded revenues of Euro 3.3 million, up 0.9% compared to H1 2022; Construction and PA products achieved revenues of Euro 2.6 million, up 13.3% on H1 of the previous year.

Revenues from the Training business amounted to Euro 1 million, and refer to both the projects with Law and Taxes content developed by the Parent Company, and the deferred component of royalties deriving

from the partnership launched at the end of 2022 with Multiversity in order to promote and convey the offer and marketing of training in areas other than Law and Taxes and Journalism.

During 2023, work continued on the development and innovation of the offer. In H1 2023, new products and initiatives were launched to support professionals, companies and Public Administration:

- expansion of the *Modulo24* series: thematic modules, which offer in a single area, the updating of a newspaper, the in-depth analysis of a professional magazine, the specialist coverage of a manual and the operational indications of a practical guide;
- *Telefisco 2023*: the annual event with tax experts. In addition to free participation in the 26 January 2023 event, the Plus package provides the opportunity to take advantage of additional content and in-depth webinars for continuous updates. *Telefisco* also marked the occasion for the launch of the *Telefisco Master*, a "core" continuing education product for Professionals, as part of the Group's return to the training market;
- *Book24ORE*: Il Sole 24 ORE's digital library with hundreds of specialized books and all current issues for professionals, divided into thematic packages (Tax and Business, Law, Labour, Technical, P.A.) which may be purchased by subscription;
- *Report Studi di Settore*, realized by the Research and Studies area of Il Sole24 ORE with an in-depth and punctual analysis of the pharmaceutical, information technology, cosmetics and energy markets;
- *Qualità24ORE*, the new Il Sole 24 ORE service that certifies the ability of professional firms to deliver quality services in line with growing market expectations. The service is now aimed at all Italian accountants and is carried out in cooperation with Cepas, a company of the Bureau Veritas Group, Italy's leading body for skills certification, training qualification and service certification;
- the training offer aimed at professionals, Italian companies and the public administration: a catalogue of more than 100 offerings including masters, seminars, specialization courses and workshops to continue investing in the upskilling and reskilling of employees, in line with the demands of a constantly evolving and increasingly competitive labour market.

EBITDA was Euro 8.6 million, an improvement compared to H1 2022, when it was Euro 7.6 million (+13.7%).

■ Radio

The Radio Area manages the national radio station Radio 24, News & Talk with an editorial format that alternates radio news with information and entertainment programmes.

RESULTS OF THE RADIO AREA

Euro thousands	H1 2023	H1 2022	change %
Circulation revenues/other	292	249	17.4%
Advertising revenues	7,799	8,887	-12.2%
Revenues	8,091	9,136	-11.4%
Gross operating margin (EBITDA)	976	1,973	-50.5%
EBITDA Margin %	12.1%	21.6%	-9.5 p.p.
Operating profit (loss)	(270)	564	<100,0%

Market performance

The most recent listening figures for radio refer to H1 2023 and recorded a total of 36,605,000 listeners on the average day, up 8.8% from the same period of 2022 (*source: RadioTER 2022-2023*).

In the first five months of 2023, the radio market marked turnover growth of +4.4% compared to the same period of the previous year (*source: FCP January/May; turnover*).

In terms of space, the January/June 2023 period marked +8.0% compared to H1 2022 (*source: Nielsen January/June 2023 vs. 2022; analysis by seconds*).

In the radio market, the Distribution sector maintains the leadership it has gained in recent years in terms of space, despite a slight decline compared to the January - June 2022 period (-2.8%). It is worth noting the clear recovery of the Automotive segment (+50.9%), which regained an important share of the market (with a share in no. of seconds rising from 10% in 2022 to 14% in 2023); on the other hand, core sectors for Radio 24 such as IT/ photography (-21.3%), Professional Services (-18.2%) and Finance/insurance (-18.1%) declined. *Source: Nielsen January/June 2023 vs. 2022; analysis by seconds*).

Area performance

In H1 2023, Radio 24 reached 2,260,000 listeners on an average day, confirming the audience figures of 2022 (-1.5% compared to the same period and breakeven with respect to the total year 2022). A consolidated audience of over 2.2 million listeners confirms the position of Radio 24 as an authoritative broadcaster with original, quality content (*source: RadioTER 2022-2023*).

The Radio area closed H1 2023 with revenues of Euro 8.1 million and compares to revenues of Euro 9.1 million in the same period of 2022 (-11.4%).

Advertising revenues in H1 2023 in the Radio area, including sales on radio stations and the website *www.radio24.it*, amounted to Euro 7.8 million (-12.2% on the same period of the previous year).

In terms of space, Radio 24 closed H1 2023 at -11.8% compared to the same period of 2023 (*source: Nielsen January/June 2023 vs. 2022; analysis by seconds*). The slowdown in particularly important areas of Radio 24's advertising sales weighed heavily: Finance/insurance, Industry/construction/activities, IT/photography, and Professional Services together recorded a decrease of -31.7%, which is only partially mitigated by the positive performance of the Automotive sector, which compared to the same period in 2022 marked +34.2%. These five sectors, which as a whole account for half of sales for Radio 24 in seconds, together come to -22.2% (*source: Nielsen January/June 2023 vs. 2022; analysis by seconds*).

The Radio 24 share in seconds of the total radio market is 7.6% (*source: Nielsen - January/June 2023; no. seconds*).

In the January/June 2023 period, the Radio 24 website recorded an average of 2 million page views per month. The number of single users of the website reached a monthly average of 531 thousand (*source: Mapp Intelligence – January/June 2023*).

The profound strategic transformation launched in October 2019, which saw the Radio 24 website transformed from a news site to a digital audio hub (from which to listen to live radio and, on demand, podcasts of all broadcasts that have aired and original podcasts created *ad hoc*), continues in 2023 as part of the Group's Audio Content Strategy.

As of June 2023, the audio streams (downloads and on-demand streaming) of podcasts, accessible from the Radio 24 website and app, and from the main third-party platforms (Spotify, Google Podcasts and Apple Podcasts) totalled 6.9 million. From January to June 2023, 41.5 million podcasts were downloaded (*sources January/June 2023: Audiometrix for the website and App, Spotify Metrix for Spotify, Google Podcast Analytics for Google, Apple Analytics for Apple, Amazon Analytics per Amazon*).

EBITDA was a positive Euro 1 million, compared with a positive Euro 2.0 million in H1 2022.

■ System 24 – Advertising revenues

System 24 is the division that carries out the activity of advertising concessionaire for the 24 ORE Group's main media and some third-party media.

RESULTS OF THE 24ORE SYSTEM AREA

Euro thousands	H1 2023	H1 2022	change %
Group revenues	37,093	39,650	-6.4%
Revenues from third parties	1,812	1,425	27.2%
Revenues	38,905	41,075	-5.3%
Gross operating margin (EBITDA)	601	67	>100.0%
EBITDA Margin %	1.5%	0.2%	1.4 p.p.
Operating profit (loss)	585	53	>100.0%

Market performance

In the January-May 2023 period, the System reference market recorded growth of +2.8% (net of local newspaper advertising): newspapers closed at -5.3% (net local), magazines at +4.8%, radio at +4.4% and digital at +6.3% (*source: Nielsen January/May 2023 vs 2022*).

Area performance

System 24 closed H1 2023 with revenues of Euro 38.9 million, down 5.3% on the same period of 2022.

The performance of advertising sales is influenced by the significant slowdown in advertising investments that in recent months involved companies belonging to the core sectors for the 24 ORE Group's media (particularly, Finance/Insurance, Professional Services, IT/Photography).

In the advertising area, the concessionaire System broadly covers the market, also thanks to the development of special initiatives, increasingly recognized by companies as an effective vehicle of values and a means of building loyalty with their audience.

The reference market for newspapers (local net) in the January - May 2023 period recorded -5.3% (total newspapers, local net. *Source: Nielsen January/May 2023 vs 2022*). Il Sole 24 ORE (daily newspaper + supplements) closed H1 2023 at -6.1%. For the commercial type, the Group's newspaper achieved a result (-3.5%, January - June) in line with the market (-3.8%. *Source: FCP Assostampa January/May 2023 vs. 2022; turnover*), but was more affected by the slowdown in the Financial type, for which Il Sole 24 ORE is the market leader (-21.7% for Il Sole 24 ORE over the six-month period and -17.1% for the market. *Source: FCP Assostampa January/May 2023 vs. 2022; turnover*).

In terms of space, the Clothing (+12.6%) and Industry/Construction/Activities (+3.8%) sectors recorded growth, but the Personal Items (-12.0%), Finance/Insurance (-11.3%) and Professional Services (-6.0%) sectors performed negatively. In the newspaper Il Sole 24 ORE, these five segments account for two-thirds of total advertising sales (*source: Nielsen – January/June 2023 vs 2022; no. pages*).

The reference market for magazines recorded +4.8% in the January - May 2023 period (*source: Nielsen January/May 2023*); Group magazines closed H1 with growth of 3.7%. Amongst the activities in H1, all of the initiatives, including cross-media, associated with the rebranding of *How to Spend It/HTSI* in February 2023 deserve special mention.

In the magazine market, in terms of space, the Clothing and Personal Items sectors remained substantially stable compared to the same period of 2022 (+1.4% and -1.0%, respectively), while the Home (-5.0%) and Personal Care (-20.4%) sectors declined. These four segments are of considerable importance in the monthly HTSI magazine, with a 73% share of advertising sales in terms of space (*source: Nielsen – January/June 2023 vs 2022; no. pages*).

The radio market closed the January - May 2023 period at +4.4% (*source: Nielsen January/May 2023 vs 2022*). In H1 2023, Radio 24 marked -12.2%, compared to a January - June 2022. For System 24, 2023 saw the start of the national advertising concession business for a network of local broadcasters, "Network System 24"; in terms of targets reached and thanks to increasingly diversified and targeted communication solutions, this expands and strengthens Radio 24's already significant market presence.

In the radio market, the Distribution sector maintains the leadership it has gained in recent years in terms of space, despite a slight decline compared to the January/June 2022 period (-2.8%). It is worth noting the clear recovery of the Automotive segment (+50.9%), which regained an important share of the market (with a share in no. of seconds rising from 10% in 2022 to 14% in 2023); on the other hand, IT/ photography (-21.3%), Professional Services (-18.2%) and Finance/insurance (-18.1%) declined. These four sectors account for 44% of advertising sales for Radio 24 in seconds (*source: Nielsen January/June 2023 vs. 2022; analysis by seconds*).

In the first five months of 2023, the digital market achieved +6.3% (*source: Nielsen January/May 2023 vs 2022*). In January/June 2023, the online sales of the concessionaire System recorded overall growth of 3.0% compared to the same period of 2022 (net of funds and sales of foreign titles); the Group's sites (net of funds) recorded -1.1%. In terms of third-party concessions, in 2023 the entry into the portfolio of the publications "Numero Diez", "CalcioeFinanza", "TuttoMercatoWeb" and "MilanNews" for System 24 represents the choice to authoritatively cover the sports world.

In the digital market, the Automotive (+34.7%), Industry/Construction/Activities (+23.4%) and Media/Publishing (+3.3%) sectors marked positive trend; Finance/Insurance (+1.1%) was in line with the previous year; while the Entities/Institutions (-24.0%) and Professional Services (-9.7%) sectors declined. *Source: FCP Assointernet January - May 2023 vs. 2022; turnover*. These six sectors together account for three-quarters of the Group's total advertising sales (net of funds).

EBITDA was positive for Euro 0.6 million and compares with positive EBITDA of Euro 0.1 million in H1 2022.

■ Culture

The Culture Area operates in the management and enhancement of museums (Mudec), in the production and sale of exhibitions and related services (bookshop, ticketing, events) as well as in the design and publication of books and merchandising. These activities are carried out through the subsidiary 24 ORE Cultura S.r.l.

RESULTS OF THE CULTURE AREA

Euro thousands	H1 2023	H1 2022	change %
Circulation revenues/other	6,034	6,048	-0.2%
Revenues	6,034	6,048	-0.2%
Gross operating margin (EBITDA)	(955)	(451)	<100,0%
EBITDA Margin %	-15.8%	-7.5%	-8.4 p.p.
Operating profit (loss)	(1,192)	(676)	-76.4%

Market performance

The cultural sector is in a recovery phase: cultural consumption levels have not yet returned to pre-pandemic levels, but a positive trend is expected in the coming months.

According to Confcommercio, cultural consumption in Lombardy is set to grow this summer, confirming it as a region with a high degree of participation in cultural activities (source: Confcommercio, 1 June 2023, <https://www.confcommercio.it/-/osservatorio-impresa-cultura-italia-lombardia>).

According to the very first data for 2023, the sector of museums, monuments and archaeological areas seems to be benefiting from the recovery of tourism, especially tourist arrivals from abroad, at least benefiting the most internationally well-known destinations (source: IRPET, April 2023 <http://www.irpet.it/archives/65592>).

Cultural activities, however, remain some of the hardest hit by the health crisis, the global political situation, economic uncertainty and the ensuing drop in income.

The cultural sector is also amongst the sectors most affected by major internal reorganization phenomena due to the emergence of new technologies and new tastes on the part of the general public. Amongst the trends recognized by research in 2023 is the growth of a new audience consisting of Millennials who are focused on specific sectors and have a different aesthetic taste and new purchasing methods. This new audience is increasingly focusing on issues of inclusion and sustainability (source: *Il mercato dell'arte e dei beni da collezione Report* - Deloitte, April 2023).

As far as Publishing is concerned, market growth stabilized in the first four months of 2023 compared to pre-pandemic levels thanks to the vitality of the publishing offer; physical bookshops consolidated their position as the top sales channel for books (53.8%). There was a new drop in online sales (-41.5%) and a slight recovery in large-scale retail, which stood at 4.7%.

Area performance

The Culture area recorded revenues of Euro 6.0 million in H1 2023, in line (-0.2%) with the same period of the previous year, which recorded revenues of Euro 6.0 million.

The H1 2023 **EBITDA** of the Culture area was a negative Euro 1 million and compares to a negative EBITDA of Euro 0.5 million in H1 2022.

In H1 2023, the autumn exhibitions of 2022 were concluded at Mudec: *Machu Picchu e gli imperi d'oro del Perù (Machu Picchu and the Golden Empires of Peru)* in collaboration with WHE (World Heritage Exhibition) opened on 7 October 2022 and closed on 19 February 2023, and, at Mudec Photo, *Robert Capa. Nella storia (In history)*, which opened on 11 November 2022 and closed on 19 March 2023. It should be remembered that the concession with the City of Milan provides for a commitment by the subsidiary 24 ORE Cultura S.r.l. to organize at least two exhibitions per year.

On 21 March 2023, Mudec opened its doors to the exhibition *Dalí, Magritte, Man Ray e il Surrealismo. Capolavori dal Museo Boijmans Van Beuningen (Dalí, Magritte, Man Ray and Surrealism. Masterpieces from the Boijmans Van Beuningen Museum)*, an exhibition realized in collaboration with and under the curatorship of Rotterdam's Boijmans Van Beuningen Museum and Alessandro Nigro, Professor of History of Art Criticism at the University of Florence, who was entrusted with the exhibition's main common thread on the relationship between Surrealism and non-Western cultures. The exhibition was open to the public until 30 July 2023.

On 30 March 2023, Mudec Photo welcomed the exhibition *MUHOLI. A Visual Activist*, which presents a special selection of more than 60 black and white self-portraits specially chosen for Mudec. The exhibition was open to the public until 30 July 2023.

At Palazzo Reale in Milan, partner venue of 24 ORE Cultura, on 12 March 2023 the exhibition *Bosch e un altro rinascimento (Bosch and another renaissance)* closed. At Palazzo Ducale in Genoa, the exhibition *Disney. L'Arte di raccontare storie senza tempo (Disney. The Art of Timeless Storytelling)* was presented to the public and closed on 2 April 2023. The *Disney. L'Arte di raccontare storie senza tempo* exhibition continues internationally in Groningen, the Netherlands, which opened on 21 April 2023.

In H1 2023, the exhibitions realized by 24 ORE Cultura at Mudec recorded a total of 141,752 visitors, 135,132 of whom were paying visitors.

Mudec's Permanent Collection and the temporary exhibition *Rainbow. Colori e meraviglie fra miti, arti e scienza (Rainbow. Colours and Wonders in Myths, Arts and Science)*, which opened to the public on 17 February 2023, recorded 111,980 non-paying visitors in H1 2023.

Abroad, the last stage of the touring exhibition *Banksy and the street artists* opened on 10 December 2022 in Japan at the Isetan gallery, Niigata, and closed on 14 January 2023.

The promotion of the sale of physical events in the Mudec spaces continued in the second quarter of 2023 as well, characterized by the retention of customers with which 24 ORE Cultura has collaborated in the past.

In May 2023, as part of the cultural programme of activities linked to the exhibition "Dalí, Magritte, Man Ray e il Surrealismo", 24 ORE Cultura, in collaboration with LAFIL, created "Il Suono dell'Arte" (The Sound of Art) Project. The initiative offered the museum's public a week-long dialogue between art and music with concerts, lectures and performances at the exhibition. The activity aroused the interest of corporate entities, which decided to sponsor this schedule of events.

In the publishing area, the production of books in paper format (under the 24 ORE Cultura brand and the Libri Scheiwiller brand) continued, to be sold in both the bookshop channel and at exhibition bookshops. The 24 ORE Cultura Kids catalogue was consolidated, and the 24 ORE Cultura Comix line was inaugurated. The distribution of art&design24 brand merchandising objects continues in bookshops, as does the activity of the sales outlet managed by 24 ORE Cultura, the Quboutique, located in Milan's Teatro degli Arcimboldi.

■ Events

The Events Area operates in the management and organization, promotion and sale, both in Italy and abroad, of conferences, events and meetings, also in collaboration with public and private entities. These activities are carried out through the company *Il Sole 24 ORE Eventi S.r.l.* ("*24 ORE Eventi*")

RESULTS OF THE EVENTS AREA

Euro thousands	H1 2023	H1 2022	change %
Circulation revenues/other	-	35	-100.0%
Advertising revenues	4,546	3,431	32.5%
Revenues	4,546	3,467	31.2%
Gross operating margin (EBITDA)	1,044	742	40.7%
EBITDA Margin %	23.0%	21.4%	1.6 p.p.
Operating profit (loss)	1,031	734	40.4%

Market performance

With the two-year Covid-19 pandemic period behind it, the events sector is experiencing a phase of strong recovery: although still not reaching the pre-pandemic levels of 2019 (when the sector was worth Euro 900 million), 2022 marked a growth of 39.5% compared to the previous year (with a value of Euro 678 million. *Source: "XVIII Monitor on the Events and Live Communication Market in Italy", AstraRicerche.*)

In 2023, the positive trend continues: according to the "2023 Global Meetings and Events Forecast" produced by Amex, all types of events are on the rise (especially in-person meetings, accounting for 87% of the total), as is the number of participants. Spending on events is also rising globally, confirming a trend already identified in 2022 by the study conducted by the Research Institute for Exhibition and Live-Communication commissioned by Fwd (member of the pan-European LiveCom Alliance).

Although the return to in-person events is the main trend, digital and, even more so, hybrid events have managed to retain a significant share within the industry: digital solutions, developed in the pandemic period as a compulsory alternative to physical events, remain appreciated due to the significant advantages they can offer, including an expansion of the reachable audience and cost containment.

Area performance

The Events area closed H1 2023 with revenues of Euro 4.5 million and compares to revenues of Euro 3.5 million in the same period of 2022, up by 31.2% primarily thanks to revenue growth of the Trento Festival of Economics.

With regard to format types, the return to full normalcy post-Covid-19 triggered an increase in the number of hybrid events (participation of the public in person along with streaming) compared to digital-only events.

Compared to last year, there was greater demand for tailor-made events, i.e. events held at the request of a customer who supports their development.

Notable initiatives in H1 2023 included:

- the four stages of the "Road to Trento" itinerary, 4 international events leading up to the Trento Festival of Economics in May, held in collaboration with the Italian Embassies abroad;
- "Welfare & Hr Summit" in February, now in its fourth edition;
- "Hydrogen Forum" and "Real Estate and Finance Summit" in March;

- "Obiettivo Rinascita" in April;
- the first three stages of the "Innovation Days" roadshow, which took place in Milan, Trento and Bologna in May and June;
- "Luxury Summit" and "Trasporti nel cuore dell'economia" in May;
- "Agrifood Summit" and "UTP Summit" in June.

Another event worthy of mention was the 18th edition of the "Trento Festival of Economics", held from 25 to 28 May 2023, co-managed by Il Sole 24 ORE and the Province of Trento (through Trentino Marketing), with the collaboration of the Municipality and University of Trento.

The Festival surpassed the success of the 2022 edition, with over 270 scheduled events featuring more than 650 speakers - opinion leaders, experts from the most diverse disciplines, the brightest minds in science, in dialogue with personalities from politics, business and civil society (including 19 ministers, 6 Nobel Prize winners, 35 international speakers, more than 90 speakers from the academic world, 40 international and domestic economists and 40 managers and entrepreneurs). This dynamic and innovative programme schedule met with significant market recognition, with 44 partners involved, as well as widespread public success, with more than 40,000 in person participants, more than 50,000 users following the live broadcasts and videos on demand on the Festival website and over 600,000 users reached on the Festival website and the ilsole24ore.com channels.

EBITDA in the Events area was a positive Euro 1 million and compares with a positive EBITDA of Euro 0.7 million in H1 2022.

COMMENTS ON THE ECONOMIC AND FINANCIAL RESULTS**■ 24 ORE Group****Economic performance**

The following table shows the Group's key figures.

SUMMARY CONSOLIDATED INCOME STATEMENT		
Euro thousands	H1 2023	H1 2022
Revenues	104,583	104,628
Other operating income	4,859	1,634
Personnel costs	(36,243)	(40,172)
Change in inventories	343	961
Purchases of raw and consumable materials	(2,986)	(2,964)
Costs for services	(49,430)	(47,455)
Other operating costs	(5,364)	(4,995)
Provisions and bad debts	(861)	(1,228)
Gross operating margin	14,901	10,409
Amortization, depreciation and write-downs	(7,615)	(8,164)
Gains/losses on intangible and tangible assets	1,187	9
Operating profit (loss)	8,473	2,254
Financial income (expenses)	(2,433)	(1,902)
Gains (losses) on investments	51	42
Profit (loss) before taxes	6,090	394
Income taxes	(678)	(799)
Net profit (loss) from continuing operations	5,413	(405)
Profit (loss) from assets held for sale	-	-
Net profit (loss)	5,413	(405)
Profit (loss) attributable to minority shareholders	-	-
Net profit (loss) attributable to shareholders of the parent company	5,413	(405)

The macroeconomic and geopolitical scenario is characterized by elements of uncertainty such as: the ongoing conflict in Ukraine, a sharp upturn in inflation, rising interest rates and rising commodity and energy costs. In this context, the 24 ORE Group recorded growth in its results thanks to the effective reorganization policies implemented, the continuous development of products in the Professional Services and Training area, the good performance of the Events area, and product and content credibility, high quality and innovation.

In H1 2023, the 24 ORE Group reported **consolidated revenues** of Euro 104.6 million (Euro 104.6 million in H1 2022), in line with the same period of 2022. In detail, advertising revenues were down by Euro 1.5 million (-3.3% compared to H1 2022), amounting to Euro 42.7 million; publishing revenues decreased by Euro 0.7 million (-1.4% from Euro 49.7 million in H1 2022 to Euro 49.0 million in 2023); lower revenues generated by the sale of the daily newspaper were largely offset by the growth in digital revenues; other revenues recorded growth of Euro 2.1 million (+19.8% from Euro 10.7 million in H1 2022 to EUR 12.8 million in H1 2023), primarily thanks to higher revenues in the Professional Services and Training area, in

connection with the good performance of the most innovative products and the re-entry into the training business.

The main dynamics that characterized consolidated revenues are:

- circulation revenues of the newspaper (print + digital) amounted to Euro 20.2 million, down by Euro 0.9 million (-4.4%) compared to H1 2022. Circulation revenues of the digital newspaper amounted to Euro 10.1 million, down by Euro 0.2 million (-1.6%) compared to 2022. Circulation revenues of the print newspaper amounted to Euro 10.2 million, down Euro 0.8 million (-7.0%) compared to 2022. The Radiocor Plus Agency recorded revenues of Euro 3.9 million, up +7.5%;
- the Group's advertising revenues of Euro 42.7 million were down 3.3% on H1 2022.

The concessionaire broadly covers the market, also 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 performance of advertising sales is influenced by the significant slow-down in advertising investments that has involved companies belonging to the core sectors for the 24 ORE Group's media in recent months (particularly, Finance/Insurance, Professional Services, IT/Photography).

For the first five months of 2023, the reference market showed growth of 2.8% (*source: Nielsen – January/May 2023*).

Revenues from the Events area in H1 2023 amounted to Euro 4.5 million, up 31.2% compared to the same period of 2022, which amounted to Euro 3.5 million, mainly due to the growth in revenues from the 18th edition of the Trento Festival of Economics, held from 25 to 28 May 2023, co-managed by Il Sole 24 ORE and the Province of Trento, with the collaboration of the Municipality and University of Trento. The Festival surpassed the success of the 2022 edition with over 270 scheduled events featuring more than 650 speakers - opinion leaders, experts from the most diverse disciplines and the brightest minds in science, in dialogue with personalities from politics, business and civil society;

- revenues from electronic publishing in the Professional Services and Training area amounted to Euro 19.4 million, up by Euro 0.4 million (+2.1%) vs. H1 2022 by virtue of the renewal of the product portfolio and the sales network launched in previous years. Furthermore, the new Valore 24 software and Partner 24 ORE networking product lines contributed a total of Euro 3.7 million to area revenues (+18.3%; Euro +0.6 million over the same period of the previous year);
- Culture Area revenues of Euro 6.0 million were in line (-0.2%) with H1 2022.

Circulation (paper + digital) of the daily newspaper Il Sole 24 ORE from January to May 2023 totalled 131,546 average copies per day (-6.2% compared to January-May 2022, a slight contraction also compared to the market, which was down -4.4%). Specifically, the average daily print circulation reported to ADS for the period January-May 2023 is 46,214 copies (-13.2% compared to the same period of 2022). Digital circulation reported to ADS was 85,332 average copies per day (-2.0% compared to the period January-May 2022). News-stand sales for the period January - May 2023 (*source: ADS, Individual print sales*) were down 8.7% compared to the same period of the previous year with the market contracting in the same channel by 10.4%.

The data refer to what the Publisher declared to ADS, considering that the ADS Regulation provides for the possibility of declaration of multiple and promotional digital copies in the presence of adoption.

A new ADS Regulation was released on 1 January 2021, which updates and unifies the reporting rules for both the print and digital daily newspaper. These rules apply from the declaration for January 2021 and provide for new data publication schedules that aggregate in a different way the declaration items already present in the previous version. Among the innovations with the greatest impact for Il Sole 24 ORE is the possibility to declare also the copies adopted in gracing if renewed within the deadline of the monthly accounting statement.

In February 2019, the 24 ORE Group had opened a discussion table with ADS to clarify some critical issues inherent in the requirements requested by ADS itself for the verification and certification of digital copies for the year 2017, which had led the ADS Board to issue the certification with corrections to the data declared by the Publisher for the year 2017 as well as 2018. Thanks to these corrective actions, which resolved most of the critical issues raised, the ADS Board issued the certificate for the year 2019 (on 5 May 2021), for the year 2020 (on 6 April 2022) and for the year 2021 (on 8 March 2023) without making any changes to the data declared by the Publisher.

Furthermore, the Group 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 30 June 2023; on conclusion of its checks, the independent third-party Company issued an unqualified Assurance Report (ISAE 3000 - Limited assurance) on 25 July 2023.

Based on these procedures, the average Total Paid For Circulation for the period January-June 2023 was determined to be 173,099 copies (-1.4% 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.

The H1 2023 **gross operating margin (EBITDA)** was a positive Euro 14.9 million and compares to a positive EBITDA of Euro 10.4 million in 2022, making for an improvement of Euro 4.5 million. The change in *EBITDA* is mainly attributable to the higher operating income of Euro 3.2 million, with total costs falling by Euro 1.3 million. There was a reduction in personnel costs during the period, which was partly offset by an increase in direct and operating costs, in particular raw material costs (paper) and service costs. Non-recurring income of Euro 2.5 million was recognized in H1 2023, of which Euro 2.1 million related to the tax credit for the year 2021, provided to newspaper and periodical publishing companies registered with the ROC on expenses incurred in the year 2020 for the distribution of the titles published, 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, and Euro 0.4 million relating to the release of the liability recognized in previous years for charges that the Group could have incurred for the disposal of production plants. Net of non-recurring income, *EBITDA* was a positive Euro 12.4 million, an improvement of Euro 2.4 million compared to a positive Euro 10.0 million in H1 2022.

Personnel costs of Euro 36.2 million were down by Euro 3.9 million compared to H1 2022. During the period, there was a lower cost resulting primarily from the reduction in the workforce and turnover trends, as well as the increased use of social shock absorbers and the utilization of the residual holiday provision. The average number of employees, 712, decreased by 76 (mainly graphic designers and printers) compared with the previous year when it amounted to 788.

Costs for services amounted to Euro 49.4 million, up Euro 2.0 million (+4.2%) compared to 2022. The main changes are attributable to:

- commissions and other sales expenses up by Euro 0.8 million (+7.6% from Euro 10.1 to 10.8 million);
- promotional and commercial expenses up Euro 0.4 million (+7.5% from Euro 4.7 to 5.0 million);
- expenses for conferences and exhibitions up Euro 0.5 million (+11.9% from Euro 3.8 to 4.3 million);
- expenses for utilities up Euro 0.2 million (+15.4% from Euro 1.1 to 1.2 million);
- distribution costs down Euro 0.7 million (-8.9% from Euro 7.9 to 7.2 million).

Operating profit (EBIT) was positive by Euro 8.5 million in H1 2023 and compares with a positive EBIT of Euro 2.3 million in H1 2022, an improvement of Euro 6.2 million. Depreciation and amortization for the period amounted to Euro 7.6 million, down by Euro 0.5 million compared to H1 2022. Capital gains of

Euro 1.2 million were recognized in the period, mainly related to the sale of production sites in Carsoli (AQ) and Milan - via Busto Arsizio. Net of non-recurring income and expenses, *EBIT* was a positive Euro 4.8 million, an improvement of Euro 3.0 million compared to a positive Euro 1.8 million in H1 2022.

The **profit before taxes** was Euro 6.1 million and compares with a profit of Euro 0.4 million at 30 June 2022. Negative net financial expenses and income of Euro 2.4 million (negative Euro 1.9 million in 2022) had an impact. In H1 2023, the Group recorded an **income tax** expense of Euro 0.7 million, benefiting from untaxed contributions and charges not deducted in previous years.

The **net profit attributable to shareholders of the parent company** was Euro 5.4 million, an improvement of Euro 5.8 on the loss of Euro 0.4 million in H1 2022. The net profit attributable to the shareholders of the parent company net of non-recurring income and expenses was Euro 1.7 million, an improvement of Euro 2.6 million over the loss of Euro 0.8 million reported in H1 2022.

Alternative Performance Measures

In order to facilitate the understanding of the economic and financial performance of the 24 ORE Group, the directors have identified in the preceding paragraphs some Alternative Performance Measures (APM).

These indicators are also tools that help the directors themselves to identify operational trends and make decisions about investments, allocation of resources and other operational decisions. For a correct interpretation of these APMs, the following should be noted:

- these indicators are based exclusively on the Group's historical data and are not indicative of the Group's future performance;
- APMs are not required by international accounting standards (IFRS) and, although they are derived from the Group's consolidated financial statements, they are not subject to audit;
- APMs should not be considered as a substitute for the indicators provided for by the reference accounting standards (IFRS);
- the reading of said APMs must be carried out together with the Group's financial information taken from the consolidated financial statements of the 24 ORE Group;
- the definitions of the indicators used by the Group, insofar as they do not derive from the reference accounting standards, may not be consistent with those adopted by other groups/companies and therefore comparable with them;
- the APMs used by the Group are elaborated with continuity and uniformity of definition and representation for all the periods for which financial information is included in these financial statements.

The APMs shown below have been selected and represented in the Report on Operations as the Group believes that:

- the net financial position, together with other indicators such as net financial position/equity, allows for a better assessment of the overall level of debt, equity solidity and debt repayment capacity;
- the Gross Operating Margin (EBITDA), the EBITDA margin, and the Operating profit (loss) (EBIT) (also in the version net of non-recurring income and expenses), together with other indicators of relative profitability, illustrate changes in operating performance and provide useful information on the Group's ability to sustain its debt; these indicators are also commonly used by analysts and investors in the sector to which the Group belongs, in order to evaluate company performance.

Statement of financial position

SUMMARY STATEMENT OF FINANCIAL POSITION		
Euro thousands	30.06.2023	31.12.2022
Non-current assets	105,812	114,032
Current assets	155,254	131,733
Assets available for sale	-	-
Total assets	261,066	245,765
Group equity	21,338	15,925
Total Equity	21,338	15,925
Non-current liabilities	107,748	107,417
Current liabilities	131,981	122,423
Liabilities available for sale	-	-
Total liabilities	239,729	229,840
Total equity and liabilities	261,066	245,765

Non-current assets amounted to Euro 105.8 million compared to Euro 114.0 million at 31 December 2022, a decrease of Euro 8.2 million. In particular:

- deferred tax assets amounted to Euro 13.5 million (Euro 14.1 million in the previous year). It should be noted that no new deferred tax assets have been recognized on losses since 2013 and no tax assets have been recognized on new deductible temporary differences since 2019, pending the Group's return to recording stable positive taxable income. The additional theoretical tax asset on losses - determined on the basis of the last tax return filed that the Group did not recognize, amounted to Euro 77 million;
- intangible assets amounted to Euro 25.0 million, of which Euro 14.7 million related to radio frequencies and Euro 10.3 million related to licences and software, including projects in progress. Investments amounted to Euro 2.3 million and depreciation and amortization to Euro 3.7 million;
- goodwill amounted to Euro 20.4 million, unchanged from 31 December 2022;
- property, plant and equipment amounted to Euro 39.9 million, including Euro 29.6 million for rights of use under IFRS 16. In H1 2023, rights of use increased due to the Istat revaluation set forth in the lease agreements concerning the Milan and Rome offices in the amount of Euro 2.8 million and the present value of new contracts for a total of Euro 0.1 million. The depreciation of rights of use amounted to Euro 2.7 million. Other property, plant and equipment amounted to Euro 10.3 million, and was depreciated by Euro 1.2 million. Investments for the period totalled Euro 0.3 million. In addition, recognized *assets* totalling Euro 5.1 million were sold, of which Euro 1.1 million relating to the Carsoli (AQ) site and Euro 4.0 million to the production site in Milan (via Busto Arsizio). A capital gain of Euro 1.2 million was recognized in light of this transaction. The contractual agreements underlying the sale of the property in Milan at via Busto Arsizio provide, inter alia, for an additional price component of Euro 750 thousand, already paid by the purchaser and deposited in an escrow account at a notary's office. This sum will be defined and possibly released upon the occurrence of certain contractually agreed conditions by the end of 2023. Therefore, the capital gain recognized as at 30 June 2023 was determined without considering the additional price component;
- investments in associates and joint ventures changed since 31 December 2022 to recognize the investor's share of the investee's profits or losses realized after initial recognition;
- other non-current assets amounted to Euro 5.9 million (Euro 6.2 million at 31 December 2022) and mainly refer to medium-term financial receivables arising from the application of IFRS 16 equal to the present value of collections due under the sublease agreements.

Current assets amounted to Euro 155.3 million compared to Euro 131.7 million at 31 December 2022, an increase of Euro 23.5 million. The change is mainly attributable to the increase in cash and cash equivalents

by Euro 17.2 million (Euro 54.1 million as at 31 December 2022), other current assets by Euro 3.1 million and trade receivables by Euro 1.8 million.

Shareholders' equity amounted to Euro 21.3 million, an increase of Euro 5.4 million compared to 31 December 2022, when it amounted to Euro 15.9 million, due to the result for the period, which was a positive Euro 5.4 million.

Non-current liabilities amounted to Euro 107.7 million and compare with a value of Euro 107.4 million at 31 December 2022, an increase of Euro 0.3 million.

Non-current financial liabilities amounted to Euro 77.7 million (Euro 79.1 million at 31 December 2022) and include the senior unsecured and non-convertible bond with a principal amount of Euro 45 million and a duration of 7 years, repayable in one instalment (bullet repayment) only to qualified investors. 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 initial measurement of the financial liability was carried out at fair value, net of transaction costs that are directly attributable to the transaction. After initial recognition, the financial liability is measured using the amortized cost method, applying the effective interest rate.

Non-current financial liabilities also include Euro 34.6 million for financial debt arising from lease agreements relating to the Group's offices, liabilities related to car rentals and rentals of space held for the positioning of radio broadcasting equipment owned by the Group.

Deferred tax liabilities amounted to Euro 4.1 million (Euro 4.3 million at 31 December 2022) and basically derive from the recognition of the value of concessions and radio frequencies, with definite useful life, at a book value higher than their tax value.

Provisions for risks and charges amounted to Euro 6.4 million, down Euro 0.2 million from the previous year, when they amounted to Euro 6.7 million. Provisions of Euro 0.6 million, uses and releases of Euro 0.7 million and decreases due to the effect of discounting the provision for agents' termination indemnity of Euro 0.1 million were made.

Other non-current liabilities amounted to Euro 10.2 million, an increase of Euro 3.5 million compared to the previous year, and included Euro 10.0 million for the medium-term portion of the liability recognized for restructuring expenses allocated in 2021. During H1, the expected timing of outlays was revised, and thus Euro 3.5 million was reclassified from current to non-current liabilities.

Current liabilities amounted to Euro 132.0 million, up Euro 9.6 million from Euro 122.4 million at 31 December 2022. Trade payables amounted to Euro 89.7 million, an increase of Euro 11.0 million compared to 31 December 2022. Current liabilities include liabilities for restructuring expenses of Euro 0.9 million (Euro 5.6 million as at 31 December 2022), down Euro 4.7 million due to disbursements made in the period and the recalculation of the component to be paid within 12 months. Current financial liabilities relating to contracts under IFRS 16 amounted to Euro 5.5 million, up Euro 0.6 million.

Statement of cash flows

Total cash flow for H1 2023 was positive at Euro 17.2 million and compares with positive cash flow of Euro 15.5 million in H1 2022.

Below is a summary of the financial figures:

SUMMARY CONSOLIDATED FINANCIAL FIGURES		
	H1 2023	H1 2022
Profit (loss) before taxes from continuing operations attributable to the Group	6,090	394

Adjustments	9,093	10,257
Changes in net working capital	735	10,836
Total cash flow from operating activities	15,918	21,487
Investments	(2,569)	(2,814)
Other changes	7,742	1,096
Cash flow from investing activities	5,173	(1,718)
Free cash flow	21,091	19,770
Cash flow from financing activities	(3,900)	(4,298)
Change in cash and cash equivalents	17,192	15,472
Cash and cash equivalents:		
At the beginning of the year	54,066	35,744
At the end of the period	71,257	51,216
Change in cash and cash equivalents	17,192	15,472

Cash flow from operating activities was a positive Euro 15.9 million, compared to a positive Euro 21.5 million in H1 2022, and is attributable to the results achieved during H1.

Cash flow from investing activities was a positive Euro 5.2 million, compared to a negative Euro 1.7 million in H1 2022. Cash flow from investing activities benefitted from Euro 6.5 million from the sale of the two production sites located in Milan and Carsoli (AQ) and included operating investments for the period.

Cash flow from financing activities was a negative Euro 3.9 million, compared with a negative Euro 4.3 million in H1 2022.

Net financial position

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	30.06.2023	31.12.2022
A. Cash	50	190
B. Cash equivalents	71,207	53,876
C. Other current financial assets	2,895	4,279
D. Liquidity (A + B + C)	74,153	58,345
E. Current financial payable	(15,355)	(14,081)
F. Current portion of the non-current financial payable	(10,343)	(8,929)
G. Current financial debt (E + F)	(25,697)	(23,010)
H. Current net financial position (G + D)	48,455	35,335
I. Non-current financial payable	(34,585)	(36,197)
J. Debt instruments	(43,101)	(42,940)
K. Trade payables and other non-current payables	-	-
L. Non-current financial debt (I + J + K)	(77,686)	(79,138)
M. Net financial position (H + L)	(29,230)	(43,803)

The **net financial position** at 30 June 2023 was a negative Euro 29.2 million and compares with a negative Euro 43.8 million at 31 December 2022, an improvement of Euro 14.6 million. The change in the net financial position is mainly related to cash flows from operating activities and the collection of Euro 6.5 million deriving from the sale of the two production sites located in Milan and Carsoli (AQ).

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 offices, broadcasting equipment and cars totalling Euro 34.6 million (Euro 35.2 million at 31 December 2022) in application of IFRS 16.

The Group's current net financial position at 30 June 2023 was a positive Euro 48.5 million (positive Euro 35.3 million at 31 December 2022) and includes Euro 2.2 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 5.5 million.

MAIN RISKS AND UNCERTAINTIES

In the context of the activity carried out, the 24 ORE Group is exposed to a series of risks that could limit or prevent the achievement of the objectives defined. The Chief Executive Officer, also in the capacity as Director in charge of overseeing the internal control and risk management system, is responsible for identifying the main corporate risks, taking into account the characteristics of the activities carried out by the Parent Company and its subsidiaries, and periodically submits them to the Board of Directors for examination.

Below is a representation of the main risks for the 24 ORE Group.

■ Strategic/market risks

Risks related to the non-implementation of the 2023-2026 Plan

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 context.

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;
- ✓ globalisation in every segment with the strengthening of existing partnerships with some of the leading international news organizations;
- ✓ 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 characterized by the conflict in Ukraine, a sharp upturn in inflation and rising interest rates, the 2023-2026 Plan although reflecting the increase in the incidence of commodity 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, and with a net financial position expected to progressively improve over the Plan period. 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 timely 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.

Impact of general economic conditions on the Company's business sector

The Group's financial position, results of operations and cash flows are influenced by the overall performance of the economy in Italy, Europe and globally. In particular, there is a close correlation between the trend of the main economic indicators, on the one hand, and the trend of advertising investments and the purchase of editorial products on the other hand, which - in scenarios of economic crisis, political instability and/or financial weakness - undergo a contraction.

The uncertain economic and financial context of markets, as a result of the ongoing conflict in Ukraine that could be reflected more significantly in the publishing market because of its negative impact on consumption and investments in communication by companies, is currently undoubtedly an element of risk for the Group.

Italian GDP is expected to grow in both 2023 (+1.2%) and 2024 (+1.1%), albeit at a slower pace than in 2022 (source: *ISTAT* - Italian economy outlook 2023-2024 of 6 June 2023).

The current uncertainty related to the ongoing conflict in Ukraine, a sharp recovery in inflation, the increase in interest rates and the increase in the costs of raw materials and energy requires continuing to maintain a certain degree of caution with respect to the forecasts of the macroeconomic scenario and there could in any case be a contraction in turnover for the Company and the other companies in the Group, with possible negative effects, including of a significant degree, on their economic, equity and/or financial position. In addition, the most relevant direct environmental impacts were also taken into account, which can be traced back to paper consumption, energy consumption, with particular reference to high-frequency antennas, and similar waste related only to office activities. In such cases, the Group's activities, strategies and prospects could also be negatively affected, especially with regard to advertising sales and exhibition and event organization activities.

Although the Group does not currently have significant direct exposure to counterparties from countries currently involved in the conflict (Russia, Belarus and Ukraine), it constantly monitors the trend of the main macroeconomic indicators, as well as any repercussions that may arise from this conflict, in order to anticipate any deviations from the forecasts underlying the Plan assumptions and promptly identify the appropriate corrective and/or mitigating actions.

Impact of current trends and competitiveness in the Italian publishing sector on corporate revenues

The publishing sector in Italy is characterized by a trend of progressive decline in sales through traditional channels (news-stands, book stores, subscriptions, etc.). This trend, accentuated by the economic crisis that has also hit Italy, is amplified by the gradual spread of digital media that are both a threat to the paper media, as they replace traditional reading, and an opportunity, as they add a new channel of circulation of the traditional product in a new digital form. Throughout Western societies, the younger generation has less and less of a habit of reading newspapers, as well as little inclination to pay for news online. However, there is no clear evidence, even in more developed markets, of the final impact of this trend on the traditional publishing sector.

The above scenario was further adversely affected by elements of uncertainty such as the ongoing conflict in Ukraine, a sharp upturn in inflation, rising interest rates and rising commodity and energy costs, factors that lead to uncertainty in the sector and make it necessary to remain cautious about forecasts of recovery in the market as a whole.

The Group will require increasingly leverage on its specificities in the Italian publishing (and advertising) market. Should the level of direct and above all indirect competition in the sectors in which the Group operates intensify, it cannot be ruled out that this could have a negative impact on its competitive positioning, with consequent negative effects on the Group's economic and financial situation and prospects.

The Group constantly monitors the performance of the Italian publishing sector and the conduct of its main competitors with a view to anticipating possible divergences from the assumptions underlying the Plan and identifying in a timely manner appropriate corrective and/or mitigating action.

Impact of the general condition of the reference market on advertising revenues

The Group generates a considerable part of its revenues through advertising sales on its own media (the daily newspaper Il Sole 24 ORE, magazines, radio, websites and apps) and on the media of third-party publishers. System is the division that carries out the activity of advertising concessionaire for the Group's main media and some third-party media.

The advertising market, especially the national one, is characterized by a close relationship with the performance of the economy and the macroeconomic context in general, which have been affected in the last three years by a succession of global events, such as the ongoing conflict in Ukraine, rising raw material costs and the resurgence of inflation.

In the January-May 2023 period, the System reference market recorded growth of +2.8% (net of local newspaper advertising): newspapers closed at -5.3% (net local), magazines at +4.8%, radio at +4.4% and digital at +6.3% (*source: Nielsen January/May 2023 vs 2022*).

With regard to the advertising industry trend over the coming months, albeit marking a trend of moderate growth (between 1 and 2.5%) compared to the previous year, industry players suggest a certain degree of caution with regard to forecasts for the current year.

The continuation of the uncertain context weighing on the macroeconomic scenario and, consequently, on the advertising market could have further consequences in the medium to long term, with consequent negative effects on the Group's economic, equity and/or financial situation.

The Group constantly monitors the performance of the main macroeconomic indicators in order to anticipate any deviations from the forecasts underlying the Plan assumptions and promptly identify the appropriate corrective and/or mitigating actions.

Risks related to the contraction of circulation revenues

The Group generates a significant part of its revenues from the sale of publishing products. Publishing & Digital is the business area that includes the daily newspaper Il Sole 24 ORE, digital products linked to the newspaper, vertical newspapers, products attached to the newspaper, magazines, add-ons and the website.

The market in which the Group operates has been characterized in recent years by an ongoing crisis affecting the circulation of newspapers and other publishing initiatives. In fact, ADS data for major national newspapers indicate for the period January-May 2023 a decline in total circulation of print copies added to digital copies of -4.4% compared to the same period of the previous year attributable to the decline in circulation of the print version of -11.2%, offset in part by the increase in digital circulation of +9.8% (*source: ADS data processing January - May 2023*).

The trend in revenues from the circulation of the Company's publications, like the market trend, has been declining in recent years. This deterioration is associated with a radical change in consumption habits due to the rapid emergence of digital media, however, not yet sufficient to offset the negative trend of traditional media, also because strongly dominated by a few international operators also defined for this reason OTT (Over the Top).

The Company implemented a series of actions aimed at enhancing the circulation of its newspaper: in the period, a number of products were included in compulsory (focus of Norme e Tributi, monthly Instant Book, in-depth analysis of regulations on specific issues) and optional (books published by Il Sole 24 ORE and third-party publishers) supplements.

The possible continuation of the crisis in the circulation of newspapers and the economic and social crisis resulting from international tensions linked to the war under way in Ukraine, rising commodity and energy costs and the resurgence of inflation could lead to a contraction in revenues from the circulation of editorial products with consequent negative effects on the Group's economic, equity and financial situation.

The Group has identified a series of commercial actions and the development of new segments deemed appropriate to ensure that circulation figures at least follow the sector trend. The implementation of these actions is continuously monitored by the work group set up for this purpose.

Risks related to the contraction of advertising revenues due to lower circulation figures

In general terms, in the publishing market, the reduction in advertising revenues can be associated not only with the trend of the reference market but also with the simultaneous contraction of circulation figures. In this respect, however, it is necessary to take into account that there is no immediate cause/effect correlation between the circulation trend and advertising revenues (in the sense that a decrease or an increase in the number of copies does not correspond to an immediate and equal change in advertising revenues). In fact, advertising investment decisions are influenced only in part by the "audience" (i.e. the number of readers) of a publication, being based above all on other factors including, in particular, the credibility of the publication (understood as its reputation and prestige) and the quality of its target audience (i.e. the socio-demographic profile of the reader, to which its spending power is normally correlated). These factors, with reference to the 24 ORE Group, are at high levels and prevail over those relating simply to the number of copies distributed.

Variations in the number of copies circulated could in theory produce effects on advertising sales only in the long term and in any case not in a proportional way, since the advertising market could be impacted, albeit slowly and late, by the variations in the number of copies sold.

The trend in circulation figures is expected to continue in the coming years. In this case, should the Company not be able to achieve circulation results in contrast with the market, there could be a further decline in the circulation of the 24 ORE Group's publications. This circumstance could be taken into account by advertisers in the context of their investment choices, along with the other factors mentioned above. This could affect the 24 ORE Group's equity, economic result and financial position.

The Group has identified a series of commercial actions and the development of new segments deemed appropriate to ensure that circulation figures follow the sector trend. The implementation of these actions is continuously monitored by the work group set up for this purpose.

Risks related to the contraction of revenues from database sales

The Company sells databases to professionals (accountants, lawyers, labour consultants, technical professions), companies and the public administration that can be used on PCs, tablets or smartphones. The databases consist of digital platforms that allow the search and consultation of regulatory and academic content, articles and operational tools such as forms, calculation and simulation tools, e-learning courses, enriched with numerous features (such as alerts, notifications, personalized information, creation of dossiers, newsletters). Access to the databases is by means of an activation code that the user receives by e-mail after signing the subscription contract. The databases are sold primarily on an annual or multi-year subscription basis by the Company's sales network.

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). Other opportunities are represented by subsidized finance and ESG issues.

Furthermore, according to ISTAT Italian GDP is expected to grow in both 2023 (+1.2%) and 2024 (+1.1%), albeit at a slower pace than in 2022 (source: *ISTAT* - Italian economy outlook 2023-2024 of 6 June 2023). Despite the particularly positive start, according to Istat the signs for the coming months suggest a slow-down in economic activity later in the year, with an expected growth forecast for the whole of 2023 of +1.2%. The deceleration of foreign trade, the uncertainty surrounding the timing and outcome of the conflict between Russia and Ukraine, the risks of financial instability, and the level of inflation still far from central bank targets are all expected to have negative effects. A further risk factor for Italy could come from the economic consequences, especially on the agricultural sector, of the flooding in Emilia-Romagna.

In terms of media, in 2023, the current trends do not seem to change: overall, electronic publishing will continue to grow (+6.3%), driven by online and digital content (+6.8%), while offline publishing will continue its strong contraction trend (-33%). Growth is instead expected to continue for management software (+5.4%), which will see the increasing integration of digital editorial content within management software (source: "Rapporto Databank Editoria Professionale" - Cerved S.p.A, December 2022). It will be necessary to investigate the impact on the publishing market of generative artificial intelligence solutions, which from release to release are marking an improvement in performance at great speed, with potentially significant impacts on both the activities of the various professional categories and the services provided to them.

The Group has identified a series of commercial actions and the development of new products and services, aimed at different targets, to respond effectively to the evolution of professional needs. The implementation of these actions is continuously monitored by the work group set up for this purpose.

Risk related to the improper use of reproduction rights of newspapers and magazines by press review companies

As of 1 January 2019, Il Sole 24 ORE S.p.A. ceased to adhere to the collective agreement with the company Promopress, which manages the reproduction rights of daily newspapers and magazines of publishers belonging to the Promopress repertory itself, aimed at regulating the licensing of reproduction rights by press review companies. This termination was decided by the Company both because of the economic irrelevance and inadequacy of the Promopress agreement to protect the copyright and investments of the Company and for the peculiarity of its publishing product and business model, which are not adequately protected by this agreement.

The change in the content licensing policy towards press review companies entails risks for the entire publishing sector and in particular for Il Sole 24 ORE because of its business model. The risk shared with the entire publishing industry is the uncertainty surrounding the management of reproduction rights. In this context of uncertainty and transition, in the absence of contractual regulation (on this point, please refer to the recent developments described below), the major press review companies reproduce newspaper content on the basis of past practice without considering themselves obliged to pay adequate royalties to publishers. For Il Sole 24 ORE, in particular, this risk is accentuated by the fact that its offer model significantly includes digital subscriptions for companies, which usually also use the press review services, and therefore might not subscribe to the newspaper and use only the press review. The described context of uncertainty with regard to reproduction rights entails greater difficulty for the Company both to achieve its subscription growth targets and to obtain the rights to which it is entitled from the major press review companies.

In order to mitigate this risk, the Company has prepared a new license agreement; starting from 2020, several contracts have already been signed and subsequently renewed for 2021 and 2022. This licence agreement was replaced by a new contractual model offered by Il Sole 24 ORE to all press review operators for the exploitation of its editorial content for media monitoring purposes (more on this later).

On the piracy front, i.e. the unlawful distribution of editorial content, including press reviews or the entire newspaper, in mid-April 2020, FIEG asked AGCOM for a measure to combat the phenomenon of piracy on the Telegram platform, on the basis of a detailed analysis of the trend of the phenomenon during the pandemic, which has reached intolerable levels of spread: Telegram channels have recorded, during the Covid-19 health emergency, +46% of subscribers to the channels and +88% of illegally distributed newspapers. The estimate of losses incurred by publishing companies, in a highly conservative hypothesis, is Euro 670 thousand per day, about Euro 250 million per year (*source: FIEG press release 14 April 2020*).

The Bari Public Prosecutor's Office and the Finance Police (Guardia di Finanza) working together on a complaint by the FIEG, ordered the closure, in February 2021, of 329 Telegram channels and the shutdown of ten websites, through which articles protected by copyright were illegally made available to the public free of charge (*source: FIEG Press Release of 24 February 2021*).

The results of the investigation of the Bari Public Prosecutor's Office led to the indictment of nine administrators of as many Telegram channels and dozens of chats that illicitly spread entire newspapers and magazines, now investigated for violation of copyright law (*source: FIEG Press Release of 08 September 2021*).

On 24 March 2022, the Rome Public Prosecutor's Office - on the basis of the investigations carried out by the Special Goods and Services Unit of the Guardia di Finanza, under the command of General Renzo Nisi - ordered the seizure of 32 Telegram, Facebook, Instagram and Twitter channels and websites that illegally published Italian and foreign newspapers and magazines. The seizure order was adopted as a result of an in-depth investigation initiated in December 2021, with the active participation of FIEG and its member publishing companies (*source: FIEG Press Release of 24 March 2022*).

With regard to the aforementioned risk in relation to press reviews, it should be noted that on 5 May 2020, with Resolution no. 169/20/CONS, AGCOM - accepting the Company's request in this regard - ordered the company L'Eco della Stampa, one of the largest Italian providers of press reviews, to remove, within two days of notification of the measure, the articles of the newspaper Il Sole 24 ORE bearing the wording "confidential reproduction" from its service, including the archives, deeming the operator's conduct to be in violation of copyright law.

With the removal order, AGCOM reiterated that the legislation in force requires providers of press review services to obtain the consent of the publisher for the reproduction of "confidential reproduction" articles, in line with what has been repeatedly stated by case law. On 14 May 2020, L'Eco della Stampa filed an appeal with the Lazio Regional Administrative Court for the annulment of AGCOM Resolution no. 169/20/CONS of 5 May 2020, requesting, as precautionary measure and also as a matter of urgency, the suspension of the measure.

On 16 May 2020, the request for suspension made by L'Eco della Stampa was rejected with presidential decree that set the Council Chamber for the collegial precautionary hearing on 3 June 2020.

At the hearing of 3 June 2020, the Lazio Regional Administrative Court (TAR) rejected the request for suspension made by L'Eco della Stampa, also on a collegial basis.

Respectively on 26 and 27 June 2020, L'Eco della Stampa:

- notified additional grounds in the appeal on the merits before the Lazio Regional Administrative Court signed by new defence counsel;
- lodged a precautionary appeal with the Council of State against the order of the Lazio Regional Administrative Court referred to above with a request for a presidential injunction.

With decree no. 3797/2020 published on 30 June 2020, the President of the Sixth Section of the Council of State granted the L'Eco della Stampa request for a single-judge precautionary measure and suspended the deeds challenged in first instance, setting the hearing for discussion in chambers for 16 July 2020.

On 6 July 2020, L'Eco della Stampa served further additional grounds in the appeal on the merits before the Lazio Regional Administrative Court.

On 17 July 2020, the Council of State filed Order no. 4289/2020, referring the case back to the Lazio Regional Administrative Court for the setting of the hearing on the merits; the Council of State therefore accepted the precautionary appeal of L'Eco della Stampa only for the part relating to the setting of the hearing on the merits, essentially reconfirming both the validity of the AGCOM resolution of 5 May 2002, and the Lazio Regional Administrative Court's precautionary order of 3 June 2020.

On 22 July 2020, L'Eco della Stampa notified the Company of a further appeal before the Council of State to obtain the revocation of collegial order no. 4289/2020, of the sixth section of the same Council of State, which upheld the precautionary appeal proposed by L'Eco della Stampa only "for the purposes of promptly setting the hearing on the merits", pursuant to article 55, paragraph 10, of the Administrative Procedure Code.

Also on 22 July 2020, the Company filed its brief in the appeal proceedings.

On 24 July 2020, the President of the Sixth Section of the Council of State rejected by decree no. 4416/2020 the application for the grant of the single-judge precautionary measures requested by L'Eco della Stampa in its appeal for revocation of collegial order no. 4289/2020 and also set the hearing in the chambers of 27 August 2020 for the discussion of the case.

By order no. 4933/2020 of the Council of State published on 28 August 2020, the appeal for revision was also dismissed in its entirety for inadmissibility.

On 4 November 2020, AGCOM notified the Company of Resolution no. 565/20/CONS concerning the dismissal for settlement of the proceedings initiated against L'Eco della Stampa for non-compliance with the order set out in Resolution no. 169/20/CONS of 5 May 2020.

Finally, with sentence no. 4260/2021 published on 12 April 2021, the TAR of Lazio rejected the appeal and the additional grounds of L'Eco della Stampa, fully confirming the validity of the AGCOM measure of 5 May 2020.

On 28 June 2021, L'Eco della Stampa notified the Company of its appeal to the Council of State, for the annulment and/or overturning of the aforementioned Judgment no. 4260/2021, formulating a request for single-judge precautionary protection, until the date of discussion of the application for suspension.

By presidential decree no. 3574/2021 published on 1 July 2021, L'Eco della Stampa's precautionary petition was granted and, as a result, both the appealed Judgment no. 4260/2021 and AGCOM Resolution no. 169/20/CONS of 5 May 2020 had been suspended and the case adjourned to the Council Chamber of 29 July 2021. With precautionary order no. 4350/2021 published on 3 August 2021, L'Eco della Stampa request for a suspension was granted, but "subject to security by means of a bank or insurance guarantee in favour of the appellants, AGCOM and Il Sole 24 ORE, and for an amount equal to three months of the price of the fixed-term subscription referred to in the so-called "bridge contract" (already entered into on 20 November between EDS and Promopress S.p.A., and amounting to Euro 165 thousand) and without any further charges (including those for negotiations) to be borne by EDS. This guarantee was provided by L'Eco della Stampa on 12 August 2021. On 3 December 2021 and 10 December 2021, the Company filed final and reply briefs, respectively, in the appeal proceedings before the State Council. At the public hearing on 21 December 2021, the case was retained for decision. With judgment no. 7707/2022 published on 5 September 2022, the Council of State finally dismissed the appeal with G.R. no. 6004/2021 filed by L'Eco della Stampa for the reform of the Lazio Regional Administrative Court's judgment no. 4260/2021, deeming the reasons expressed by the Lazio Regional Administrative Court in the aforementioned judgment to be free from defects, and thus, fully confirming the validity of the AGCOM measure of 5 May 2020.

On 30 November 2022, L'Eco della Stampa notified the Company of its appeal to the Court of Cassation in relation to the aforementioned Council of State ruling no. 7707/2022 of 5 September 2022.

The Company entered an appearance by way of defence on 9 January 2023. On 27 June 2023, the chancery division of the Supreme Court of Cassation notified Il Sole 24 ORE of a proposal for the early settlement of the case in question. In summary, the First President of the Court of Cassation held that the appeal brought by EDS appeared inadmissible, since the grounds of appeal, which the counterparty had labelled as "violation of the external limits of jurisdiction due to retreat", were in fact aimed at contesting a potential flaw in the assessment made by the Council of State on the conditions of procedural admissibility of EDS's appeal. The alleged flaws thus raised do not concern the external limits of jurisdiction and, therefore, cannot be examined by the joint chambers. Pursuant to article 380-*bis* of the Code of Civil Procedure, the First President of the Court of Cassation thus proposed to EDS to waive the appeal in order to avoid incurring the possible sentences described below: payment of double the court fee already paid, increased litigation costs due to aggravated liability and sanction in favour of the Fine Fund, in the amount of between Euro 500 and Euro 5,000.

On 15 December 2022, the Company sent to the bank Intesa San Paolo S.p.A. a formal request to enforce the surety issued by Intesa San Paolo in favour of AGCOM and the Company, mentioned above. It is worth mentioning that with the surety, Intesa San Paolo acted as guarantor of L'Eco della Stampa, up to the amount of Euro 165 thousand. In addition, under the terms of the surety bond, Intesa San Paolo irrevocably undertook, all exceptions removed, to pay the sum, within a maximum term of thirty days from receipt of the request for payment, to the requesting party, upon the latter's simple written request and in the event of rejection of the appeal brought by L'Eco della Stampa. The Council of State, Sect. Sixth, by judgment G.R. no. 7707/2022 of 5 September 2022 has - precisely - rejected appeal G.R. no. 6004/2021 proposed by L'Eco della Stampa. Intesa San Paolo requested some clarifications on the payment request, which were promptly provided by the Company. On 22 March 2023, notwithstanding the clarifications provided by the Company and the communication from AGCOM confirming that nothing on their part prevented the *pro-rata* enforcement of the surety, Intesa San Paolo definitively expressed its refusal to make the payment of the surety, justifying it with a lack of specification of the enforcement methods by the Judge.

It should also be noted that on 7 August 2020, Data Stampa S.r.l. – another important press review operator - notified the Company (and FIEG) of a writ of summons before the Court of Milan seeking to ascertain the right to use in press reviews articles, news and information, including those bearing the "confidential reproduction" clause, published in the titles of Il Sole 24 ORE and, conversely, that Il Sole 24 ORE is not entitled to receive any remuneration for the inclusion of articles, including those bearing the "*confidential reproduction*" clause, included in press reviews prepared by reviewers for their clients.

This summons was followed on 28 September 2020 by a similar summons from Intelligence 2020 - Waypress Agency and, on 2 October 2020, from L'Eco della Stampa.

All three summonses are before the Court of Milan.

The first hearing of the judgement brought by Data Stampa (G.R. no. 30679/2020) was held on 24 February 2021 and the Judge granted the terms pursuant to article 183 paragraph 6 of the Code of Civil Procedure for the filing of preliminary statements, and set the hearing for the taking of evidence for 25 May 2021. At this hearing, the Judge deemed the case ready for a decision on the merits and continued the case to the hearing of 9 June 2022 for entry of conclusions, reserving the right to reopen the evidentiary procedure for the *quantum* at a later date. At the hearing of 9 June 2022 held in written form, the Judge - noting that the parties had proceeded within the allotted time limit to file their respective briefs - referred the case to the panel for decision, assigning the parties the maximum time limits allowed by law to file their closing briefs, by 8 September 2022, and their replies, by 28 September 2022. The ruling of the Board is awaited. Negotiations are currently under way between Data Stampa and Il Sole 24 ORE on new contractual conditions for the exploitation of editorial content owned by Il Sole 24 ORE for media monitoring purposes similar to those defined with EDS (illustrated below).

The first hearing of the judgement brought by L'Eco della Stampa (G.R. no. 35260/2020) was held on 2 March 2021 and the Judge granted the terms pursuant to article 183 paragraph 6 of the Code of Civil Procedure for the filing of preliminary statements, and set the hearing for the taking of evidence for 8 June 2021. At this hearing, the Judge deemed the case ready for a decision on the merits and continued the case to the hearing of 21 July 2022 for entry of conclusions, reserving the right to reopen the evidentiary procedure for the *quantum* at a later date. At the hearing on 21 July 2022, the Judge - after the parties had specified their respective conclusions by referring to the documents already filed - referred the case to the panel for decision, assigning the parties the maximum time limits allowed by law to file their closing briefs, by 20 October 2022, and their replies, by 9 November 2022.

On 3 July 2023, EDS and Il Sole 24 ORE signed an agreement governing the limits, terms and conditions of the authorization granted by Il Sole 24 ORE to EDS to reproduce and disclose to its customers the articles of the "Il Sole 24 ORE" national daily newspaper or other editorial content it contains, as part of the provision of press review services. On 4 July 2023, the Parties signed the settlement agreement whereby they settled out of court the disputes pending before the Court of Milan and the Court of Cassation, respectively, as described above.

According to this settlement agreement: (i) on 7 July 2023, EDS filed with the Court of Milan a deed of waiver of the proceedings before the Court of Milan; (ii) on 10 July 2023, EDS filed a deed of waiver of the proceedings before the Court of Cassation referred to above, countersigned by Il Sole 24 ORE; and (iii) on 13 July 2023, Il Sole 24 ORE in turn filed a deed of waiver of the proceedings before the Court of Milan, accepting EDS's waiver and waiving the counterclaims submitted in it.

The first hearing of the case brought by Intelligence 2020 – Waypress Agency (G.R. no. 34139/2020) – initially scheduled for 25 May 2021 – was then postponed ex officio to 10 November 2021. At this hearing the Judge granted the time limits for the pleadings pursuant to art. 183, paragraph 6 of the Code of Civil Procedure. The hearing pursuant to article 184 of the Code of Civil Procedure for the assumption of any evidence that may be admitted has been set for 29 March 2022. At that hearing, the Judge, who did not call for a discussion, considered it appropriate for the case to be remitted to the panel, and therefore adjourned the case to 11 July 2023 for the hearing for the entry of conclusions. On 5 July 2023, the Judge adjourned the hearing for closing arguments to 6 February 2024. On 13 July 2023, the Company and Agenzia Waypress signed the settlement agreement whereby they settled out of court the dispute pending before the Court of Milan. Pursuant to the terms of this settlement agreement, within five business days Il Sole 24 ORE and Agenzia Waypress will file a waiver of the proceedings before the Court of Milan.

■ Legal/regulatory risks

Risks related to the outcome of the proceedings before the Milan Public Prosecutor's Office crim. proc. no. 5783/17 R.G.N.R.

On 15 February 2019, the Milan Public Prosecutor's Office requested the committal for trial of the Company in relation to the administrative offences under articles 25 *ter* and 25 *sexies* of Legislative Decree no. 231 of 2001 articles 5 paragraph 1, letter a), 6, 25 *ter* paragraph 1, letter b) of Legislative Decree no. 231/2001 and articles 5 paragraph 1 letter a), 6, 25 *sexies* of Legislative Decree no. 231/2001 and of Benito Benedini, Roberto Napoletano and Donatella Treu – the former Chairperson of the Board of Directors, former Editorial Director and former Chief Executive Officer of the Company, respectively, in relation to the offences pursuant to articles 2621 of the Italian Civil Code and 185 of the Consolidated Law on Finance.

More specifically, the aforementioned former directors and executives have been charged with the crime of false corporate communications for having, "in order to ensure an unjust profit for themselves and third parties", disclosed material facts that were not true about the Company's economic, equity and financial situation in the Half-yearly Financial Report at 30 June 2015, the Interim Report at 30 September 2015, as well as in the financial statements at 31 December 2015.

This false representation focused "on the performance of the newspaper Il Sole 24 ORE on the sales of digital and print copies and related revenues"; this was achieved with a representation always tending to overstate the operating results of the most significant asset of the company - the newspaper Il Sole 24 ORE - in particular, the general revenues from the sale of copies and market penetration, also camouflaging the losses accrued through the aggregation of different business areas.

The aforementioned persons were also charged with information manipulation of the market for having, by means of press releases issued between 2014 and 2016, provided the market with false information concretely capable of causing a significant alteration in the share price and relating to the performance of the circulation figures of the newspaper Il Sole 24 ORE S.p.A. and the related revenues.

In the context of the preliminary hearing before the preliminary hearing judge (GUP) at the Court of Milan, Ms Mannoci, on 12 September 2019 Consob, Confindustria, the Common Representative of Holders of Special Category Shares, Marco Pedretti, and the shareholders Angelo Mincuzzi, Roberto Galullo, Alessandro Di Cagno, Leonardo Sergio Cosmai, Nicola Alessio Borzi and Vincenza Loddo joined the proceedings as civil plaintiffs against the defendants Benito Benedini, Roberto Napoletano and Donatella Treu. At the same hearing, the defendants Benito Benedini and Donatella Treu entered a plea bargain, having previously obtained the consent of the Public Prosecutor.

On 24 September 2019, Il Sole 24 ORE S.p.A. also filed a plea bargaining application with the preliminary hearing judge, indicating the consent already given by the Public Prosecutor in relation to a pecuniary administrative sanction of Euro 50,310.00. In this context, the defendants' counsel, Benito Benedini and Donatella Treu, also delivered to the counsel for Il Sole 24 ORE S.p.A. two checks for Euro 100 thousand and Euro 300 thousand, respectively, which the Company's counsel received as a mere down payment for the greater damages suffered.

On 29 October 2019, the Court of Milan, with ruling no. 19/2880, accepted the plea bargain request submitted by the Company on 24 September 2019, ordering the infliction of a pecuniary sanction for a reduced amount of Euro 50,310.00 and at the same time acknowledging the suitability of the remedial measures adopted by the Company to strengthen and optimize its integrity and reliability. In particular, the reduction of the pecuniary administrative fine was granted - as mentioned in the same sentence - in consideration of the preparation of an organizational model suitable to prevent the commission of similar crimes and of the tenor of the communication of the dismissal order issued by Consob against the entity. The fine was paid on 4 November 2021.

At the same hearing, the former Chairperson Benito Benedini and the former Chief Executive Officer Donatella Treu made plea bargains and were sentenced to 1 year, 5 months and 20 days imprisonment and 1 year and 8 months imprisonment, respectively, and to pay the costs of the civil parties. The aforementioned defendants were also granted a suspended sentence. The judge also ordered the committal for trial of Roberto Napoletano before the Court of Milan.

On 16 January 2020, the trial of Roberto Napoletano, former editor-in-chief of Il Sole 24 ORE and other newspapers of the 24 ORE Group, opened before the judges of the second criminal section of the Court of Milan.

At the hearing on 21 May 2020, Consob, a plaintiff in a civil action, filed a motion requesting that the Company be held civilly liable.

At the hearing held on 28 May 2020, the Court granted the request to hold the Company civilly liable in accordance with the Consob motion.

On 24 June 2020, through the Company's defence attorneys, the deed of incorporation and witness list were therefore filed in the interest of the Company as civilly liable party.

Following the conclusion of the preliminary hearing phase, a hearing was held on 7 April 2022 for the discussion by the Public Prosecutor and the civil parties. On 14 April 2022, a hearing was held for the

discussion by the defence counsel of the civilly liable party and the defendant. After the Public Prosecutor's replies, illustrated at the hearing on 17 May 2022, at the hearing of 31 May 2022, the Court handed down its ruling by reading aloud the operative part and, recognizing the criminal liability of Napoletano both for false accounting (with the exclusion of the conduct relating to the rotary press) and for market manipulation, sentenced him to 2 years and 6 months' imprisonment, in addition to the payment of a fine of Euro 50,000.00.

As a result, the Court ordered the Company, jointly and severally with Napoletano, to provide compensation for damages only to the civil plaintiffs Consob, Ms Zodda and Mr Bava, to be settled in separate civil proceedings, as well as to pay the costs of the proceedings. The Court filed its justifications on 28 June 2022. At present, the aforementioned civil parties have not taken any civil action.

By document filed on 13 September 2022, the Company appealed against the judgment of the Court of Milan. A similar appeal was lodged by the defence of Napoletano on 14 September 2022. The first appeal hearing was held before the Court of Appeal of Milan, second criminal section, on 7 April 2023 and, after the discussion of the Attorney General and the civil parties, the trial was adjourned to the hearing of 2 May 2023. At that hearing, arguments were submitted by the civil defendant, which requested the revocation of the sentence ordering the Company to pay damages on the basis of the grounds of appeal, and the defendant Roberto Napoletano. The Court of Appeal then adjourned the case until 7 July 2023 for any replies and the decision.

At the hearing on 7 July 2023, the defence of civil plaintiff Consob filed a reply brief and Napoletano made spontaneous statements. The Court of Appeal then set a deadline of 30 September 2023 for the defendant's and the civil defendant's defence attorneys to file further briefs. The decision will be made at the subsequent hearing on 11 October 2023.

Following the commencement of the proceedings before the Milan Public Prosecutor's Office with a view to full transparency and although it did not affect the Company's possession of the requirements under article 80 of Legislative Decree no. 50/2016 (Public Contracts Code), the Company had prudently taken steps to declare in the public evidence tender documents its status as a legal entity under investigation pursuant to Legislative Decree no. 231 of 2001, given that this information had also been the subject of official communications by the Company, as well as widely circulated in the press.

This being said, the fact that the Company has been subjected to the pecuniary sanction pursuant to Legislative Decree no. 231/2001 constitutes a circumstance that must be declared when participating in procedures for the award of public contracts. The sanction does not have any automatic exclusionary effect on the Company's participation in the awarding procedures, but it must in any case be submitted to the individual contracting stations for the purpose of assessing the possible consideration of "a serious professional misconduct", i.e. the cause of exclusion "of a discretionary nature" provided for by article 80 paragraph 5 letter c) of Legislative Decree no. 50/2016). In particular, in order to be able to order exclusion from the procedure, the contracting station should, following an adversarial procedure with the Company, identify the existence of a situation that is likely to undermine the integrity/reliability of the Company for the purposes of carrying out the specific contract. In this regard, it should however be considered that, in order to demonstrate its integrity and reliability in the performance of the services covered by the contract, in the declarations that are submitted as part of the awarding procedures, the Company is already providing evidence of the self-cleaning measures that have been adopted.

In relation to these measures, it should be noted - *inter alia* - that in 2019, the Board of Directors resolved to entrust external lawyers and technical consultants with the task of assessing the existence of the circumstances for proposing to the ordinary shareholders' meeting to resolve to initiate liability actions, based on the findings.

On 12 March 2019, the Board of Directors resolved to submit to the Shareholders' Meeting called for 30 April 2019 a proposal for a corporate liability action pursuant to articles 2392 and 2393 of the Italian Civil

Code against Benito Benedini, Donatella Treu and Roberto Napoletano, under the terms specified in the illustrative report published pursuant to law.

On 30 April 2019, the Shareholders' Meeting resolved to approve the proposal of the Board of Directors concerning the aforementioned corporate liability action pursuant to articles 2392 and 2393 of the Italian Civil Code against Benito Benedini, Donatella Treu and Roberto Napoletano, under the terms specified in the illustrative report published pursuant to law.

Accordingly, on 18 June and 24 June 2019, the Company served summonses on the following persons:

- a) Benito Benedini, against whom a claim has been made for compensation for all damages suffered and to be suffered by Il Sole 24 ORE S.p.A. in relation to the Business Media Transaction (as defined in the illustrative report pursuant to article 125-ter, Legislative Decree no. 58 of 24 February 1998 published on 29 March 2019), currently quantifiable in no less than Euro 4,328,280.00, jointly with Donatella Treu.
- b) Donatella Treu, against whom a claim has been made for compensation for all damages suffered and to be suffered by Il Sole 24 ORE S.p.A. in relation to:
 - (i) commercial and reporting practices aimed at artificially increasing the circulation figures of the Newspaper, currently quantifiable in no less than Euro 7,548,043.31, jointly with Roberto Napoletano and KPMG S.p.A., which is also a defendant in the action;
 - (ii) the Business Media Transaction, currently quantifiable in no less than Euro 4,328,280.00, jointly with Benito Benedini;
 - (iii) the Stampa Quotidiana Transaction (as defined in the illustrative report pursuant to article 125-ter, Legislative Decree no. 58 of 24 February 1998 published on 29 March 2019), currently quantifiable in no less than Euro 665,560.00, an order to be made jointly with KPMG S.p.A.
- c) Roberto Napoletano, in his capacity (deemed to exist by both the Public Prosecutor and CONSOB) as de facto Director of the Company, against whom a claim has been made for compensation for all damages suffered and to be suffered by Il Sole 24 ORE S.p.A. in relation to commercial and reporting practices aimed at artificially increasing the circulation figures of the Newspaper, currently quantifiable in no less than Euro 7,548,043.31, jointly with Donatella Treu and KPMG S.p.A.

The lawsuit was entered in the register of the Civil Court of Milan with G.R. 30810/2019 on 20 June 2019, and was subsequently assigned to the Investigations Judge (G.I.) Guido Vannicelli.

By order of 2 March 2020, the Investigations Judge postponed the date of the first hearing to 17 November 2020, in order to allow the defendants to sue the insurance companies. Subsequently, with a decree issued on 21 May 2020, the Judge, in order to reschedule the hearing due to the problems caused by the Covid-19 emergency, postponed the first hearing to 9 February 2021.

At the hearing on 9 February 2021 the Judge asked the parties to consider a possible settlement, adjourning the hearing. At the hearing of 18 May 2021, having ascertained that no amicable agreement had been reached, the Judge granted the terms for filing the briefs pursuant to article 183, paragraph 6 of the Code of Civil Procedure and set the hearing for the discussion of the preliminary motions for 14 December 2021. On the basis of the information provided by the parties' legal counsel, the Judge - having ascertained the possibility of an out-of-court settlement of the dispute - postponed the hearing until 16 February 2022 and, then, until 10 May 2022. In the meantime, the defendants in the action and the third-party companies called in have formalized and addressed to the Company a proposal for settlement of the corporate liability action in question, which, with the favourable opinion of the Board of Directors, was submitted to the Company's Shareholders' Meeting called for 27 April 2022 for the necessary approval pursuant to article 2393, paragraph 6, of the Italian Civil Code. In this regard, reference should be made to the separate report prepared

to illustrate the related item on the agenda of this meeting. The Company, although the Shareholders' Meeting voted in favour by a majority of the share capital, equal to approximately 70.1%, recorded the vote against by a minority of the share capital equal to approximately 6.2%, and, therefore, given the provisions of article 2393, paragraph 6 of the Italian Civil Code, it was not able to settle the corporate liability action pursuant to articles 2392 and 2393 of the Italian Civil Code referred to in the illustrative report published on 28 March 2022. At the hearing on 10 May 2022 for the admission of evidence, the Judge reserved his decision. By order dated 8 June 2022, the Judge lifted the reservation and granted the Parties time to file briefs for the production of the minutes of the testimonies given in criminal proceedings not already produced (in addition to the criminal sentence handed down by the Court of Milan and referred to above) and the appropriate comments. Finally, the Judge scheduled the hearing for 25 October 2022 for the final discussion of the preliminary motions.

At this hearing, the Company acknowledged that on 21 October 2022, it entered into a partial settlement agreement with Treu, Benedini, KPMG S.p.A. and the insurance companies named in the lawsuit, and with the exclusion of Napoletano and related internal share of liability, pursuant to which the Company collected a settlement amount of Euro 3 million (see in this regard, the explanatory report pursuant to article 125-ter of the Consolidated Law on Finance published on 21 September 2022 and the press release issued following the approval by the shareholders' meeting pursuant to article 2393, paragraph 6, of the Italian Civil Code on 21 October 2022, available in the relevant section of the Company's institutional website). Also at that hearing, the Company also amended its conclusions accordingly and insisted, if necessary, on the acceptance of the preliminary investigation requests formulated in order to confirm the charges against Napoletano, with which the case is continuing. A wide-ranging debate ensued, as a result of which, in view of certain exceptions and objections raised by Napoletano with reference to the partial settlement agreement and its effects on the judgment, terms were granted for pleadings devoted to a more in-depth discussion of the issues discussed at the hearing. The hearing was adjourned to 14 March 2023, at which the new investigating judge Nicola Fascilla held the case in reserve.

With an order dated 22 March 2023, the Judge decided to proceed with the preliminary investigation requested by the Company, accepting in particular the request for a CTU (court expert) to ascertain the damage caused by negative margins in the relationship with intermediaries for so-called "co-marketing". The hearing for the swearing in of the appointed consultant, Luca Francesco Franceschi, has been set for 16 May 2023. In addition, a hearing for closing arguments has already been set for 18 June 2024.

Moreover, before the hearing of 16 May 2023 took place, the possibility was raised of entering into an amicable settlement of the dispute with Napoletano, who, in particular, sent the Company a settlement offer that was submitted to the shareholders' meeting of Il Sole 24 ORE on 14 July 2023 (in this regard, see the explanatory report pursuant to article 125-ter of the Consolidated Law on Finance, published on 14 June 2023, available in the dedicated section of the Company's institutional website). The Shareholders' Meeting approved the settlement proposal pursuant to article 2393, paragraph 6 of the Italian Civil Code, which was therefore accepted by Il Sole 24 ORE in order to finalize the agreement (in this regard, see the press release issued on 14 July 2023, also available in the dedicated section of the Company's institutional website). At present, Il Sole 24 ORE and Napoletano, through their respective legal advisors, are carrying out the necessary activities for the extinction of the civil lawsuit concerning the liability action (G.R. 30810/2019).

Risks associated with Consob inspections

The events described above were also the subject of the following proceedings by Consob.

On 3 August 2018, the Company was notified by Consob of certain objections pursuant to article 187-septies of the Consolidated Law on Finance (prot. no. 0291113/18 and proceedings no. 84400/2018). In particular, the aforementioned objections concerned the case referred to in article 187-ter of the Consolidated Law on Finance (market manipulation), in the version applicable *ratione temporis*, and were directed

both against 5 individuals no longer part of the Company (Donatella Treu, Roberto Napoletano, Anna Matteo, Alberto Biella and Massimo Arioli) and against the Company, as the party jointly liable, pursuant to article 6 of Law 689/1981.

The company was also charged with the offence envisaged by article 187-*quinquies*, paragraph 1, letter a), of the Consolidated Law on Finance (liability of the entity), for violation of article 187-*ter*, paragraph 1, of the Consolidated Law on Finance committed, in the opinion of Consob, in the interest of Il Sole 24 ORE S.p.A. by a former company representative no longer in office (Donatella Treu).

More specifically, the conduct alleged by Consob concerned the procedures for detecting and communicating to the company Accertamenti Diffusione Stampa S.r.l. (ADS) circulation data. Consob contested that the Company, in the period between 2012 and 2016, allegedly implemented unfair commercial and reporting practices aimed at artificially increasing the newspaper's circulation figures and providing an altered representation of the newspaper's circulation; all "*in a context of inadequate information systems and deficiencies in procedures and operational control mechanisms*".

On 8 November 2018, the Company submitted its written counter-claims to the Consob Administrative Sanctions office regarding the objections pursuant to article 187-septies of Legislative Decree no. 58/1998.

On 22 February 2019, the Consob Administrative Sanctions Office submitted the "Report for the Commission" with which it proposed the application of pecuniary administrative sanctions for the violation of article 187-*ter*, paragraph 1, of Legislative Decree no. 58/1998 against Donatella Treu, Roberto Napoletano, Anna Matteo, Alberto Biella and Massimo Arioli for a total of Euro 1,050 thousand. The Administrative Sanctions Office also proposed the application of a fine of Euro 140 thousand against Il Sole 24 ORE S.p.A. pursuant to article 187-*quinquies* of Legislative Decree no. 58/1998.

With reference to the penalty proposed against Donatella Treu, Roberto Napoletano, Anna Matteo, Alberto Biella and Massimo Arioli for a total of Euro 1,050 thousand and for which Il Sole 24 ORE S.p.A. is obliged to pay, by way of joint liability, the level of risk has been assessed as possible, but not probable, and therefore no provision for risks has been set up.

On 11 September 2019, the aforementioned administrative sanctioning proceedings no. 84400/2018 were therefore concluded. In particular, Consob, having assessed the results of the preliminary investigation, did not consider that the conditions existed for the adoption of any sanctioning measure against the Company and, therefore, ordered the closure of the proceedings by means of a communication notified on 11 September 2019. In this regard, Consob did not find any orientation on the part of the Company aimed at achieving the unlawful purpose which, pursuant to current regulations, would make it administratively liable and, consequently, subject to sanctions against it. Moreover, Consob decided not to formulate any judgement of reprehensibility towards the Company itself, since it had taken steps to prepare organizational models capable of preventing offences of the kind that occurred.

However, the Company remains jointly liable, pursuant to article 6, paragraph 3 of Law 689 of 1981, for payment of the penalties applied to the individuals (no longer present in the company) Donatella Treu, Roberto Napoletano, Anna Matteo, Alberto Biella and Massimo Arioli, for violation of article 187-*ter*, paragraph 1, of Legislative Decree no. 58/1998, amounting to a total of Euro 1,050 thousand, without prejudice, in any event, to the right of recourse. Following an appeal by some of these individuals, the amount of the fines was reduced to Euro 870 thousand. In addition, on 21 May 2021, following the decision of the Rome Court of Appeal which upheld Napoletano's appeal against the penalty of Euro 280 thousand against him, overturning it (the cassation judgment is currently pending), the total amount of the penalties was further reduced. In addition, it should be noted that on 13 April 2022 the Company received confirmation from the Revenue Agency - Collections that the payment notice relating to the penalty of Euro 150 thousand payable by Alberto Biella - also notified to the Company on 17 January 2022 as a jointly liable party - had been extinguished following payment by the obligated party. Moreover, with regard to Treu and Napole-

tano, within the framework of the above-mentioned settlement agreements they undertook to hold the Company harmless and indemnified in respect of any claim for payment arising from the aforesaid penalties issued against them.

In view of the intervening closure of the proceedings before Consob, in the context of the procedures for the award of public contracts, the Company is not required to provide any statement in relation to the outcome of the proceedings themselves, since this is an irrelevant circumstance as it is not likely to affect the Company's possession of the requirements set out in article 80 of Legislative Decree no. 50/2016.

On 19 December 2019, Consob adopted an order notifying the Company that it was replacing the monthly supplemental periodic reporting requirements established in an order adopted on 14 December 2016 with quarterly reporting requirements.

Therefore, the yearly and half-yearly financial reports and the interim management reports for the first and third quarters of the financial year published by the Company on a voluntary basis, starting with the Annual Financial Report at 31 December 2019, as well as, where relevant, press releases concerning the approval of the aforementioned accounting documents, were supplemented with the additional information required by Consob.

Risks related to pending litigation

The 24 ORE Group is a party in civil, criminal, administrative, tax and labour law proceedings.

The Company monitors the development of these disputes, also with the help of external consultants, and proceeds to set aside the sums necessary to deal with existing disputes in relation to the varying degree of probability of losing the case, proceeding - in compliance with accounting principles - to allocate provisions for risks in cases where the occurrence of a liability is considered probable and, vice versa, highlighting exclusively in the notes to the financial statements the potential liabilities the occurrence of which is, on the other hand, considered possible and which must, in any case, be taken into consideration and highlighted as not being remote.

In particular, to cover the risk deriving from proceedings underway, a provision for risks is recognized, which at 30 June 2023 amounted to Euro 3,770 thousand (provision for litigation and provision for sundry risks). The provision includes accruals for risks relating primarily to libel suits against the newspaper and radio station, labour litigation, expected legal fees and contingent liabilities, including tax liabilities.

The Company believes that the amounts allocated to the risk provision are adequate in light of the circumstances existing at 30 June 2023, in accordance with IFRS accounting standards.

In particular, the Company is exposed, as are other operators in the sector, to the risk of legal action, with particular reference to disputes concerning claims for damages based on hypotheses of defamation in the press.

At 30 June 2023, the number of lawsuits related to claims against the 24 ORE Group was 57.

With reference to such disputes involving press defamation, it should be noted that, on the basis of the 24 ORE Group's experience, in those cases in which the Company is found not to have lost the case, the outcome is usually an award of damages amounting to a minimal sum compared with the original claim.

Risks related to the protection of intellectual property

The protection of intellectual property, including copyright and industrial property rights, is fundamental to the traditional business model of a publishing company. In addition to copyright on editorial content, the 24 ORE Group owns numerous Internet domains and national, international and EU trademarks used to identify products and services in the product categories of interest of the 24 ORE Group. The Company

therefore relies on the legal protection of copyrights, its own industrial property rights arising from the registration thereof, as well as the intellectual property rights of third parties granted to the Company under licence for use.

The Company regularly protects its industrial property rights through the filing of applications for the registration of trademarks relating to its print and online publications, as well as the titles of radio broadcasts by Radio 24 and software products. However, even if trademark registrations are obtained, the related rights, given also the limited distinctiveness resulting from the use of the numeral 24, could: (i) not prevent competitors from developing products identified by similar signs, and in any case, (ii) prove ineffective in preventing acts of unfair competition by third parties. Moreover, the granting of regular registrations does not prevent the rights granted therein from being challenged by third parties.

Despite the fact that the Company has devised and launched an articulated enforcement strategy to protect its copyright on its own editorial content, it cannot exclude the occurrence of phenomena of unlawful exploitation of such rights by third parties, with consequent negative effects on the Group's operations and its economic and financial situation and prospects.

In this context, reference is made to the dispute with certain journalists - in part resolved amicably - for which reference should be made to the paragraph entitled "Risk related to the improper use of reproduction rights of newspapers and magazines by press review companies".

Risks related to the failure to adopt EU Regulation 2016/679 on network access and personal data protection (GDPR)

On 25 May 2018, the new General Data Protection Regulation (GDPR - EU Regulation 2016/679) came into force across the European Community, with which the European Commission intended to strengthen and make more homogeneous the protection of personal data of EU citizens, both within and outside its borders. The GDPR stems from a clear need for legal certainty, harmonization and greater simplicity of the rules regarding the transfer of personal data from the EU to other parts of the world.

The GDPR applies to the wholly or partly automated processing of personal data and to the non-automated processing of personal data held in or intended to be held in a filing system. The GDPR applies to data of EU residents and also to companies and entities, organizations in general, with registered offices outside the EU that process personal data of EU residents.

Companies were therefore obliged to adopt a system of data processing according to the principle of privacy by design and by default. In other words, the Data Controller has been called upon to implement appropriate technical and organizational measures to ensure that only the personal data necessary for each specific purpose of processing is processed by default. This obligation applies to the quantity and quality of personal data collected, the period of storage and related accessibility by the parties concerned. The GDPR has therefore imposed interventions on various levels: from governance to processes, from physical and logical security to information modes.

A breach of the rules set out in the GDPR could expose the Company to the payment of administrative fines.

In fact, article 83 of the GDPR introduces specific administrative pecuniary sanctions against the Data Controller or the external Data Processor that does not comply with its provisions. Penalties for violations of the new rule consist of fines of up to 4% of turnover and up to a maximum of Euro 20.0 million. In addition to administrative pecuniary sanctions, each Member State shall, in accordance with article 84, lay down the rules on other sanctions for infringements of the Regulation, in particular for infringements not subject to administrative pecuniary sanctions under article 83, and shall take all measures necessary to ensure that they are implemented. Such penalties shall be effective, proportionate and dissuasive. In addition to the direct damage resulting from the penalties introduced by the Legislator, it is necessary not to

overlook the damage to image and reputation that could result from non-compliance with the rules introduced by the GDPR.

Il Sole 24 ORE S.p.A. in order to ensure that the processing of personal data is carried out in accordance with the GDPR has initially set up a working group (consisting of personnel experienced in legal issues, IT, organization and marketing and assisted by a leading consulting firm) that has conducted a project of corporate compliance with the GDPR. As a result of this activity, the Company appointed a Data Protection Officer and adopted an Organization Model for the respect of privacy and the processing of personal data (GDPR Policy) in order to define the rules and security measures used in the processing and protection of the personal data of each individual with whom it comes into contact. The Company has also adopted monitoring systems useful for verifying the correct application of policies/procedures during the phases of each project that foresees the collection of personal data with a view to privacy by design and by default and has assigned internal and external privacy roles.

Risks related to the regulatory framework in the 24 ORE Group's business sectors

In the context of the Group's business, it is subject to detailed regulations at both national and EU level regarding publishing, printing and broadcasting. Amendments in the current regulatory framework could have negative effects on the Group's activities and economic, equity and financial situation.

Moreover, the Group companies, like any other operators in these sectors, are subject to controls, including periodic controls, by the competent regulatory authority (AGCOM), aimed at ascertaining that they comply with sector regulations and that they continue to meet the conditions necessary to maintain the authorizations provided for by the applicable legislation.

More specifically, the Group's activities are regulated:

- a. as far as the publishing and press sector is concerned, inter alia, by (i) Law no. 47 of 8 February 1948 ("Provisions on the press"); (ii) Law no. 416 of 5 August 1981 ("Discipline of publishing companies and benefits for the publishing industry"); (iii) Law no. 67 of 25 February 1987 ("Renewal of Law no. 416 of 5 August 1981, regulating publishing companies and benefits for the publishing industry"); (iv) Law no. 62 of 7 March 2001 ("New rules on publishing and publishing products and amendments to Law no. 416 of 5 August 1981"); (v) Legislative Decree no. 170 of 24 April 2001 ("Reorganization of the system for circulation of newspapers and magazines, pursuant to article 3 of Law no. 108 of 13 April 1999"); (vi) Legislative Decree no. 177 of 31 July 2005 ("Consolidated law on audiovisual and radio media services"), as amended by Legislative Decree no. 44 of 15 March 2010 ("Romani Decree"); (vii) Law no. 198 of 26 October 2016: "Establishment of the Fund for pluralism and innovation of information and delegation to the Government for the redefinition of the discipline of public support for the publishing sector and local radio and television broadcasting, the discipline of pension profiles of journalists and the composition and powers of the National Council of the Order of Journalists. Procedure for the concession of the public radio, television and multimedia service (OG no. 255 of 31 October 2016)"; and
- b. with regard to the radio sector, inter alia, by Legislative Decree no. 177 of 31 July 2005 ("Consolidated law on audiovisual and radio media services") (amended inter alia by Legislative Decree no. 44 of 15 March 2010).

Regulatory amendments could require particular and additional burdens on Group companies not foreseen to date or cause slowdowns and interruptions to the Group's business, with possible negative repercussions on the Group's business and economic, equity and financial situation.

On 31 December 2021, Law no. 234 of 30 December 2021 was published, entitled "State budget for the financial year 2022 and multi-year budget for the three-year period 2022-2024".

The law includes a number of specific measures in support of journalistic publishing. Specifically, it provides:

1. the setting up of an Extraordinary fund for interventions in support of publishing with an endowment of Euro 90 million for 2022 and Euro 140 million in 2023 intended to encourage investments by publishing companies oriented:
 - a) to technological innovation and digital transition;
 - b) to the entry of qualified young professionals in the field of new media;
 - c) to support corporate restructuring and social shock absorbers;
 - d) to support the demand for information;
2. the extension for two years (2022 and 2023) and enhancement of the tax credit for the purchase of newsprint. Specifically, the credit, currently being implemented for expenses incurred in 2019 and 2020, is extended to expenses incurred in 2021 and 2022 and is increased for the next two years from 10% to 30% with an increase in the related funding from Euro 30 to 60 million annually;
3. reconfirmation and stabilization of App 18, which may be used by 18-year-olds to purchase, among other things, subscriptions to newspapers and magazines, including in digital format.

On 28 September 2022, the Undersecretary for Publishing issued the Prime Ministerial Decree (DPCM) for the allocation of the resources of the Euro 90 million Extraordinary Publishing Fund for 2022, a measure agreed with the Ministry of Labour, the Ministry of Economic Development and the Ministry of the Economy.

The DPCM includes measures to support newspaper and periodical publishing companies, including: newspaper and periodical publishing companies, with at least three journalists employed pursuant to Article 1 of the CCNL for journalism and in good standing with the fulfilment of contribution and social security obligations, Euro 28 million are allocated with an extraordinary contribution of 5 cents for each print copy sold in 2021, including by subscription, against payment at newsstands or non-exclusive sales outlets, excluding print copies sold in bulk.

In addition, publishers of newspapers, periodicals and news agencies and companies are allocated Euro 35 million in non-repayable grants for investments in innovative technologies in 2022. In particular, Euro 7.5 million are allocated for publishing companies of newspapers, periodicals and news agencies.

The Department for Information and Publishing of the Presidency of the Council of Ministers issued on 6 December 2022, the circular containing the implementing provisions regarding the procedures for accessing the tax credit for the expenses for the purchase of paper used for the printing of published titles incurred during 2021 and 2022 by companies publishing newspapers and periodicals registered with the Roc.

On 29 December 2022, Law no. 197 of 29 December 2022 was published, entitled "State budget for the financial year 2023 and multi-year budget for the three-year period 2023-2025", extending the tax credit for the purchase of paper for newspapers and periodicals and increasing resources for financing the tax credit in favour of bookshops.

Legislative Decree no. 36 of 31 March 2023 reformed the Public Contracts Code, which will be applicable as of 1 July 2023, with the exception of certain parts (digitalization and the qualification system) that will be become effective as of 2024.

With the new Public Contracts Code, the rule set forth in article 3 of the Infrastructure and Transport Ministerial Decree of 2 December 2016, which called for publication in 1 national and 1 local newspaper for works tenders between Euro 500 thousand and the EU threshold, has lapsed.

The obligation to publish in 2 national and 2 local newspapers for tenders above the threshold of Euro 5.3 million remains in place until December 2023. As of 2024, the publication of calls for tenders will be done via the National Contracts Database managed by ANAC.

On 5 April 2023, the Decree of the Head of the Department was published approving the list of beneficiaries of the tax credit for the purchase of paper for expenses from 2021.

Since the budget allocation exceeded the requests, the full amount requested by the publishing companies was allocated.

As part of the conversion into law of Legislative Decree no. 48/2023, the refinancing for the early retirement of journalists, set forth in paragraphs 498 and 499 of article 1 of Law 160/2019, was introduced on 21 June 2023, with a total allocation of Euro 20 million.

As part of the Extraordinary Fund to Support Publishing for 2023, the extraordinary contribution for each print copy circulated in 2022 will be increased from 5 to 10 euro cents.

The effects of the measures introduced at national level listed above could also have an impact on the Group's business and on economic, equity and financial position.

■ Financial risks

Financial risks related to existing credit lines and loans

The Company has a securitization programme in place, created by the vehicle company Monterosa SPV S.r.l. and structured by Banca IMI S.p.A. as arranger, whose maximum total amount that can be financed is Euro 50.0 million.

The programme provides for the ongoing monthly transfer of portfolios of the Company's trade receivables to Monterosa SPV, either on a definitive non-recourse (i.e., without a guarantee of the transferred debtors' solvency) or on a recourse basis (i.e., with a guarantee of the transferred debtors' solvency) and matures in December 2026.

At 30 June 2023, the credit line for the securitization of trade receivables with recourse (for a total amount of Euro 20.0 million) had been used for Euro 15.4 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. It should also be noted that the contract provides for the possibility for both parties to conclude transactions at the end of each calendar quarter.

Any termination of the securitization transaction would impact the Group's financial operations if the Company is unable to fund itself through commercial net working capital leverage, or unable to raise additional capital and credit resources.

On 20 July 2020, the Company signed the addendum with Monterosa SPV regarding the extension of the securitization programme for an additional six years, extending the maturity date to December 2026, and also modifying the option for both parties to terminate transactions at the end of each calendar half year.

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 Company ensures continuous monitoring of the performance indicators which could, if not met, trigger the causes of impediment envisaged in the securitization contract, also for the purpose of taking all appropriate action in a timely manner to avoid such eventuality.

■ Tax risks

Tax risks related to the ability to recover deferred tax assets

At 30 June 2023, the Group recorded deferred tax assets of Euro 13.5 million (down by Euro 0.6 million compared to 31 December 2022), including Euro 12.9 million related to prior-year losses.

The recovery of this asset is subject to the availability over the next few years of a flow of taxable income sufficient to generate a theoretical tax expense to absorb past losses.

In this regard, article 23, paragraph 9 of Decree Law no. 98 of 6 July 2011 allows the recovery of tax losses without a time limit and a ceiling for their use in each year equal to 80% of taxable income. No indication of the length of the recovery period can be found in the relevant Accounting Standard.

During the period, the tax result - which benefits from untaxed income - was negative overall. In continuity with the criteria used in previous years, deferred tax assets were used limited to the taxable income of subsidiaries with a positive result (for about Euro 274 thousand) and for the cancellation of temporary differences (for about Euro 370 thousand).

Furthermore, the valuation of deferred tax assets on past losses was performed using recovery forecasts consistent with the new 2023-2026 Business Plan, and extending these forecasts to the subsequent period as well. For this subsequent period, the forecast taxable amount was more prudently reduced compared to the forecast used in previous years. Thus, for the period 2027-2029 the reduction was 60% and beyond 2029 the reduction was 100.

If there are negative differences between the forecasts contained in the Plan and the actual figures available, the relevant accounting item will have to be written down. Under no circumstances will the Group recognize new deferred tax assets on prior losses before it has returned to positive stable taxable income. Similarly,

the Group, pending said conditions, does not recognize deferred tax assets on new deductible temporary differences arising from the 2019 financial year.

■ Operational risks

Risks related to the valuation of goodwill, intangible assets and tangible assets (impairment test)

The Group is characterized by a high incidence of goodwill, other intangible assets and tangible assets compared to total assets and equity, and is exposed to the risk of impairment of these assets.

At 30 June 2023, goodwill recognized in the consolidated financial statements amounted to Euro 20,424 thousand, intangible assets amounted to Euro 24,997 thousand and tangible assets, including rights of use recognized in accordance with IFRS 16, amounted to Euro 39,892 thousand, representing 7.8%, 9.6% and 15.3% of total consolidated assets, respectively. In total, at 30 June 2023, goodwill, intangible assets and tangible assets totalled Euro 85,314 thousand, or 32.7% of total consolidated assets, compared to consolidated equity of Euro 21,338 thousand.

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 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 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 characterized by the conflict underway in Ukraine, a sharp upturn in inflation and rising interest rates, the 2023-2026 Plan, although reflecting the increase in the incidence of commodity 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 – was the basis of the impairment test. The results of the impairment test were determined on the basis of the impairment test procedure adopted by the Group, which was approved by the Board of Directors of Il Sole 24 ORE S.p.A. on 21 February 2023.

Consolidated revenues for H1 2023 did not meet forecasts, mainly due to the drop in advertising revenues and the lower than expected performance of some initiatives, while EBITDA and EBIT showed a clear improvement compared to the 2023 plan due to both the different development of the business and actions to limit direct, operating and personnel costs.

In consideration of the results of H1 2023, it is deemed that there is no trigger event in the period of reference and therefore, no new impairment test was carried out on the Group's CGUs.

The assumptions made for the purpose of determining the value in use of the individual cash-generating units, which support these asset values, by their very nature incorporate an element of uncertainty connected with all forecasts; therefore, they could lead to future adjustments to the book values depending on the actual realization of the assumptions underlying the estimates made by the directors.

Any additional future impairment of goodwill, intangible assets and tangible assets tested for impairment could result in a reduction in the Company's and the Group's assets and equity under IFRS, which would have a material adverse effect on the Company's and the Group's business and economic, equity and financial situation and going concern.

Risks related to the internal control and risk management system

Between November 2016 and January 2017, the need emerged to review and analyse the operational processes adopted by the Company deemed most significant in order to identify any critical issues and possible solutions.

The need to do so arose from specific circumstances, namely: the start of inspections by the Supervisory Authority; news that investigations were pending (at the time against unknown persons) by the Judicial Authorities; the results of the audit entrusted to an external consultant on the circulation and sale of copies of the newspaper; and the remarks made by the newly established Supervisory Body and the independent auditors. Following a resolution of the Board of Directors of Il Sole 24 ORE S.p.A., on 16 March 2017, the Company awarded a series of assignments to a leading consulting firm, all aimed at: (i) the identification of any shortcomings and/or significant areas for improvement in the design of the internal control and risk management system (hereinafter also "SCIGR") and of the control processes with respect to the existing Guidelines and Procedures, to the best reference practices and to the requirements of current legislation; (ii) the assessment of the operation and effectiveness of the controls in place. In particular, the audits focused on the following company areas: (i) purchasing area, (ii) commercial area, (iii) expense reimbursement, (iv) circulation and distribution of the newspaper, (v) environment, (vi) health and safety.

These audits were followed by other audits carried out by the Internal Audit Department - in accordance with the annual audit plans approved by the Board of Directors - and by other third-party auditors.

The recommendations made as a result of the aforementioned audits and aimed at strengthening the internal control and risk management system are monitored by the Internal Audit Department, which verifies their actual implementation. The outcome of these follow-up actions is punctually transmitted to the Chief Executive Officer in charge of the internal control and risk management system, the Control, Risk and Related Parties Committee and the Chairperson of the Board of Directors.

In addition, work continued on monitoring administrative and accounting processes in accordance with Law no. 262/2005, assessing the risks to which the Company is exposed (ERM) and updating the internal regulatory system with the issuance of new policies, guidelines and operating procedures and the resulting training/information for Company employees.

In this last regard, it should be noted that in February 2023, the Board of Directors approved the latest version of the Organization, Management and Control Model pursuant to Legislative Decree no.231/2001 (CFR - Risk Organization and control model pursuant to Legislative Decree no. 231, 8 June 2001) and the Code of Ethics of the 24 ORE Group. Subsequently, and effective as of 15 July 2023, further regulatory adjustments were made to the Organization, Management and Control Model pursuant to Legislative Decree no. 231/2001 regarding the new rules on whistleblowing, as most recently updated by Legislative Decree no. 24/2023.

Should the SCIGR be inadequate for the nature and size of the company, inefficiencies or dysfunctions could arise with consequent economic, equity and financial losses for the Company and the Group.

Risk of interruption of printing activity at plants

The printing of the daily newspaper "Il Sole 24 ORE" and other publishing products is completely contracted out to third-party suppliers and is carried out in plants currently located in Erbusco (Brescia), Rome, Cagliari and Messina.

Any interruptions or delays in the delivery of products, which could also arise as a result of the indirect effects of the conflict under way in Ukraine (increase in commodity and energy costs) could have an adverse effect on the Group's economic, equity and financial position.

With all of its printing activities contracted out to third parties, the Group is exposed, in particular with regard to its newspapers, to the possibility that the contracting companies may not abide by the terms agreed upon. It is also exposed to the operational risks of the plants of these companies. For this reason, the Company believes there is dependence on third-party printers. Contractual clauses have therefore been included to guarantee coverage of damage to the Group's activities due to any non-compliance by contractors.

In order to minimize the operational risks, audits are carried out on a quarterly basis to check product quality and the efficiency, functionality and maintenance of the machinery present at external printers. In addition, third-party printers in Erbusco and Rome, which supply 94% of copies produced, were requested a further contractual guarantee that provides for the availability, albeit partial and with limitations, of other rotary presses at the same plants or others owned by them, for the printing of Group products in case the rotary presses included in the contract should become inoperative.

Risk related to the availability of the raw material "coloured paper" in the supply market

The European paper market is characterized by an increasingly small number of reliable and stable suppliers. The last two years have seen the closure of a number of paper mills and the concentration of production in a smaller number of production sites, due to the decrease in overall volumes and the reduction in profit margins for paper suppliers. In this last period, the difficulty of finding recycled paper has generated a strong increase in the prices of the raw material needed for paper manufacturing. This, together with the increase in the prices of energy, oil and related derivatives, has led to plant stoppages for some producers, while others have converted their plants to the manufacture of cardboard, paperboard and packaging material (the only material that has seen an increase in demand).

The decrease in production volumes was such that the paper mills had to reschedule their deliveries. The scenario just described resulted in a major increase in the cost of coloured paper.

Faced with this uncertain and critical period for the supply of paper, the 24 ORE Group has signed a series of framework agreements for the year 2023, with the main players in the supply of coloured paper in Europe, reducing the risk of non-supply and ensuring a favourable purchase price. Unfortunately, in addition to what is described above in this period, due to the ongoing conflict in Ukraine, at the date of this Half-yearly Financial Report, there is also the risk that the European Union may suspend or interrupt gas and oil supply relationships with Russia or have them interrupted, resulting in a further sharp increase in the price of energy and/or possibly even its unavailability; the Group therefore also has to deal with the variability of oil and electricity prices, which heavily affect the production of coloured paper and, despite the contractual agreements in place at the time, in order to guarantee the volumes necessary to print the newspaper, the Group has to negotiate continuous requests for adjustments to the price of coloured paper from contracted suppliers.

The Group cannot rule out the possibility that any difficulties in the procurement, or the unavailability, even temporary, of these raw materials and/or energy, as well as further price increases, could have a negative impact on its profit and loss, financial and asset situation. The Group is constantly monitoring the development of the situation in anticipation of a hoped-for slowdown in the growth of coloured paper prices, applying careful management of paper consumption in production.

Risk related to dependence on a single supplier for the distribution of publishing products in Italy and abroad

On 29 June 2006, the Company signed with M-Dis Distribuzione Media S.p.A. (hereinafter, "M-DIS") an agreement for the exclusive distribution and marketing in Italy and abroad (France and Switzerland) of

newspapers, add-ons and periodicals published by the Group (hereinafter, the "Contract"). During the first half of 2021 M-DIS changed its corporate structure, becoming a 100% subsidiary of RCS.

The decision to turn to M-DIS as the main supplier is consistent with the search for and selection of a better condition for the Group, in terms of reliability and proven ability of the counterparty to manage this activity. Despite the situation of dependence on the contractual relationship with M-DIS, the Company believes that the contents and conditions of the same are currently in line with market practice.

Since M-DIS is the exclusive distributor of the Group's entire distribution service, any suspension and/or interruption of the relationship between the parties could entail the need to identify new operators that can satisfy the Group's needs in a similar manner, both domestically and abroad. During this possible transition phase, the Group may incur higher costs.

It is not possible to exclude that the gradual concentration of distributors of publishing products could generate monopolies and/or territorial oligopolies for certain operators, resulting in a significant increase in the distribution costs borne by the Group, with a consequent negative impact on the Group's business and on its economic, equity and/or financial situation.

On 17 May 2022, the Tender Contract, which had been extended over the years through various addenda to 31 December 2022, was terminated with effect from 1 January 2023, and a tender was called, after which the Company signed a new contract on 28 December 2022 to entrust distribution services to M-DIS until 31 December 2025.

The new agreement provides for the possibility for the Group to withdraw from the contract for reasons related to the Group's autonomous decision to:

- i.* cease publication and distribution of even one of the Editorial Products;
- ii.* terminate even one of the Services;
- iii.* totally or partially cease distribution in Italy or abroad.

The Group constantly monitors developments in the distribution of editorial products in Italy, also with a view to identifying possible alternative solutions in the event of potential interruptions to activities (even for limited periods).

Risks related to possible escalation of conflict with workers

In accordance with the 2021-2024 Business Plan approved by the Board of Directors on 25 February 2021, the Company is pursuing the action of reducing the overall cost of labour, through a structural reduction of the workforce (of all the categories journalists, managers, printers, graphic designers and radio operators) with benefits for the cost structure of the Group⁵. In this context, during the month of October 2021, a discussion with the trade unions was started in order to communicate an overall reorganization of the structure and the presence on the territory with a view to simplifying and rationalizing the corporate organizational structure, aimed at making the business sustainable through a stringent reduction in fixed costs, which will involve the closure of the Carsoli (AQ) site and the reorganization of the Rome office with centralization of the activities and the related personnel at the Milan office. In addition, the Company announced the need to continue its efforts to reduce overall labour costs, via a structural reduction in the workforce of all categories of journalists, managers, graphic designers and radio operators, in order to make the business sustainable.

⁵ The 2023-2026 Plan, which was approved on 21 February 2023, includes the financial effects of the actions set forth in the 2021-2024 Plan, the execution of which is under way and which are expected to be completed in the course of the new 2023-2026 Plan.

During negotiations with the labour unions, agreements were signed regarding the pursuit of a policy to encourage voluntary redundancy, the use of the Extraordinary Wage Guarantee Fund, also aimed at early retirement in the sector, and the use of past leave not taken in order to avoid the use of traumatic instruments.

On 4 March 2022, an agreement was signed at the Ministry of Labour and Social Policies for the procedure for recourse to the extraordinary temporary lay-off scheme (CIGS), also aimed at early retirement, for the three publications "*Il Sole 24 ORE*", "*Radiocor Plus*" and "*Radio24*", for the 7 March 2022 - 31 July 2023 period with the reason "*Company reorganization in the presence of crisis*".

On 1 June 2022, an agreement was signed at the Ministry of Labour and Social Policies for the procedure for recourse to CIGS, also aimed at early retirement, for the graphic designers and printers, for the 8 June 2022 - 7 March 2023 period with the reason "*Company reorganization in the presence of crisis*". The plan ended on 7 March 2023, completing the planned objectives.

In this context, the possibility of an escalation of conflict with workers cannot be ruled out.

Given that the Group's activities mainly include publishing and journalism activities, work stoppages or other forms of conflict by certain categories of workers (in particular journalists and printers, given the rapidity of the economic cycle of the product) could lead to interruptions and, if prolonged, to inefficiencies that could affect the Group's economic results.

FURTHER INFORMATION

Ownership structure and treasury shares

At 30 June 2023, the share capital of Il Sole 24 ORE S.p.A., fully subscribed and paid in, amounted to Euro 570,124.76, divided into 9,000,000 ordinary shares (representing 13.77% of the share capital) and 56,345,797 special category shares listed on the Mercato Telematico Azionario - MTA organized and managed by Borsa Italiana S.p.A. (representing 86.23% of the share capital), including 330,202 treasury shares, all without indication of nominal value.

At 30 June 2023, Confindustria holds all of the ordinary shares of Il Sole 24 ORE S.p.A. and 36,513,430 special category shares, the latter having the rights referred to in article 7 of the Articles of Association, including the right to vote at the Company's general, ordinary and extraordinary shareholders' meetings.

The ordinary shares and special category shares held by Confindustria represent a total of 69.650% of the share capital.

All the shares issued by Il Sole 24 ORE S.p.A., currently owned by Confindustria - Confederazione Generale dell'Industria Italiana, are held in trust for Carlo Bonomi as Chairperson. All further shares that may be acquired in the future by Confindustria will be registered in the name of the *pro tempore* Chairperson.

Pursuant to article 7 of the Articles of Association, the distribution of interim dividends may be resolved in favour of special category shares within the limits and in the manner provided for by law. Pursuant to article 37 of the Articles of Association, should the Shareholders' Meeting approve the distribution of profits, they are attributed a preferential dividend of 5%, equal to Euro 2.60 or, if higher, to the share implicit par value, which may not be accumulated from one financial year to the next. In the event of dissolution of the Company, they shall have a right of preference in the distribution of the Company's assets up to the share implicit par value.

At the date of the Board of Directors' meeting to approve this Half-yearly Financial Report as at 30 June 2023, based on the results of the Shareholders' Register and taking into account the communications received pursuant to article 120 of the Consolidated Law on Finance, the following parties held, directly or indirectly, shares in the Company equal to or greater than 5% of the share capital:

PARTIES THAT DIRECTLY OR INDIRECTLY OWN 5% OR MORE OF THE COMPANY'S SHARE CAPITAL

Declaring Party	Direct Shareholder	% of share capital	% of voting capital
Ordinary shares			
Confindustria - Confederazione Generale dell'Industria Italiana (General Confederation of Italian Industry)	Confindustria - Confederazione Generale dell'Industria Italiana (General Confederation of Italian Industry)	13.773%	13.843%
Special category shares			
Confindustria - Confederazione Generale dell'Industria Italiana (General Confederation of Italian Industry)	Confindustria - Confederazione Generale dell'Industria Italiana (General Confederation of Italian Industry)	55.877%	56.161%

It should be noted that pursuant to paragraph 7 of article 119-bis of the Issuers' Regulation, management companies and qualified entities that have acquired, as part of the management activities referred to in article 116-terdecies, paragraph 1, letters e) and f) respectively, of the Issuers' Regulation, managed investments of more than 3% and less than 5%, are not required to comply with the disclosure obligations provided for in article 117 of the aforementioned Regulations.

There are no authorizations by the Shareholders' Meeting to purchase treasury shares pursuant to article 2357 and following of the Italian Civil Code. However, the Board of Directors was authorized by the Shareholders' Meeting of 28 April 2009 to dispose of the treasury shares held in portfolio, pursuant to article 2357-ter of the Italian Civil Code, without time limits, in accordance with the terms and conditions set out in the share incentive plans approved by the Company from time to time. As at 30 June 2023, Il Sole 24 ORE holds 330,202 treasury shares, equal to 0.58% of the special category shares and 0.51% of the entire share capital, for which voting rights are suspended.

The Board of Directors was also authorized by the Shareholders' Meeting of 27 April 2023 to purchase treasury shares pursuant to article 2437-*quater*, paragraph 5, of the Italian Civil Code, with respect to special category shares subject to withdrawal by Shareholders that did not approve the amendment to article 37 of the Articles of Association, approved by the Extraordinary Shareholders' Meeting on 27 April 2023, and to the extent to which such shares were not purchased during the offer under option or the pre-emption offer promoted by the Company and any third-party placement of them. As at 30 June 2023, the offer under option and pre-emption offer of the above-mentioned special category shares subject to withdrawal, which began on 21 June 2023, was still pending, as it ended on 28 July 2023.

At the date of this Half-yearly Financial Report at 30 June 2023, the Shareholders' Meeting had not granted any powers to the Board of Directors to increase share capital pursuant to article 2443 of the Civil Code or to issue equity instruments.

Organization and Control Model pursuant to Legislative Decree no. 231, 8 June 2001

Legislative Decree no. 231 of 8 June 2001 introduced into Italian law the administrative liability of entities arising from the commission of crimes in the interest or to the advantage of the entity itself.

Also for the purpose of preventing conduct that could result in the perpetration of the offences listed in the Decree, Il Sole 24 ORE S.p.A. adopted for the first time on 28 July 2005 specific internal rules and regulations formalized in the Organization, Management and Control Model pursuant to Legislative Decree no. 231/01 (hereinafter the "231 Model") in accordance with the requirements of the Decree and the guidelines issued by Confindustria.

The Company's Board of Directors therefore approved the 231 Model and appointed the Supervisory Body, which is responsible for overseeing the functioning of and compliance with the Model, as well as for periodically checking its effectiveness and updating it.

The Supervisory Body currently in office was appointed on 27 April 2022 and is composed of Lelio Fornabaio (Chairperson), Loredana Conidi and Giuseppe Crippa.

The Body promptly verifies the state of updating and adequacy of the 231 Model in force, both with reference to the organizational and legislative framework of reference, promoting, where deemed appropriate or necessary, its timely updating. The 231 Model was therefore updated by resolution of the Board of Directors on 30 July 2020, in order to incorporate, in particular, the updating of sensitive activities in light of the expansion of the catalogue of so-called predicate offences. At the same time as updating the 231 Model, the Board of Directors also approved the updating of the Code of Ethics of the 24 ORE Group.

Subsequently, with a resolution of the Board of Directors of 25 February 2021, the 231 Model was updated again in consideration of the issue of Legislative Decree no. 75/2020 of 14 July, implementing the PIF Directive "on the fight against fraud to the Union's financial interests by means of criminal law" (Directive (EU) 2017/1371).

The 231 Model received a further update, approved by resolution of the Board of Directors on 25 February 2022, following the enactment of Legislative Decree no. 184 of 8 November 2021, implementing Directive (EU) 2019/713 on combating fraud and counterfeiting of non-cash means of payment, which introduced a new article, article 25-octies.1, entitled "Offences relating to non-cash payment instruments", and Legislative Decree no. 195 of 8 November 2021, implementing Directive (EU) 2018/1673, which modified the offences regarding receiving stolen goods and money laundering by extending the offences from which they arise also to fines and unintentional offences.

Furthermore, during 2022, activities were started to update the 231 Model with reference to Law no. 22 of 9 March 2022 concerning "Provisions on offences against cultural heritage", which included, in the new Title VIII-bis of the Criminal Code, under the heading "*Of offences against cultural heritage*", a set of offences, ranging from theft, money laundering, destruction and counterfeiting of cultural goods and works of art, introducing two new administrative offences in the list of predicate offences under Legislative Decree no. 231/2001 (article 25-septiesdecies - "Offences against cultural heritage" and article 25-duodevicies - "Laundering of cultural assets and devastation and looting of cultural and landscape assets"). This activity, which was associated with the need to implement further organizational changes that had occurred in the meantime, was concluded at the beginning of 2023, with the approval by the Board of Directors on 21 February 2023 of the latest version of the 231 Model and, also, of an updated version of the 24 ORE Group's Code of Ethics.

Lastly, effective as of 15 July 2023, further regulatory adjustments were made to the 231 Model to comply with the new regulations on whistleblowing, as most recently updated by Legislative Decree no. no. 24/2023. Appropriate in-depth studies and analyses are also being carried out to further update the 231 Model as necessary to adapt it to the latest rulings and regulations on privacy.

The 231 Model currently applicable thus defines the rules of conduct and the control principles aimed at preventing the following predicate offences:

- A. Offences committed to the detriment of the Public Administration;
- B. IT offences;
- C. Organized Crime offences;
- D. Corporate offences;
- E. Offences against the individual personality;
- F. Financial offences or market abuse;
- G. Offences of manslaughter and serious or very serious culpable injuries, committed in violation of accident prevention rules and on the protection of workplace health and safety;

- H. Offences of receiving stolen goods, money laundering and use of money, goods or utilities of illegal origin, as well as self-laundering;
- I. Offences of copyright infringement;
- L. Inducement not to make statements or to make false statements to the Supervisory Authority;
- M. Environmental offences;
- N. Employment of illegally staying third-country nationals;
- O. Racism and Xenophobia;
- P. Tax offences;
- Q. Offences relating to non-cash payment instruments;
- R. Offences against cultural heritage.

On the basis of the analysis carried out, the commission of the other types of offence provided for by the Decree was considered remote or only abstractly and not concretely possible.

The 231 Model also defines the internal disciplinary system aimed at sanctioning any failure to comply with its provisions.

The 231 Model of the Company, general part, and the Code of Ethics of the 24 ORE Group are available on the website of the Company at www.gruppo24ore.ilsole24ore.com in the Governance section.

In order to ensure greater effectiveness in the application of the rules adopted, the Company has promoted the knowledge and dissemination of the 231 Model and the Code of Ethics of the 24 ORE Group. Specific training on the Decree extended to all personnel was therefore carried out in 2020. A new training session was launched in July 2021, again aimed at all personnel and with a precise focus on the principles of control and conduct provided for in the Special Parts of the 231 Model. In the course of 2023, the Company once again started activities for a further phase of personnel training, in line with the evolution of 231 Model and the regulatory framework. It also held a training session specifically for members of the Board of Directors, the Board of Statutory Auditors and the management on 10 May 2023.

The Company continues to monitor regulatory sources in order to promptly make any further updates to the 231 Model and to promote further training initiatives.

During 2022 and 2023, the subject matter was affected by a number of legislative amendments including:

- on 26 February 2022, Decree Law no. 13/2022 entered into force, on "Urgent measures to combat fraud and for safety in the workplace in the field of construction, as well as on electricity produced by plants using renewable sources" (Funds Decree), which broadens the scope of the offences set out in articles 316-*bis* (now named "Embezzlement of public funds"), 316-*ter* (now named "Undue receipt of public funds") and 640-*bis* of the Criminal Code ("Aggravated fraud to obtain public funds"), referred to in article 24 of Legislative Decree no. 231/2001, which was subsequently not converted into Law, however without prejudice to the effects due to article 1, paragraph 2 of Law no. 25 of 28 March 2022, converting, with amendments, Decree Law no. 4/2022, "*containing urgent measures in support of businesses and economic operators, employment, health and local services, connected to the Covid-19 emergency, as well as to limit the effects of price increases in the electricity sector*", which repealed in its entirety Decree Law 13/2022, providing for the survival of the acts and measures adopted as well as the effects produced and the legal relations arising on the basis of the repealed provisions of Decree Law no. 13/2022. In converting Decree Law no. 4/2022, Law no. 25 of 28 March 2022 also inserted article 28-*bis*, which reaffirms the aforementioned amendments;
- on 22 March 2022, as previously mentioned, Law no. 22 of 9 March 2022, containing "Provisions on offences against cultural heritage" (which came into force on 23 March 2022) was published in

the Official Gazette, the amendment of which was implemented with the update to the 231 Model approved by the Board of Directors on 21 February 2023;

- on 15 March 2023, as also mentioned previously, Legislative Decree no. 24 of 10 March 2023 was published, transposing EU Directive 2019/1937 on "*the protection of persons who report breaches of Union law*" (the whistleblowing regulation). The provisions of the above-mentioned Legislative Decree became effective on 15 July 2023, except for certain provisions that will take effect on 17 December 2023. The Company therefore drafted a new 24 ORE Group whistleblowing policy to transpose the new law, which made it necessary to update the 231 Model accordingly, effective as of 15 July 2023, as well as the relative policy for the management of information flows and reports to the Company's supervisory body. Activities that were also carried out, *mutatis mutandis*, by the companies of the 24 ORE Group that have adopted their own organization, management and control model pursuant to Legislative Decree no. 231/2001, namely 24 ORE Cultura S.r.l. and Il Sole 24 ORE Eventi S.r.l.;
- on 22 March 2023, Legislative Decree no. 19 of 2 March 2023 entered into force, in implementation of EU Directive 2019/2121, concerning cross-border transformations, mergers and divisions, effective as of 3 July 2023, a regulation that has been submitted to the Company's Supervisory Body for its consideration as to whether any further steps should be taken;
- finally, the draft delegated law on tax reform, approved by the Council of Ministers on 16 March 2023, called for the Government to introduce into the catalogue of predicate offences set forth in Legislative Decree no. 231/2001 the offences set forth in the Consolidated Law on Excise Duties, as well as the establishment of additional bans as penalties for the most serious customs offences, with implementing legislative decrees to be issued within 24 months of the approval of the Delegated Law. Also in this case, the Supervisory Body reserved the right to consider taking any further steps once the legislative process has been completed.

Transactions with related parties

With reference to transactions with related parties, it should be noted that all transactions carried out with related parties are limited in substance to commercial transactions with related parties and commercial, administrative and financial services with subsidiaries and associates. These transactions are part of normal business operations, within the scope of the typical activity of each party involved, and are regulated at market conditions.

The Company observes its own internal procedure "Regulation of Transactions with Related Parties", adopted on 12 November 2010 by resolution of the Board of Directors (the "Regulation"), in implementation of the Regulation approved by CONSOB resolution no. 17221 of 12 March 2010, and subsequently amended by resolution no. 17389 of 23 June 2010 (the "CONSOB Regulation"). The above Regulation was updated by resolution of the Board of Directors on 19 December 2018. It was subsequently revised, in order to update certain references contained therein, by resolution of the Board of Directors of 19 December 2019, and then updated, in compliance with Consob Resolution no. 21624 of 10 December 2020, by resolution of the Board of Directors of 30 June 2021, and lastly updated, in compliance with the new allocation of Board competences on related party transactions, assigned as of 27 April 2022 to the Control, Risk and Related Party Committee, by resolution of the Board of Directors of 28 July 2022.

Information on transactions with related parties is provided in paragraph 10.1 Transactions with related parties in the notes to the financial statements.

Related parties consist of parties entered in the Register of Related Parties established by the Company. The Regulation is available on the website www.gruppo24ore.ilsole24ore.com, Governance section.

SIGNIFICANT EVENTS OCCURRING AFTER 30 JUNE 2023

On 5 July 2023, Dow Jones and the 24 ORE Group, two top national and international players in the media sector, entered into a multi-year partnership to provide the Italian and foreign markets with business news and financial information characterized by the reliability, accuracy and timeliness of their respective news bulletins.

The new Dow Jones Radiocor Newswire offers real-time news in Italian produced by the Il Sole 24 Ore Radiocor news agency, market news and insights from the Dow Jones Newswire news agency translated from English into Italian, and data on macroeconomic events from more than 60 countries. The new newsletter will be distributed in Italy and abroad, meeting the needs of the Italian business community around the world.

The agreement also includes the possibility for Radiocor to distribute the English-language Dow Jones Institutional News, Equity Trader and Multi-Asset Trader news bulletins in Italy, and for Dow Jones to distribute the Radiocor news bulletin abroad. The partnership between Radiocor and Dow Jones Newswire complements the existing 24 ORE Group collaboration with Factiva, the Dow Jones business intelligence platform, through which the daily content of Il Sole 24 ORE and Radiocor is made available to Factiva's global customer base.

On 14 July 2023, the Shareholders' Meeting of Il Sole 24 ORE S.p.A. approved a settlement with the former Editorial Director of the corporate liability action pursuant to articles 2392 and 2393 of the Italian Civil Code, referred to in the explanatory report published on 14 June 2023, which had been brought, after authorization by the Shareholders' Meeting on 30 April 2019, by means of the civil action lodged before the Court of Milan under G.R. no. 30810/2019.

On 17 July 2023, Elisabetta Floccari took over as Chief Financial Officer of the 24 ORE Group.

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 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.

Italian GDP is expected to grow in both 2023 (+1.2%) and 2024 (+1.1%), albeit at a slower pace than in 2022 (source: *ISTAT* - Italian economy outlook 2023-2024 of 6 June 2023).

In this macroeconomic context characterized 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 context.

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.

Milan, 1 August 2023

The Chairperson of the Board of Directors
Edoardo GARRONE

CONSOLIDATED FINANCIAL STATEMENTS**■ Statement of Financial Position****CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

Euro thousands	Notes (*)	30.06.2023	31.12.2022
ASSETS			
Non-current assets			
Property, plant and equipment	(1)	39,892	45,761
Goodwill	(2)	20,424	20,424
Intangible assets	(3)	24,997	26,403
Investments in associates and joint ventures	(4)	295	300
Non-current financial assets	(5)	828	772
Other non-current assets	(6)	5,872	6,224
Deferred tax assets	(7)	13,503	14,148
Total		105,812	114,032
Current assets			
Inventories	(8)	3,279	2,936
Trade receivables	(9)	64,348	62,588
Other receivables	(10)	4,186	1,633
Other current financial assets	(11)	2,895	4,279
Other current assets	(12)	9,288	6,231
Cash and cash equivalents	(13)	71,257	54,066
Total		155,254	131,733
Assets available for sale		-	-
TOTAL ASSETS		261,066	245,765

(*) Section 8 of the Notes to the Financial Statements

Pursuant to Consob Resolution no. 15519 of 27 July 2006, the effects of transactions or positions with related parties on the statement of financial position, statement of comprehensive income and statement of cash flows of the 24 ORE Group are reported in point 10.1.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

Euro thousands	Notes (*)	30.06.2023	31.12.2022
EQUITY AND LIABILITIES			
Equity	(14)		
Equity attributable to shareholders of the Parent Company			
Share capital	(15)	570	570
Capital reserves	(16)	19,452	19,452
Other reserves	(17)	(3,133)	(3,756)
Profits (losses) carried forward	(18)	(964)	(875)
Profit (loss) attributable to shareholders of the Parent Company	(19)	5,413	534
Total		21,338	15,925
Equity attributable to minority shareholders			
Capital and reserves attributable to minority shareholders		-	-
Profit (loss) attributable to minority shareholders		-	-
Total		-	-
Total equity		21,338	15,925
Non-current liabilities			
Non-current financial liabilities	(20)	77,686	79,138
Employee benefits	(21)	9,394	10,681
Deferred tax liabilities	(7)	4,103	4,268
Provisions for risks and charges	(22)	6,412	6,658
Other non-current liabilities	(23)	10,153	6,673
Total		107,748	107,417
Current liabilities			
Current bank overdrafts and loans	(24)	15,355	14,081
Other current financial liabilities	(25)	10,343	8,929
Trade payables	(26)	89,681	78,686
Other current liabilities	(27)	222	730
Other payables	(28)	16,380	19,997
Total		131,981	122,423
Liabilities available for sale		-	-
Total liabilities		239,729	229,840
TOTAL EQUITY AND LIABILITIES		261,066	245,765

(*) Section 8 of the Notes to the Financial Statements

Pursuant to Consob Resolution no. 15519 of 27 July 2006, the effects of transactions or positions with related parties on the statement of financial position, statement of comprehensive income and statement of cash flows of the 24 ORE Group are reported in point 10.1.

Statement of profit (loss)

CONSOLIDATED STATEMENT OF PROFIT (LOSS)			
Euro thousands	Notes (*)	H1 2023	H1 2022
1) Continuing operations			
Revenues	(30)	104,583	104,628
Other operating income	(31)	4,859	1,634
Personnel costs	(32)	(36,243)	(40,172)
Change in inventories	(8)	343	961
Purchases of raw and consumable materials	(33)	(2,986)	(2,964)
Costs for services	(34)	(49,430)	(47,455)
Costs for rents and leases	(35)	(3,606)	(3,311)
Other operating expenses	(36)	(1,758)	(1,685)
Allocations	(23)	(567)	(479)
Bad debt	(9.5)	(294)	(749)
Gross operating margin		14,901	10,409
Amortization of intangible assets	(3)	(3,681)	(3,884)
Depreciation of tangible assets	(1)	(3,934)	(4,279)
Gain/loss on disposal of non-current assets	(37)	1,187	9
Operating profit (loss)		8,473	2,254
Financial income	(38)	318	338
Financial expenses	(38)	(2,752)	(2,240)
Total financial income (expenses)		(2,433)	(1,902)
Other income from investment assets and liabilities		51	42
Profit (loss) before taxes		6,090	394
Income taxes	(39)	(678)	(799)
Profit (loss) from continuing operations		5,413	(405)
2) Assets held for sale			
Profit (loss) from assets held for sale		-	-
Net profit (loss)	(19)	5,413	(405)
Profit (loss) attributable to minority shareholders		-	-
Profit (loss) attributable to shareholders of the Parent Company	(19)	5,413	(405)
Basic earnings (loss) per share in Euro	(20)	0.08	(0.01)
Diluted earnings (loss) per share in Euro	(20)	0.08	(0.01)

(*) Section 8 of the Notes to the Financial Statements.

■ Statement of comprehensive income

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME		
Euro thousands	H1 2023	H1 2022
Net profit (loss)	5,413	(405)
Other components of comprehensive income		
Other components of comprehensive income that can be reclassified to the income statement	-	-
Other non-reclassifiable components of the statement of comprehensive income	-	1,744
Actuarial gains (losses) on defined-benefit plans	-	1,744
Total comprehensive income (expense)	5,413	1,339
Attributable to:		
Minority shareholders	-	-
Shareholders of the parent company	5,413	1,339
TOTAL COMPREHENSIVE INCOME (EXPENSE)	5,413	1,339

(*) Section 8 of the Notes to the Financial Statements

Pursuant to Consob Resolution no. 15519 of 27 July 2006, the effects of transactions or positions with related parties on the statement of financial position, statement of comprehensive income and statement of cash flows of the 24 ORE Group are reported in point 10.1.

Income components arising from non-recurring events or transactions, i.e. transactions or events that do not recur frequently, are also reported in point 10.4.

Statement of cash flows

CONSOLIDATED STATEMENT OF CASH FLOWS			
Euro thousands	Notes (*)	H1 2023	H1 2022
Statement items			
Profit (loss) before taxes from continuing operations attributable to the Group [a]		6,090	394
Adjustments [b]		9,093	10,257
Amortization/Depreciation	(1.3)	7,615	8,164
(Gains) losses	(36)	(1,187)	(9)
Effect of valuation of investments	(4.5)	(51)	(42)
Allocation and (release) of provisions for risks and charges	(22)	(12)	148
Provision for employee benefits	(21)	294	93
Change in value of tangible and intangible assets		-	1
Financial income and expenses	(37)	2,433	1,902
Changes in operating net working capital [c]		735	10,836
Change in inventories	(8)	(343)	(961)
Change in trade receivables	(9)	(1,760)	3,680
Change in trade payables	(26)	10,996	15,358
Income tax payments		(1,186)	(493)
Other changes in net working capital		(6,971)	(6,747)
Total cash flow from operating activities [d=a+b+c]		15,918	21,487
Cash flow from investing activities [e]		5,173	(1,718)
Investments in intangible and tangible assets	(1.3)	(2,569)	(2,814)
Proceeds from the sale of intangible and tangible assets		6,342	-
Security deposits paid	(6)	(13)	-
Change in receivables guaranteeing financial payables		1,086	1,086
Other changes in investing activities		327	10
Cash flow from financing activities [f]		(3,900)	(4,298)
Net financial interest paid	(37)	(1,189)	(841)
Change in short-term bank loans		188	(1,070)
Changes in other financial payables and receivables		35	(1,242)
Other changes in financial assets and liabilities			146
Change in payables IFRS 16		(2,933)	(1,291)
Change in financial resources [g=d+e+f]		17,192	15,472
Cash and cash equivalents at the beginning of the year		54,066	35,744
Cash and cash equivalents at the end of the period		71,257	51,216
Increase (decrease) for the period		17,192	15,472

(*) Section 8 of the Notes to the Financial Statements

Pursuant to Consob Resolution no. 15519 of 27 July 2006, the effects of transactions or positions with related parties on the statement of financial position, statement of comprehensive income and statement of cash flows of the 24 ORE Group are reported in point 10.1.

Statement of changes in Equity

24 ORE GROUP - STATEMENT OF CHANGES IN EQUITY										
Euro thousands	Share capital	Capital reserves	Legal reserve	Non-distributable reserve pursuant to article 2426	Employee severance indemnity (TFR) reserve - IAS adjustment	Profits (losses) carried forward	Profit (loss) for the period	Equity of parent company shareholders	Equity of minority shareholders	Total equity
	(15)	(16)	(17)	(17)	(17)	(18)	(19)	(15)		(15)
Balance at 31 December 2021	570	19,452	-	-	(5,294)	20,151	(21,029)	13,851	-	13,851
Actuarial adjustment TFR					1,744			1,744		379
Net profit (loss) for the period	-	-	-	-	-	-	(405)	(405)	-	(3,454)
Total income/expenses	-	-	-	-	1,744	-	(405)	1,339	-	1,339
Change in profit (loss) 2021		-				(21,029)	21,029	-		-
Balance at 30 June 2022	570	19,452	-	-	(3,550)	(878)	(405)	15,189	-	15,189
Balance at 31 December 2022	570	19,452	-	-	(3,756)	(875)	534	15,925	-	15,925
Actuarial adjustment TFR					-			-		-
Net profit (loss) for the period	-	-	-	-	-	-	5,413	5,413	-	5,413
Total income/expenses	-	-	-	-	-	-	5,413	5,413	-	5,413
Change in profit (loss) 2022		-	114	509		(89)	(534)	-		-
Balance at 30 June 2023	570	19,452	114	509	(3,756)	(964)	5,413	21,338	-	21,338

(*) Section 8 of the Notes to the Financial Statements

Milan, 1 August 2023

The Chairperson of the Board of Directors
Edoardo GARRONE

NOTES TO THE FINANCIAL STATEMENTS

1. General information

The 24 ORE Group operates in a leadership position in the economic-financial information market, offering its services to the public, professional categories, businesses and financial institutions.

The composition of the Group and the scope of consolidation at 30 June 2023, with changes compared to 31 December 2022, is provided in paragraph 7, Scope of consolidation.

The companies included in the Group's scope of consolidation at 30 June 2023 are:

- **Il Sole 24 ORE S.p.A.**, the Parent Company, which acts both as a holding company, holding the controlling investments in the Group companies, and as an operating company, through the exercise of the core businesses (general, financial and professional information, news agency, etc.);
- **Il Sole 24 ORE UK Ltd.**, a wholly-owned subsidiary, which is responsible for the intermediation in the sale of advertising space in the United Kingdom and internationally;
- **24 ORE Cultura S.r.l.**, a wholly-owned subsidiary specialized in products dedicated to art and photography, and the organization of exhibitions and events;
- **Il Sole 24 ORE U.S.A. Inc.**, wholly-owned subsidiary operating in the sector of political-economic and financial information in the United States;
- **Il Sole 24 ORE Eventi S.r.l.**, wholly-owned subsidiary operating, both in Italy and abroad, in the sector of organization, management, promotion and sale of conferences, events, meetings and forums, which can also be attended remotely and aimed at professionals, companies, public and private entities;
- **Sole 24 ORE Formazione S.p.A.**, an associate with a 15% shareholding operating in the training sector. The company was incorporated on 12 October 2022 and subsequently 85% of the share capital was transferred to them on 9 November 2022 following the conclusion of a partnership with the Multiversity Group. The company is consolidated using the equity method.

The registered and administrative office of the Parent Company is in Milan, Viale Sarca 223. Confindustria holds control of the Parent Company.

The share capital of the Parent Company amounts to Euro 570,124.76, represented by 65,345,797 shares. At 30 June 2023, the total shares are broken down as follows:

- 9,000,000 ordinary shares held by Confindustria, equal to 13.77% of the total number of shares;
- 56,345,797 special category shares listed on the MTA Standard Segment (Class 1) of Borsa Italiana S.p.A., equal to 86.23% of the total number of shares, of which 36,513,430 held by Confindustria, equal to 69.650% of the share capital, 19,502,165 held by other shareholders and 330,202 treasury shares.

The special category shares of Il Sole 24 ORE S.p.A. are currently listed on the MTA in the Standard Segment (Class 1) of Borsa Italiana S.p.A.

SHARE IDENTIFICATION CODES	
Name	Il Sole 24 ORE S.p.A.
ISIN Code	IT0005283111
Reuters Code	S24.MI
Bloomberg Code	S24: IM

On 23 July 2021, Il Sole 24 ORE S.p.A. signed the agreements functional to the issuance of an unsecured, non-convertible bond for a principal amount of Euro 45 million and a duration of 7 years, 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 bond is currently listed on the following multilateral trading facilities:

- Euro MTF of the Luxembourg Stock Exchange;
- ExtraMOT PRO of Borsa Italiana S.p.A.

BOND LOAN IDENTIFICATION CODES	
Name	Il Sole 24 ORE S.p.A.
ISIN Code	XS2355600110
Refinitiv LU Code	XS2355600110=LU
Refinitiv MI Code	XS235560011=MI

The Half-yearly Financial Report at 30 June 2023, comprising the Group's condensed half-yearly consolidated financial statements for the period ended 30 June 2023, the report on operations and the certification required by article 154-*bis*, paragraph 5 of Legislative Decree no. 58/1998 (Consolidated Law on Finance), in accordance with the provisions of article 154-*ter*, paragraph 1 of Legislative Decree no. 58/1998 (Consolidated Law on Finance), was authorized for publication by the Board of Directors on 1 August 2023.

2. Form, content and international accounting standards

These condensed half-yearly consolidated financial statements at 30 June 2023 have been prepared on a going concern basis and in accordance with the recognition and measurement criteria established by the International Accounting Standards (IAS and International Financial Reporting Standards - IFRS), as integrated by the relevant interpretations (Standing Interpretations Committee - SIC and IFRS Interpretations Committee - IFRIC), approved and published by the International Accounting Standards Board - and endorsed by Regulation (EC) no. 1126/2008 of the European Commission and subsequent amendments and additions.

Regulation (EC) no. 1126/2008 of the European Commission and subsequent amendments and additions adopts International Accounting Standards in accordance with Regulation (EC) no. 1606/2002 of the European Parliament and of the Council, expressly referred to in article 154-*ter*, paragraph 3 of Legislative Decree no. 58/1998 (Consolidated Law on Finance) for the preparation of the condensed half-yearly consolidated financial statements at 30 June 2023.

The form and content of these condensed half-yearly consolidated financial statements at 30 June 2023 comply with the disclosures required by IAS 34 - Interim Financial Reporting for condensed half-yearly financial statements. Therefore, the condensed half-yearly consolidated financial statements at 30 June

2023 do not include all the information required by the annual financial statements and shall be read together with the consolidated financial statements for the year ended 31 December 2022. In fact, their purpose is to provide an update since the last annual consolidated financial statements, focusing on new activities, events and circumstances that occurred during the period between 31 December 2022 and 30 June 2023 and providing an explanation of transactions and events that are significant for an understanding of the changes in financial position and result for the period.

The accounting standards and measurement bases used in the preparation of the condensed half-yearly consolidated financial statements at 30 June 2023 are the same as those used in the preparation of the most recent annual consolidated financial statements, to which reference should be made, except as noted in paragraph 4 Changes in accounting standards, errors and changes in estimates.

The currency used for presentation of these condensed half-yearly consolidated financial statements at 30 June 2023 is the Euro and the amounts are expressed in thousands of Euro, except where expressly indicated.

3. Financial Statements

The Group has prepared a Statement of financial position that classifies current and non-current assets and current and non-current liabilities separately.

For each asset and liability item that includes both amounts due within twelve months of the reporting date and amounts due beyond twelve months, the amount expected to be recovered or settled beyond twelve months has been indicated.

The Statement of financial position has been prepared at the end of the reporting period and the comparative figures relate to the annual consolidated financial statements for the previous year.

All revenue and expense items recognized in the period, including financial expenses, share of profit or loss of associates and joint ventures accounted for using the equity method, tax expense, and a single amount relating to total discontinued operations, are presented in the statement of profit (loss) for the period, which immediately precedes the Statement of comprehensive income.

The Statement of comprehensive income begins with the profit or loss for the period, presents the other comprehensive income section and the total other comprehensive income. The result of the Statement of comprehensive income is the total of the profit (loss) for the period and other comprehensive income.

The statement of profit (loss) for the period presents the allocation of profit (loss) for the period attributable to the shareholders of the parent entity and profit (loss) for the period attributable to minority interests.

The Statement of comprehensive income presents a breakdown of comprehensive income for the period attributable to the shareholders of the parent entity and comprehensive income attributable to minority interests.

Items that are recognized outside profit (loss) for the current period on specific provision of certain IAS/IFRS are presented in the other comprehensive income section of the statement of comprehensive income.

The other comprehensive income section must present the items relating to the amounts of other comprehensive income for the period, classified by nature (including the portion of other comprehensive income attributable to associates and joint ventures accounted for using the equity method) and grouped into those which, in accordance with the provisions of other IAS/IFRS:

- will not be reclassified subsequently to profit (loss) for the year;
- will subsequently be reclassified to profit (loss) when certain conditions are met.

Other comprehensive income components that may be reclassified to profit (loss) for the year are:

- gains and losses arising from the translation of the financial statements of a foreign operation;
- the effective portion of gains and losses on hedging instruments in a cash flow hedge;
- gains and losses on the restatement of non-current financial assets.

Other comprehensive income components that cannot be reclassified to profit (loss) for the period are actuarial gains and losses from defined benefit plans.

Items of the statement of other comprehensive income are presented gross of the related tax effects, with a single figure relating to the aggregate amount of tax relating to those items. The tax is allocated between items that could be subsequently reclassified to profit (loss) for the year and those that will not be subsequently reclassified to profit (loss) for the period.

The classification used for the statement of profit (loss) for the period is by nature. The statement of profit (loss) for the period and the Statement of comprehensive income have been prepared for the reference period of the current year and compared with the statements for the corresponding period in the previous year.

Information on cash flows is provided in the Statement of cash flows, which is an integral part of these condensed half-yearly consolidated financial statements.

The method used to present cash flows is the indirect method, whereby the result for the period is adjusted for effects of:

- changes in inventories, receivables and payables generated by operating activities;
- non-monetary transactions;
- all other items the monetary effects of which are cash flows from investing or financing activities.

The statement in which the net financial position is presented has been prepared in accordance with the guidelines on disclosure requirements under the Prospectus Regulation (ESMA 32-382-1138 dated 4 March 2021).

The statement of changes in equity shows:

- the total comprehensive income statement for the period, showing separately the total amounts attributable to the shareholders of the parent company and those attributable to minority interests;
- for each Equity item, any effects of retrospective application or retrospective restatement recognized in accordance with *IAS 8 Accounting standards, changes in accounting estimates and errors*;

for each Equity item, a reconciliation between the book value at the beginning and end of the period, showing separately the changes resulting from:

- profit or loss;
- other components of comprehensive income;
- any transactions with shareholders, with separate indication of contributions from shareholders, distributions of equity to shareholders and changes in interests in subsidiaries without loss of control.

For each component of equity, the statement of changes in equity also presented an analysis of other comprehensive income by element.

The statement of changes in equity has been prepared with reference to the closing date of the period compared with the figures for the corresponding period of the previous year.

A specific table, which is an integral part of these condensed half-yearly consolidated financial statements, lists the Group companies, indicating their name, registered office, capital, shares held directly or indirectly, by the parent company and by each of the subsidiaries, the method of consolidation, as well as the list of investments accounted for using the equity method.

The Notes are presented selectively as an explanation of transactions and events that are significant for an understanding of changes in the statement of financial position and operating results after the end of the last year. In the Statement of financial position, the Statement of profit (loss) for the period, the Statement of comprehensive income, the Statement of cash flows and the Statement of changes in equity, reference is made to the detailed disclosures in paragraph 8 Notes to the financial statements.

4. Changes in Accounting standards, errors and changes in estimates

The accounting standards adopted are amended from one year to the next only if the change is required by a new standard or if it contributes to providing more reliable and relevant information on the effects of transactions on the entity's financial position, economic result or cash flows.

Changes in accounting standards are accounted for:

- in accordance with the specific transitional provisions, if any, of that standard;
- retrospectively, if the standard does not contain transitional provisions, or if the standard is amended voluntarily, with the effect in opening equity for the earliest of the years presented. Other comparative amounts indicated for each prior year are also adjusted as if the new standard had been applied from inception.

The prospective approach is adopted only when it is impracticable to determine the period-specific effects or the cumulative effect of the amendment for all prior periods.

In the case of material errors, the same treatment applies as for amendments in accounting standards as outlined above. In the case of immaterial errors, they are accounted for in the statement of profit (loss) for the period in which the error is detected.

In periods when an accounting standard is applied retrospectively, is retrospectively restated, or is reclassified and the retrospective application, retrospective restatement, or reclassification has a material impact on the information reported in the statement of financial position at the beginning of the prior year, three statements of financial position are presented:

- at the end of the current year;
- at the end of the previous year;
- at the beginning of the previous year.

Changes in estimates are accounted for prospectively in the statement of profit (loss) for the year in which the change takes place if it impacts only the latter, or in the year in which the change takes place and in subsequent years, if the change also impacts the latter.

New accounting standards, interpretations and amendments adopted by the Group

As of 1 January 2023, the following new accounting standards and amendments to accounting standards, which had no impact on the Group's financial statements, apply with respect to the financial statements as at 31 December 2022.

IFRS 17 Insurance Contracts as amended

In May 2017, the IASB issued IFRS 17 Insurance Contracts, a new comprehensive standard relating to insurance contracts covering recognition and measurement, presentation and disclosure.

IFRS 17 replaced IFRS 4 Insurance Contracts, which was issued in 2005. IFRS 17 applies to all types of insurance contracts (e.g. life, non-life, direct insurance, reinsurance) regardless of the type of entity that issues them, as well as to certain guarantees and financial instruments with discretionary participation features.

Limited exceptions apply for this purpose. The overall objective of IFRS 17 is to present an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to IFRS 4, which is largely based on the maintenance of previous accounting policies, IFRS 17 provides a comprehensive model for insurance contracts that covers all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- a specific adjustment for contracts with direct participation features (the variable fee approach);
- a simplified approach (the premium allocation approach) mainly for short-term contracts.

In December 2021, the IASB also issued the initial application of IFRS 17 and IFRS 9 - Comparative information (amendment to IFRS 17). The amendment is a transition option relating to comparative information on financial assets presented in connection with the first-time application of IFRS 17. The amendment is intended to help insurers avoid temporary accounting mismatches between the financial assets and liabilities of insurance contracts, and thus to improve the usefulness of comparative information for users of financial statements. IFRS 17, which takes this amendment into account, is effective for financial years beginning on or after 1 January 2023.

This amendment had no impact on these Group condensed half-yearly consolidated financial statements.

Definition of accounting estimates - Amendments to IAS 8

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of "accounting estimates". The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

This amendment had no impact on these Group condensed half-yearly consolidated financial statements.

Disclosure of accounting policies - Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to disclosures on accounting policies. The amendments aim to help entities provide more useful accounting policy disclosures by replacing the requirement for entities to disclose their "significant" accounting policies with a requirement to disclose their "material" accounting policies; in addition, guidance is added on how entities apply the concept of materiality in making accounting policy disclosure decisions.

The changes had no impact on the Group's condensed half-yearly consolidated financial statements, but are expected to affect the disclosure of accounting policies in the Group's annual consolidated financial statements.

Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12

In May 2021, the IASB issued amendments to IAS 12, narrowing the scope of the initial recognition exception included in IAS 12, which is no longer to be applied to those transactions that give rise to taxable and deductible temporary differences in equal measure.

The amendments are applied to transactions occurring after or at the beginning of the comparative period presented. In addition, at the beginning of the comparative period presented, deferred tax assets (if there is sufficient taxable income) and deferred tax liabilities must be recognized for all deductible and taxable temporary differences associated with leases and restoration provisions.

These amendments had no impact on these Group condensed half-yearly consolidated financial statements.

International Tax Reform - Pillar Two Model Rules - Amendments to IAS 12

On 24 May 2023, the IASB published the International Tax Reform - Pillar Two Model Rules, amending IAS 12 Income Taxes. The document introduces a temporary exception to the recognition of deferred taxes relating to the application of the provisions of Pillar Two published by the OECD.

The amendment applies to financial years beginning on or after 1 January 2023, but has not yet been endorsed by the European Union at the date of these condensed half-yearly consolidated financial statements.

Accounting standards, amendments and interpretations approved or not yet approved by the European Union but not yet in force and not adopted in advance by the Group

The IASB and IFRIC have approved some amendments to the IAS/IFRS already in force and issued new IAS/IFRS and new IFRIC interpretations. As these new documents have a deferred effective date, they have not been adopted for the preparation of these consolidated financial statements, but will be applied from the effective date established as mandatory. Preliminary analyses have shown that the impacts on the Group's consolidated financial statements resulting from the new Standards, Amendments and Interpretations mentioned below are not significant.

The IASB has issued the following amendment, endorsed or not yet endorsed by the European Union: Amendments to IAS 1 Presentation of Financial Statement classification of liabilities as current or non current; Classification of Liabilities as Current or Non-current - Deferral of Effective Date and Non-current Liabilities with Covenants (issued 23 January 2020, 15 July 2020 and 31 October 2022; effective 1 January 2024), Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (issued 22 September 2022; effective 1 January 2024), Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (issued 25 May 2023; effective 1 January 2024).

5. Financial instruments and risk management

With reference to the Group's financial position, economic result and cash flows, additional information is provided to facilitate the assessment of the extent and nature of the related risks.

The risks related to the financial instruments used are:

- market risk, which is the risk that the fair value or cash flows of a financial instrument will fluctuate due to changes in market prices. This risk can be further broken down into:
 - currency risk, i.e. the risk that the value of a financial instrument will fluctuate as a result of changes in exchange rates;

- interest rate risk on fair value, i.e. the risk that the value of a financial instrument or its future cash flows will fluctuate due to changes in market interest rates;
- price risk, i.e. the risk that the fair value of a financial instrument or its future cash flows fluctuate due to changes in market prices;
- credit risk, i.e. the risk that one party to a financial instrument will fail to discharge an obligation and cause a financial loss to the other party;
- liquidity risk, i.e. the risk of encountering difficulties in meeting obligations relating to financial liabilities settled with cash or another financial asset.

Group financial situation

Available credit lines

In order to cover its short-term financial requirements, at 30 June 2023 the Group has available usable credit lines for a total of Euro 20.0 million relating to credit lines for advances on trade receivables with recourse connected with the securitization programme described below.

At 30 June 2023, lines of credit for advances on trade receivables with recourse were used for a total amount of Euro 15.4 million; the remaining portion of the credit lines and available liquidity total Euro 75.2 million (cash and cash equivalents, lines available with recourse, net of the portion to be relegated on collections of receivables already factored without recourse).

On 20 July 2020, an addendum was signed with Monterosa SPV to extend to December 2026 the trade receivables securitization line described below.

On 29 July 2021 Il Sole 24 ORE S.p.A issued an unsecured, non-convertible bond in the principal amount of Euro 45 million and with a duration of 7 years; bullet lump-sum repayment on maturity.

Securitization of trade receivables

In 2013, the Company took part in a securitization programme, carried out by Monterosa SPV S.r.l. (a special purpose vehicle established pursuant to Law 130 of 30 April 1999 and subsequent amendments and additions) and structured by Banca IMI S.p.A. as arranger, through the issue of asset-backed securities to finance the purchase of trade receivables of Il Sole 24 ORE S.p.A. Monterosa SPV S.r.l. is not controlled by the Group and is therefore not included in the scope of consolidation. The 24 ORE Group does not hold any investment in the financial instruments issued by the vehicle.

The programme provides for the ongoing monthly transfer of portfolios of the Company's trade receivables to Monterosa SPV, either on a definitive non-recourse (i.e., without a guarantee of the transferred debtors' solvency) or on a recourse basis (i.e., with a guarantee of the transferred debtors' solvency).

On 13 November 2017, the Company entered into an agreement with Monterosa SPV to extend the maturity of the transaction until December 2020; however, it should be noted that in this agreement, the contract provided for the option to terminate operations by either party at the end of each calendar quarter.

The maximum total amount that can be financed is Euro 50.0 million; at 30 June 2023, the credit line for the securitization of trade receivables with recourse (for a total amount of Euro 20.0 million) had been used for Euro 15.4 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 30 June 2023, there were no causes of impediment to purchase and/or material events that would result in contract termination. On 20 July 2020, an agreement was signed with Monterosa SPV to extend the maturity of the operation for a further 6 years, thus bringing the new maturity date to December 2026; the agreement also provides for the possibility for both parties to terminate the operation at the end of each calendar half-year.

Bond

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 and from 1 November 2021 also on the multilateral trading system "ExtraMOT PRO" of Borsa Italiana S.p.A. The notes representing the bond have not been assigned a rating.

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.

Financial risk

Financial risks are managed in accordance with the principle of prudence and the minimization of risks associated with financial assets and liabilities; transactions involving the investment of liquidity or the raising of the necessary financial resources are carried out with the primary objective of neutralizing, on the one hand, the risk of loss of capital, avoiding speculative transactions, and, on the other, the risk of fluctuations in interest rates, avoiding exposing the result for the period to any unexpected increases in financial expenses.

The Group constantly monitors the financial risks to which it is exposed, in order to assess any negative impact and take appropriate action to mitigate them. The Board of Directors of the Parent Company has overall responsibility for the creation and supervision of the Group's risk management system, as well as for the development and control of risk management policies.

The Group's risk management policies aim to identify and analyse the risks to which the Group is exposed, defining the appropriate limits and systems for monitoring these risks. The policies and related systems are reviewed periodically in consideration of changes in market conditions and the Group's business.

The financial management of subsidiaries is carried out through specific intercompany current accounts into which any surplus liquidity is deposited or into which the Parent Company transfers the financial resources necessary for the operating management of the same companies, with the aim of optimizing also the impact on the income statement in terms of financial income and expenses accrued on said current accounts.

The terms and conditions applied to intercompany current account agreements at 30 June 2023 are as follows:

- lending rate on stocks of subsidiaries: 1-month Euribor +4.95% (determined considering the nominal rate of the bond);
- borrowing rate on the debt of subsidiaries: 1-month Euribor +4.95% (determined considering the nominal rate of the bond);
- repayment terms within 48 hours of any request by the Parent Company.

Centralized management of Group finance also makes it possible to efficiently control and coordinate the operations of the individual subsidiaries, including through more effective financial planning and control, which can also provide useful indications for optimizing the management of relations with banks and credit institutions of reference, and to systematically monitor the Group's financial risk and treasury performance.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices, due to changes in interest rates, foreign exchange rates, or the prices of equity instruments. The objective of market risk management is to manage and control the Group's exposure to this risk within appropriate levels, while at the same time optimizing the return on the investments to which this risk is linked.

Exchange rate risk

The Group is marginally exposed to exchange rate risk on purchases denominated in currencies other than the functional currency of the various Group entities.

These transactions mainly refer to the EUR/USD, EUR/GBP and EUR/CHF exchange rates.

It is the Group's policy to fully hedge, where possible, significant exposures arising from receivables and payables denominated in currencies other than the Euro.

Interest rate risk

The Group's results are partially exposed to fluctuations in market interest rates. Following the issue of the unsecured and non-convertible bond loan for a principal amount of Euro 45 million, the interest risk is reduced as the instrument is fixed-rate.

The return on any financial investments, represented by short-term financial investments with maturities not exceeding three months, is not affected by changes in interest rates.

The cost of any financial funding relating to current account overdrafts and short-term hot money lines, which do not have maturities exceeding six months, is therefore not affected by changes in interest rates.

Price risk

The main raw material used by the Group, which could show significant price risks, is paper.

Paper procurement is managed centrally for all the Group's business units through careful planning of purchases and stock management. In line with best market practice, supply agreements are stipulated with leading Italian and foreign counterparts at defined quantity and price conditions for the maximum duration that the market currently allows, i.e. approximately one year.

The Group is not using hedging derivatives such as paper swaps, as these instruments are characterized by limited liquidity in terms of both counterparties and maturities.

Credit risk

Credit risk is the risk that a customer or one of the counterparties to a financial instrument will generate a financial loss by failing to meet an obligation.

Within the Group, credit risk mainly relates to trade receivables generated by the sale of products and services by the various business units.

In relation to the type of customers to which the Group's products and services are aimed, it is not considered that there is a high risk in terms of trade receivables, against which, given that there is no evidence of an excessive concentration of risk, it is nevertheless considered appropriate to follow operating procedures that limit sales to customers considered not solvent or unable to provide adequate guarantees.

Credit risk control activities for customers are carried out by grouping them by type and business area, considering whether they are advertising agencies, companies and financial institutions, public entities, professionals and individuals, distributors and book stores, or other customers, also examining their geographical location, sector, age of credit, due date of invoices issued and previous payment behaviour.

A specific bad debt provision has been set up to cover any losses due to non-collectible receivables.

Liquidity risk

Liquidity risk is represented by the risk that the Group may have difficulty in fulfilling the obligations associated with its financial liabilities and, therefore, have difficulty in obtaining, on economic terms, the financial resources necessary for its operations.

The Group's approach to managing liquidity risk is to ensure, as far as possible, that there are always sufficient financial reserves to meet its obligations as they fall due, both in normal conditions and in the event of financial stress.

The main factors that determine the Group's liquidity are represented by the flows generated or absorbed by operating and investment activities, and by the flows linked to the repayment of financial liabilities and the collection of income from financial investments, as well as the trend in market rates.

The Group has launched a series of actions to optimize the management of financial resources and mitigate liquidity risk:

- centralized management of the Group's liquidity through constant withdrawal of the financial surpluses of the subsidiaries and by covering the needs of the same subsidiaries with resources provided by the Parent Company;
- maintaining an adequate reserve of available liquidity;
- availability of adequate short and medium-term credit lines;
- planning of the prospective financial situation also with reference to the incidence of medium/long-term debt on the overall net financial position;
- use of an adequate internal control system to assess available liquidity in relation to the company's operational planning.

Criteria for determining fair value

The methods and main assumptions used to determine the fair values of financial instruments are set out below.

Non-derivative financial liabilities

Fair value is calculated on the basis of the present value of estimated future cash flows of principal and interest, discounted using the market interest rate at the reporting date.

Interest rates used to calculate fair value

The interest rates used to discount expected cash flows, where applicable, are based on the yield curve of government securities at the reporting date plus an appropriate credit spread.

Fair value and book value

The following table shows, for each financial asset and liability and for trade receivables and payables, the book value recorded in the balance sheet and the relative fair value:

FAIR VALUE				
Euro thousands	30.06.2023		31.12.2022	
	Book value	Fair Value	Book value	Fair Value
Minority investments	828	828	772	772
M/L financial receivables and security deposits	104	104	91	91
M/L financial receivables IFRS 16	5,742	5,742	6,088	6,088
Receivables from customers	70,038	70,038	68,066	68,066
Cash and cash equivalents	71,257	71,257	54,066	54,066
S/T financial receivables IFRS 16	685	685	667	667
S/T financial receivables	2,210	2,210	3,612	3,612
M/L financial payables IFRS16	(34,585)	(34,585)	(35,226)	(35,226)
Bond	(45,148)	(43,745)	(43,873)	(42,512)
Other M/L financial payables to third parties	-	-	(971)	(971)
Unsecured current account advances	(15,355)	(15,355)	(14,081)	(14,081)
Other financial payables to third parties	(2,816)	(2,816)	(3,152)	(3,152)
S/T financial payables IFRS 16	(5,480)	(5,480)	(4,844)	(4,844)
Trade and other payables	(44,670)	(44,670)	(41,301)	(41,301)
Total	2,812	4,215	(10,086)	(8,725)
(Loss) / Profit not recognized		1,403		1,361

All the Group's financial assets and liabilities are classified in level 3 of fair value, with the exception of bonds, which are valued in level 1 on the basis of their most recent listing on the Euro MTF market of the Luxembourg Stock Exchange.

In measuring fair value, consideration was given to the impact of potential climate-related issues and risks, including applicable regulations, that may affect the measurement of the fair value of assets and liabilities in the financial statements. Such risks in relation to climate-related issues are included as a key assumption where they significantly affect the measure of recoverable amount. These assumptions were also included in the cash flow forecasts for the valuation of values in use. At this time, the impact of climate-related issues is not material to the Group's financial statements.

Guarantees and commitments

At 30 June 2023, the Group has bank and insurance sureties outstanding for a total of Euro 9,350 thousand.

These sureties are summarized below:

- sureties issued by the Parent Company to guarantee lease agreements for Euro 4,345 thousand. In particular, we note the sureties in favour of Finamo for the property located at Piazza Indipendenza 23 in Rome for Euro 238 thousand and in favour of PFO2, as a guarantee of the correct fulfilment of all the obligations of the lease agreement for the property located in Viale Sarca 223 in Milan, for Euro 4,100 thousand;
- guarantee in favour of Selective Core Italy SICAF to guarantee the payment of the instalments relating to the indemnity for the early termination of the lease agreement for the property located at Via Monte Rosa 91 for Euro 2,171 thousand;
- sureties issued by the Parent Company and its subsidiaries mainly in favour of ministries, public entities or municipalities to guarantee calls for tenders, competitions for prizes, contracts for the supply of services, etc., totalling Euro 2,194 thousand;
- sureties issued by the Parent Company to guarantee the commitments of its subsidiaries to private third parties or public entities in relation to tenders, commercial transactions, supply contracts, etc., totalling Euro 640 thousand, granted on the Parent Company's bank credit lines.

It should be noted that, in order to guarantee the issuance of the surety in favour of Selective Core Italy SICAF connected to the payment of the instalments relating to the indemnity for the early termination of the lease of the property located at Via Monte Rosa 91 for residual Euro 2,171 thousand, on 19 December 2019, the Parent Company signed with Banca Intesa Sanpaolo a deed of pledge on the balance of a dedicated current account and a contract for the transfer of receivables as collateral, having as its object the receivable connected to the deferred price portion, amounting to Euro 16,500 thousand, deriving from the disposal of the shares of the company Business School24 S.p.A., the payment of which was collected on the dedicated current account on 23 December 2021. The pledge is effective for a maximum guaranteed residual amount of Euro 2,171 thousand until the obligations connected with the guarantee are fulfilled and in particular, the payment of the instalments of the indemnity indicated above. The amount is recorded under current financial assets.

6. Key sources of estimation uncertainties

Estimates are made primarily in the context of the going concern assumption, the recognition of impairment losses on assets, the calculation of returns to be received for distributed publishing products, the calculation of renewal rates for gracing subscriptions, the determination of write-downs of receivables and inventories, the quantification of amounts to be set aside against probable risks and the assessment of the recoverability of deferred tax assets.

Estimates are also used in actuarial calculations to determine employee severance indemnities and agents' termination indemnities; to measure taxes: to determine the fair value and useful life of assets; to determine the lease term of contracts that contain an extension option and the incremental borrowing rate.

Estimates and assumptions are reviewed at least annually and the effects of any changes are immediately reflected in the determination of values.

In particular, estimates relating to the measurement of the recoverable amount of goodwill and other intangible assets with indefinite useful life are made on the basis of fair value less costs to sell or value in use

using the discounted cash flow technique. The valuation techniques and assumptions used are explained in section 8 Notes to the financial statements of the relevant items. The Group also assesses whether climate risks could have a significant impact; these risks in relation to climate-related issues are included as assumptions if they have a significant impact on the estimate of recoverable amount.

Estimates of returns of publishing products are carried out using statistical techniques and updated monthly on the basis of final figures received.

The estimate of legal risks takes into account the nature of the dispute and the probability of losing the case.

7. Scope of consolidation

SUBSIDIARIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS ON A LINE-BY-LINE BASIS

Company Name	Business	HQ	Currency	Share Capital fully paid-in	% of consolidation	Held by
24 ORE Cultura S.r.l.	Products dedicated to art	Milan	Euro	120,000	100.0%	Il Sole 24 ORE S.p.A.
Il Sole 24 ORE Eventi S.r.l.	Organization, management and sale of events	Milan	Euro	24,000	100.0%	Il Sole 24 ORE S.p.A.
Il Sole 24 ORE UK Ltd.	Sale of advertising space	London	Euro	50,000	100.0%	Il Sole 24 ORE S.p.A.
Il Sole 24 ORE U.S.A. INC.	American News Agency	New York	Dollar	2,000	100.0%	Il Sole 24 ORE S.p.A.

ASSOCIATES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS WITH THE EQUITY METHOD

Company Name	Business	HQ	Currency	Share Capital fully paid-in	% ownership	Held by
Sole 24 ORE Formazione S.p.A.	Training services	Milan	Euro	50,000	15.0%	Il Sole 24 ORE S.p.A.

Investments in subsidiaries

At the date of these condensed half-yearly consolidated financial statements, there were no changes from the Consolidated financial statements for the year ended 31 December 2022.

Investments in associates and joint ventures

At the date of these condensed half-yearly consolidated financial statements, there were no changes from the Consolidated financial statements for the year ended 31 December 2022.

Minority investments

There were no changes compared to the previous approved financial statements. Details are shown in the notes to the statement of financial position under the corresponding item.

8. Notes to the financial statements

Impairment test

Introduction

The impairment test consists of verifying whether there are any indications that an asset may be impaired. In the case of goodwill and intangible assets with indefinite useful life, it shall be verified at least annually that their recoverable amount is at least equal to their book value.

The impairment test must be carried out at least annually and when necessary, i.e. in the presence of a trigger event (IAS 36 paragraph 9).

In this regard, it should be noted that in H1 2023, consolidated revenues did not meet forecasts, mainly due to the drop in advertising revenues and the lower than expected performance of some initiatives, while EBITDA and EBIT showed a clear improvement, in H1 2023, compared to the 2023-2026 plan used to determine the value in use for the impairment test at 31 December 2022, due to both the different development of the business and actions to limit direct, operating and personnel costs.

Specifically, with regard to the two CGUs for which an impairment loss had emerged as of 31 December 2022, please take note of the following:

- Events: Revenues in H1 2023 were in line with expectations, while EBITDA and EBIT were higher than the 2023-2026 plan used to determine value in use for the impairment test as at 31 December 2022;
- Radio: although the results for H1 2023 show a delay with respect to the interim budget expectations, this difference, taking into account the actions already undertaken aimed at improving margins, is deemed recoverable and is not such so as to require a revision of the medium- to long-term forecasts set forth in the 2023 - 2026 Plan.

In addition, a sensitivity analysis was performed based on an update of the market rate trend; the analysis showed that the rates calculated for the impairment test as at 31 December 2022 were still consistent with the reference macroeconomic context.

In consideration of the above, it is deemed that there is no trigger event in the period of reference and therefore, no new impairment test was carried out on the Group's CGUs.

Non-current assets

(1) Property, plant and equipment

Property, plant and equipment at 30 June 2023 amounted to Euro 38,892 thousand and the breakdown is as follows:

PROPERTY, PLANT AND EQUIPMENT		
Euro thousands	Net value at 30.06.2023	Of which invest- ments
Plant and equipment	7,705	234
Industrial and commercial equipment	2,619	44
Rights of use	29,553	149
Other assets	15	15
Total	39,892	442

Investments in H1 2023 amounted to Euro 442 thousand and mainly relate to:

- plant and equipment amounting to Euro 234 thousand, of which general plant for Euro 113 thousand and broadcasting equipment for Euro 98 thousand;
- industrial and commercial equipment in the amount of Euro 44 thousand and referring to hardware purchases;
- rights of use amounting to Euro 149 thousand and referring to the recognition of the present value of future lease payments as an asset (right of use) in relation to car rental fees. With regard to contracts for the lease of space and areas held for the positioning of radio broadcasting equipment owned by the Group, the useful life of the asset was determined considering their duration equal to the plan period.

The changes are as follows:

PROPERTY, PLANT AND EQUIPMENT							
Euro thousands	Opening Balance	Purchases	Disposals	Depreciation	Disposal of assets - Write off	Other changes	Closing Balance
Historical Cost:							
Land	2,412	-	(2,412)	-	-		0
Buildings	28,124	-	(28,123)	-	-		1
Plant and equipment	87,852	234	(24,494)	-	-	-	63,592
Industrial and commercial equipment	39,599	44	(3,764)	-	(495)		35,384
Rights of use	55,054	149	-	-	-	2,709	57,912
Other assets	1	15	-	-	-	-	16
Total historical cost	213,041	442	(58,792)	-	(495)	2,709	156,906
Accumulated depreciation:							
Buildings	(26,031)	-	26,070	(40)	-		(1)
Plant and equipment	(79,343)	-	24,129	(673)	-		(55,887)
Industrial and commercial equipment	(36,201)	-	3,439	(497)	494		(32,766)
Rights of use	(25,704)	-	-	(2,724)	-	69	(28,359)
Other assets	(1)	-	-	-	-	-	(1)
Total accumulated depreciation	(167,280)	-	53,637	(3,934)	494	69	(117,014)
Tangible assets:							
Land	2,412	-	(2,412)	-	-	-	0
Buildings	2,093	-	(2,053)	(40)	-	-	0
Plant and equipment	8,510	234	(365)	(673)	-	-	7,705
Industrial and commercial equipment	3,397	44	(325)	(497)	(1)	-	2,619
Rights of use	29,350	149	-	(2,724)	-	2,779	29,553
Other assets	0	15	-	-	-	-	15
Total	45,761	442	(5,155)	(3,934)	(1)	2,779	39,892

Depreciation of tangible assets amounted to Euro 3,934 thousand and was determined in relation to the expected useful life. Assets purchased during the period are depreciated from the time they are available for use. The criteria used to determine them did not change from the previous year.

Disposals of Euro 5,155 thousand refer to assets sold, of which Euro 1,144 thousand referring to the Carsoli (AQ) site and Euro 4,011 thousand relating to the Milan production site (via Busto Arsizio). In particular, the assets being sold en bloc (not split up) refer to the two real estate complexes that the Group owned, used as offices and production facilities, although no longer operational. These properties refer to land, buildings, internal fixed plants and external construction works and also include two Regioman model rotary presses from MANROLAND WEB SYSTEMS no longer in use as of 16 March 2021, purchased at the end of 2004, installed in 2005 and expanded in 2008. As a result of the sale, a total capital gain of Euro 1,157 thousand

was recognized. The contractual agreements underlying the sale of the property in Milan at via Busto Arzizio provide, inter alia, for an additional price component of Euro 750 thousand, already paid by the purchaser and deposited in an escrow account at a notary's office. This sum will be defined and possibly released upon the occurrence of certain contractually agreed conditions by the end of 2023. Therefore, the capital gain recognized as at 30 June 2023 was determined without considering the additional price component.

The application of IFRS 16 resulted in the recognition under non-current assets of the right to use the asset covered by the contract, in particular rental of hardware and vehicles, leases of spaces and areas held for the positioning of radio broadcasting equipment owned by the Group. The value of the rights of use thus determined is Euro 29,553 thousand.

Below is the breakdown of the rights of use:

RIGHTS OF USE						
Euro thousands	Opening Bal- ance	Purchases	Disposals	Depreciation	Other changes	Closing Bal- ance
Historical Cost:						
Right of use properties	44,910	-	-	-	2,786	47,696
Right of use broadcasting towers	6,662	22	-	-	-	6,683
Right of use cars	3,482	128	-	-	(77)	3,533
Total historical cost	55,054	149	-	-	2,709	57,912
Accumulated depreciation:						
Right of use properties	(20,208)	-	-	(1,962)	-	(22,170)
Right of use broadcasting towers	(3,156)	-	-	(442)	-	(3,598)
Right of use cars	(2,339)	-	-	(321)	69	(2,591)
Total accumulated depreciation	(25,704)	-	-	(2,724)	69	(28,359)
Rights of use						
Right of use properties	24,702	-	-	(1,962)	2,786	25,526
Right of use broadcasting towers	3,505	22	-	(442)	-	3,085
Right of use cars	1,143	128	-	(321)	(8)	942
Total	29,350	149	-	(2,724)	2,779	29,553

With reference to the lease agreement for the offices in Milan via Sarca, it should be noted that this contract provides for a term of ten years, tacitly renewable for a further six years unless one of the parties gives formal notice of termination at least twelve months prior to expiry, in accordance with current legislation. For the purposes of accounting for this lease in accordance with IFRS 16, the Group has considered the initial ten-year period as the term of the contract but has not included the renewal period as, at the date of preparation of the financial statements, it is not reasonably certain that it will exercise this option.

Other changes amounting to Euro 2,779 thousand mainly refer to the Istat revaluation of office and Mudec rental contracts.

The following table shows the useful life of the assets included in the categories reported in the financial statements:

USEFUL LIFE OF PROPERTY, PLANT AND EQUIPMENT		
Asset category	Useful Life	Rate
Land	Indefinite	-
Buildings		-
Industrial buildings	30-33 years	3%-3.33%
Lightweight construction	12 years	8.33%
Plant and equipment		-
General plants	10-20 years	5%-10%
Plants (leasehold improvements)	10-12 years	8.33%-10%
Radio broadcasting systems	3-9 years	11.1%-33.33%
Industrial and commercial equipment		
Hardware	5 years	20.00%
Furniture and fittings	5-20 years	5%-20%
Electronic office equipment	5 years	20%
Acclimatization plants	20 years	5.00%
Internal means of transport	10 years	10.00%
Miscellaneous and small equipment	10 years	10%

The right of use is depreciated over the duration of the contract or, if shorter, over the useful life of the asset.

(2) Goodwill

Goodwill recorded in the financial statements amounted to Euro 20,424 thousand, unchanged from 31 December 2022.

The book values of goodwill attributed to CGUs (Cash Generating Units) are as follows:

GOODWILL					
values in Euro thousands	Historical values	write-downs previous years	Opening Balances	Decreases	30.06.2023
Professional Services	15,469	-	15,469	-	15,469
Events	6,549	(1,595)	4,954	-	4,954
Total	22,018	(1,595)	20,424	-	20,424

Goodwill and intangible assets with indefinite useful life are not subject to amortization but to an impairment test of their book value, not necessary for the purposes of preparing these condensed half-yearly consolidated financial statements as described above.

(3) Intangible assets

Intangible assets amounted to Euro 24,997 thousand and the breakdown is as follows:

INTANGIBLE ASSETS		
Euro thousands	Net value at 30.06.2023	Of which investments
Radio frequencies	14,660	-
Licences and software	8,982	1,462
Assets in progress and advances	1,355	814
Total	24,997	2,276

Investments in intangible assets amounted to Euro 2,276 thousand and included Euro 211 thousand for the capitalization of internally developed software (at 30 June 2022 they amounted to Euro 240 thousand).

Investments in assets in progress relate to software projects in progress and refer to the development of new products and development of systems for processes.

Changes in intangible assets in H1 2023 are as follows:

INTANGIBLE ASSETS						
Euro thousands	Opening Balance	Purchases	Disposals	Amortization/Depreciation	Other changes	Closing Balance
Historical cost:						
Newspapers	9,245	-	-	-	-	9,245
Trademarks	724	-	-	-	-	724
Radio frequencies	95,911	-	-	-	-	95,911
Licences and software	131,354	1,462	(132)	-	749	133,433
Assets in progress and advances	1,289	814	-	-	(749)	1,355
Total historical cost	238,523	2,276	(132)	-	-	240,667
Accumulated amortization:						
Newspapers	(9,245)	-	-	-	-	(9,245)
Trademarks	(724)	-	-	-	-	(724)
Radio frequencies	(80,664)	-	-	(586)	-	(81,251)
Licences and software	(121,488)	-	132	(3,094)	-	(124,451)
Total accumulated amortization	(212,121)	-	132	(3,681)	-	(215,670)
Intangible assets:						
Newspapers	-	-	-	-	-	-
Trademarks	-	-	-	-	-	-
Radio frequencies	15,247	-	-	(586)	-	14,660
Licences and software	9,867	1,462	-	(3,094)	749	8,982
Assets in progress and advances	1,289	814	-	-	(749)	1,355
Total	26,403	2,276	-	(3,681)	-	24,997

Amortization of intangible assets amounted to Euro 3,681 thousand. The criteria for determining amortization of licences and software did not change compared to the previous year.

The following table shows the useful life of the assets included in the categories reported in the financial statements:

USEFUL LIFE OF INTANGIBLE ASSETS			
Asset category		Useful life	Rate
Radio frequencies		15 years	6.67%
Licences and software		3 years	33.33%

(4) Equity investments in associates

The item as at 30 June 2023 consisted of the value of the equity investment in Sole 24 ORE Formazione S.p.A., the change occurring in H1 2023 refers to the adjustment of the value of the fraction of shareholders' equity of the investee company pertaining to the Group following the approval of the financial statements for the year.

INVESTMENTS IN ASSOCIATES			
Euro thousands	30.06.2023	Valuation of investment using the equity method	31.12.2022
Sole 24 ORE Formazione S.p.A.	295	(5)	300

In the previous year, on 12 October 2022 Il Sole 24 ORE S.p.A. established the company Sole 24 ORE Formazione S.p.A., operating in the training sector, with a 100% shareholding of Euro 50 thousand. Subsequently, on 9 November 2022, following the conclusion of a partnership contract with the Multiversity Group, 85% of the share capital, amounting to Euro 50 thousand, of the newly incorporated company Sole 24 ORE Formazione S.p.A. was transferred to them.

As a result of the transaction, the share capital of Sole 24 ORE Formazione S.p.A is currently held by Il Sole 24 ORE S.p.A. for 15% and by Multiversity S.p.A. for 85%. The company is listed as an equity investment in associates as a result of the signing of governance clauses agreed between the shareholders, which de facto result in "significant influence" over the company. The residual interest in Sole 24 ORE Formazione S.p.A. was recorded with the equity method; the investment is initially recognized at cost and the carrying amount is increased or decreased to recognize the investor's share of the investee's profits or losses realized after initial recognition as required in the consolidated financial statements by IAS 28. On 9 November 2022, Il Sole 24 ORE S.p.A. made a capital contribution of Euro 293 thousand.

(5) Non-current financial assets

This item relates to minority investments totalling Euro 828 thousand (Euro 772 thousand at 31 December 2022).

Minority investments are measured at fair value (with changes recognized in the income statement), which is considered to be close to the value of the Group's portion of equity of the investee company.

MINORITY INVESTMENTS			
Euro thousands	30.06.2023	change in fair value	31.12.2022
Ansa Soc. Coop a.r.l.	596	36	560
Dab Italia Società consortile per azioni	94	13	81
C.S.I.E.D.	71	0	71
Immobiliare Editoriale Giornali S.r.l.	19	(1)	19
S.F.C. Società Consortile per azioni	1	0	1
Player editore radio S.r.l.	7	0	6
Tavolo Editori Radio S.r.l.	40	7	33
Total minority investments	828	56	772

(6) Other non-current assets

Other non-current assets amounted to Euro 5,872 thousand and the breakdown is as follows:

OTHER NON-CURRENT ASSETS			
Euro thousands	30.06.2023	31.12.2022	Changes
Medium/long-term financial receivables IFRS 16	5,742	6,088	(346)
Security deposits	104	91	13
Tax receivables	26	45	(19)
Total	5,872	6,224	(352)

In accordance with IFRS 16, "Medium/long-term financial receivables IFRS 16" were recorded for Euro 5,742 thousand equal to the present value of collections due under sublease agreements, the value of which was Euro 6,088 thousand at 31 December 2022 and refers primarily to the sublease agreement with the associated company Sole 24 ORE Formazione S.p.A., involving the lease of spaces of the Milan - viale Sarca office.

The item Other medium/long-term receivables includes advances to suppliers, which are entered in the financial statements at their estimated realizable value and which were fully written down in previous years.

(7) Deferred tax assets and deferred tax liabilities

The items express the effect of deferred tax assets and liabilities calculated, respectively, on deductible and taxable differences temporarily arising between the book values and tax values.

The amounts at 30 June 2023 and 31 December 2022 of deferred tax assets and deferred tax liabilities are shown below:

DEFERRED TAX ASSETS AND LIABILITIES			
	30.06.2023	31.12.2022	Changes
Deferred tax assets	13,503	14,148	(644)
Deferred tax liabilities	4,103	4,268	(165)
Net	9,400	9,880	(480)

Deferred tax assets relate to tax assets recognized on tax losses that can be carried forward for Euro 12,875 thousand and to assets recognized on other temporary differences for Euro 628 thousand.

In this regard, it should be noted that article 23, paragraph 9, of Decree Law no. 98 of 6 July 2011 allows the recovery of tax losses without maturity. However, taking into account the difficulty of estimating taxable profits, the Group has not recognized deferred tax assets since 2013.

During the period, the tax consolidation result was negative due to the presence of untaxed contributions and expenses not deducted in previous years, therefore, deferred tax assets on losses were utilized in the amount of Euro 274 thousand exclusively against the positive taxable income contributed to the tax consolidation by the subsidiary Il Sole 24 ORE Eventi S.r.l., as in previous years.

Deferred tax assets on other timing differences arise from taxed changes that will be reversed in future years, mainly in relation to taxed provisions and asset impairment. During H1 2023, these temporary differences were reduced, resulting in the use of deferred tax assets of Euro 370 thousand.

As in previous years, the valuation of deferred tax assets on past losses was performed using recovery forecasts consistent with the new 2023-2026 Business Plan, and extending these forecasts to the subsequent

period. For this subsequent period, the forecast taxable amount was reduced as in the previous year. Thus, for the period 2027-2029 the reduction was 60% and beyond 2029 the reduction was 100%.

If there are negative differences between the forecasts contained in the Plan and the actual figures available, the relevant accounting item will have to be written down. Under no circumstances will the Group recognize new deferred tax assets on prior losses before it has returned to positive stable taxable income. Similarly, the Group, pending said conditions, does not recognize deferred tax assets on new deductible temporary differences arising from the 2019 financial year.

The total theoretical tax asset on losses, which the Group did not recognize (determined on the basis of the last tax return filed) amounted to Euro 77 million.

Deferred tax liabilities are recognized on the value of concessions and radio frequencies originally recognized following reorganization operations and following the tax-only amortization of concessions and radio frequencies with indefinite useful life as well as taxable temporary differences on subleases, recognized on the first-time adoption of the new IFRS 16.

During H1 2023, deferred tax liabilities decreased by Euro 165 thousand in connection with the recognition of non-deductible statutory amortization on frequencies encumbered by deferred tax liabilities.

Current assets

(8) Inventories

INVENTORIES			
Euro thousands	30.06.2023	31.12.2022	Changes
Paper	1,803	1,606	197
Inks	27	27	-
Photographic material	9	9	-
Raw, ancillary and consumable materials	1,838	1,642	196
Work in progress and semi-finished products	(0)	(0)	-
Books	1,328	1,288	40
Other products	742	706	36
Provision for write-down of finished products	(630)	(700)	70
Finished products	1,441	1,294	147
Total	3,279	2,936	343

Inventories are presented net of provisions for inventory write-downs, which have changed as follows:

PROVISION FOR WRITE-DOWNS OF FINISHED PRODUCTS				
Euro thousands	Opening Balance	Allocations	Use of provisions	Closing Balance
Provision for write-down of finished products	(700)	(48)	117	(630)

(9) Trade receivables

Trade receivables derive from normal operations and the breakdown is as follows:

TRADE RECEIVABLES			
Euro thousands	30.06.2023	31.12.2022	Changes
Receivables from customers	70,038	68,066	1,972
Provision for returns to be received	(666)	(482)	(185)
Bad debt provision	(5,024)	(4,997)	(27)
Total	64,348	62,588	1,760

The Group's trade receivables amounted to Euro 64,348 thousand at 30 June 2023 and are recorded net of securitized receivables sold without recourse for Euro 9,082 thousand.

The Group's trade receivables include securitized receivables assigned with recourse for Euro 15,355 thousand. When the proceeds from the disposal of the receivable are recognized, a balancing entry is recognized in current financial liabilities.

It should also be noted that the balance of trade receivables includes receivables, totalling Euro 4,742 thousand, belonging to customers in the securitization portfolio but not yet sold at 30 June 2023. These receivables, which will soon be sold, amounted to Euro 1,261 thousand, referring to the portfolio of customers transferred without recourse, and to Euro 3,481 thousand, referring to the portfolio of customers transferred with recourse.

SECURITIZED LOANS		
Euro thousands	Nominal value receivables assigned at 30 June 2023	Nominal value receivables to be as- signed at 30 June 2023
Receivables securitized without recourse	9,082	1,261
Receivables securitized with recourse	15,355	3,481
Total	24,437	4,742

The value of trade receivables is shown net of the provision for returns to be received, amounting to Euro 666 thousand, which will occur in the following year and net of the bad debt provision of Euro 5,024 thousand.

Changes in these provisions were as follows:

PROVISION FOR RETURNS TO BE RECEIVED AND BAD DEBT PROVISION				
Euro thousands	Opening Balance	Allocations	Use of provisions and other changes	Closing Balance
Provision for returns to be received	(482)	(185)	-	(666)
Bad debt provision	(4,997)	(294)	267	(5,024)
Total	(5,478)	(479)	267	(5,690)

(10) Other receivables

The item amounted to Euro 4,186 thousand and the breakdown is as follows:

OTHER RECEIVABLES			
Euro thousands	30.06.2023	31.12.2022	Change
Ordinary supplier advances	1,305	1,074	231
Tax receivables	1,937	103	1,834
Current taxes	634	124	509
Receivables relating to personnel	57	66	(9)
Other receivables	256	268	(12)
Bad debt provision - other receivables	(1)	(1)	0
Total	4,186	1,633	2,553

Ordinary supplier advances include advances to agents of Euro 738 thousand.

Tax receivables are broken down as follows:

TAX RECEIVABLES			
Euro thousands	30.06.2023	31.12.2022	Changes
VAT Receivable	3	61	(59)
Tax credits for contributions article 67, paragraph 1 of Decree Law no. 73 of 25 May 2021,	1,899	-	1,899
Receivables from foreign tax authorities	35	42	(7)
Total	1,937	103	1,834

The item amounting to Euro 1,899 thousand refers to the tax credit recognized for the year 2021 in favour of newspaper and periodical publishing companies registered with the ROC on the expenses incurred in the year 2020 for the distribution of the titles published, 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.

Receivables from personnel amounting to Euro 57 thousand refer to advances and provisions for employee expenses.

Other receivables, which amounted to Euro 256 thousand, are broken down as follows:

OTHER RECEIVABLES			
Euro thousands	30.06.2023	31.12.2022	Changes
Receivables from Poste Italiane	11	10	1
Receivables from social security institutions	146	145	1
Receivables for reimbursement of legal fees	61	61	(0)
Other	37	53	(16)
Total	256	268	(12)

(11) Other current financial assets

Other current financial assets amounted to Euro 2,895 thousand.

OTHER CURRENT FINANCIAL ASSETS			
Euro thousands	30.06.2023	31.12.2022	Changes
Financial receivables	2,171	3,335	(1,164)
Short-term financial receivables IFRS 16	685	667	19
Other receivables	39	277	(238)
Total	2,895	4,279	(1,384)

The item, amounting to Euro 2,171 thousand, mainly refers to financial receivables 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.

Short-term financial receivables IFRS 16 amounting to Euro 685 thousand refer to receivables relating to the sublease of properties to third parties and are mainly attributable to the sublease agreement with the associated company Sole 24 ORE Formazione S.p.A., involving the lease of spaces in the Milan - viale Sarca office.

(12) *Other current assets*

Other current assets consist of prepaid expenses and refer to:

PREPAID EXPENSES			
Euro thousands	30.06.2023	31.12.2022	Changes
Agents' commissions	4,133	3,986	147
User licence fees	1,270	421	849
Hardware and software maintenance fees	1,228	547	681
Provision of IT services	868	41	827
Insurance premiums	463	41	422
Expenses for the organization of conferences, exhibitions and fairs	232	500	(268)
Royalties on software fees	326	326	-
Other	768	369	399
Total	9,288	6,231	3,057

(13) *Cash and cash equivalents*

Cash and cash equivalents amounted to Euro 71,257 thousand, up Euro 17,192 thousand (Euro 54,066 thousand at the beginning of the year).

Cash and cash equivalents consist of cash on hand, equivalents and demand or short-term deposits with banks that are actually available and readily realizable.

CASH AND CASH EQUIVALENTS			
Euro thousands	30.06.2023	31.12.2022	Change
Cash and cash equivalents	71,257	54,066	17,192

Equity

(14) *Equity*

Consolidated equity at 30 June 2023 amounted to Euro 21,338 thousand and compared to a figure of Euro 15,925 thousand at 31 December 2022, increased Euro 5,413 thousand from the previous year due to the profit for the period.

(15) *Share capital*

The share capital, fully subscribed and paid in, amounts to Euro 570,125, divided into 65,345,797 shares, of which 9,000,000 ordinary shares (13.77% share capital) and 56,345,797 special category shares (86.23% share capital), of which 330,202 treasury shares. The book value of treasury shares, amounting to Euro 22,447 thousand, is reduced to zero by an equity item of the same amount.

Special category shares are assigned, on the profit distributed, - therefore without prejudice to the provisions required by law and/or approved by the Shareholders' Meeting to other reserves - a preferential dividend of 5%, equal to Euro 2.60 per share or, if higher, to the share implicit par value, which may not be carried over from one financial year to the next.

(16) Capital reserves

Capital reserves refer to the share premium reserve and amounted to Euro 19,452 thousand, unchanged from 31 December 2022.

(17) Other reserves

On 27 April 2023 the Ordinary Shareholders' Meeting approved the allocation of the year's profit of Euro 623,172 for Euro 114,025 to the "Legal Reserve", so that the latter is equal to one-fifth of the Share Capital, pursuant to article 2430 of the Italian Civil Code, and for Euro 509,147 to the "Restricted reserve from the write-back of equity investments measured using the equity method".

The item other reserves amounted to a negative Euro 3,133 thousand and the breakdown is as follows:

OTHER RESERVES			
Euro thousands	30.06.2023	31.12.2022	Changes
Legal reserve	114	-	114
Employee severance indemnity (TFR) reserve - IAS adjustment	(3,756)	(3,756)	-
Other	509	-	509
Total	(3,133)	(3,756)	623

The item Employee severance indemnity (TFR) reserve - IAS adjustment is a negative Euro 3,756 thousand and unchanged from 31 December 2022, taking into account the trend of the underlying actuarial assumptions.

(18) Profits (losses) carried forward

Profits (losses) carried forward were negative at Euro 964 thousand (negative at Euro 875 thousand at the end of 2022). The change is attributable to the change in the 2022 profit (loss).

(19) Profit (loss) for the period

At 30 June 2023, a profit of Euro 5,413 thousand was recorded. The profit per share is equal to Euro 0.08 and is determined by the ratio between the result attributable to shareholders of the parent company, positive for Euro 5,413 thousand, and the weighted average number of shares outstanding during the period, equal to 65,015,595.

Non-current liabilities

(20) Non-current financial liabilities

Non-current financial liabilities amounted to Euro 77,686 thousand and comprise:

NON-CURRENT FINANCIAL LIABILITIES			
Euro thousands	30.06.2023	31.12.2022	Changes
Financial payables IFRS 16	34,585	35,226	(641)
Non-convertible senior unsecured bond	43,101	42,940	161
Other financial payables	-	971	(971)
Total	77,686	79,138	(1,452)

Non-current financial liabilities include the senior unsecured and non-convertible bond with a principal amount of Euro 45 million and a duration of 7 years, repayable at maturity in one instalment (bullet repayment) only to qualified investors. 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 initial measurement of financial liabilities was carried out at fair value, net of transaction costs that are directly attributable to underwriting (Euro 2,487 thousand). After initial recognition, the financial liability was measured at amortized cost, using the effective interest method.

As a result of the application of IFRS 16, non-current financial payables of Euro 34,585 thousand were recorded at 30 June 2023, deriving from lease agreements relating to the Group's offices, capital goods (rental of hardware and cars) and lease of space and areas held for the positioning of radio broadcasting equipment owned by the Group. The change of Euro 641 thousand is mainly attributable to payments for the period, partially offset by the effect of the Istat increase on lease agreements for the Group's offices and new lease agreements for capital goods.

The item other financial payables attributable to the present value at 30 June 2023 of the deferred component, relating to the indemnity deriving from the settlement agreement for the early termination of the lease agreement for the former Milan - Via Monte Rosa office, is recognized under current financial liabilities.

(21) Employee benefits

Employee benefits amounted to Euro 9,394 thousand and have changed since the beginning of the year as follows:

EMPLOYEE BENEFITS							
Euro thousands	Opening Balance	Labour cost	Financial income and expenses	Actuarial gains and losses	Uses and other changes	Closing Balance	
Employee severance indemnity (TFR)	10,681	26	199	69	(1,581)	9,394	
Total	10,681	26	199	69	(1,581)	9,394	

The main actuarial assumptions used to estimate the benefits to be recognized on termination of employment are as follows:

Demographic assumptions:

- for mortality, the IPS55 tables were used;
- the annual probability of a request for advance payment of employee severance indemnities (TFR) was set at 2%, based on the historical data of the Companies included in the valuation.

Economic financial assumptions:

- the discount rate was determined to be 4.0% based on Euro area High Quality Corporate Bonds;
- the inflation rate used was 2.4%;
- the average percentage of accrued severance indemnity (TFR) requested in advance was set at 7.5%, based on historical data.

(22) Provisions for risks and charges

Provisions for risks and charges at 30 June 2023 amounted to Euro 6,412 thousand and changed as follows:

PROVISION FOR RISKS AND CHARGES						
Euro thousands	Opening Balance	Allocations	Use of provisions	Releases	Actuarial change	Closing Balance
Provision for litigation	2,211	268	(115)	(178)	-	2,186
Provision for other risks	1,983	9	(14)	(394)		1,583
Provision for agents' indemnities	2,464	290	(14)	(8)	(90)	2,643
Total	6,658	567	(136)	(580)	(90)	6,412

The provision for litigation (Euro 2,186 thousand) covers risks known at the date of preparation of these condensed half-yearly consolidated financial statements. These risks relate primarily to litigation involving personnel and agents (Euro 1,838 thousand), litigation against the newspaper (Euro 229 thousand) and Radio (Euro 112 thousand), and other litigation (Euro 7 thousand).

Uses of the provision for litigation amounted to Euro 115 thousand and consisted primarily of litigation involving the newspaper (Euro 26 thousand), litigation involving personnel and agents (Euro 71 thousand) and Radio (Euro 18 thousand). Releases totalled Euro 14 thousand, and related to personnel and agent disputes.

Allocations to the provision for litigation of Euro 268 thousand relate to litigation involving personnel and agents for Euro 200 thousand, litigation against the newspaper for Euro 45 thousand and Euro 23 thousand for Radio.

The provision for other risks amounted to Euro 1,583 thousand and covers the following risks:

- liabilities for expenses that the Group may incur for the disposal of production plants amounting to Euro 350 thousand, referring to the Milan via Busto Arsizio production site. In H1 2023, following the sale of the production site in Carsoli (AQ) and the sale of the production plant in Medicina (BO), Euro 370 thousand in provisions set aside in previous years were released against the elimination of the relative contingent liabilities;
- risks relating to potential critical issues for social security risks in the amount of Euro 69 thousand;
- risks for terminated agents amounting to Euro 681 thousand. In H1 2023, utilizations of Euro 14 thousand and releases of Euro 22 thousand were recognized;
- risks for a claim for contractual damages amounting to Euro 400 thousand, in respect of a dispute underway;
- risks for other litigation totalling Euro 70 thousand to cover Radio contingent liabilities;
- other risks for a total of Euro 14 thousand.

It should also be noted, with reference to the civil proceedings no. G.R. 30810/2019 (see as described in the paragraph "Risks related to the outcome of the proceedings before the Milan Public Prosecutor's Office crim. proc. no. 5783/17 R.G.N.R." of the Directors' Report), the risk was assessed as possible but not probable and therefore no provision was recorded.

The agents' termination indemnity includes provisions to cover risks arising from early termination of contracts and those relating to the termination of the agency relationship pursuant to article 1751 of the Italian Civil Code. The actuarial valuation of the agents' termination indemnity is based on the following actuarial assumptions:

- discount rate 4.0%
- mortality tables IPS55
- disability tables INPS
- voluntary turnover rate 6.0%
- corporate turnover rate 5.0%
- retirement current compulsory general insurance requirements.

(23) *Other non-current liabilities*

Other non-current liabilities amounted to Euro 10,153 thousand, up by Euro 3,480 thousand compared to 31 December 2022, when they amounted to Euro 6,673 thousand, and included Euro 10,041 thousand relating to the medium-term portion of the liability recognized in relation to restructuring expenses incurred during the year 2021 and Euro 113 thousand for security deposits received for the sublease of properties in Milan, which are unchanged compared to the previous year. The change refers to the reclassification of Euro 3,480 thousand from current to non-current liabilities of the liability for restructuring charges following the revision of the expected timing of disbursements in H1 2023.

Current liabilities

(24) *Bank overdrafts and loans due within one year*

These amount to Euro 15,355 thousand (Euro 14,081 thousand in the previous year) and refer to the financial payable relating to the securitization of trade receivables with recourse.

CURRENT BANK OVERDRAFTS AND LOANS			
Euro thousands	30.06.2023	31.12.2022	Changes
Financial payable for securitization with recourse	15,355	14,081	1,273

(25) *Other current financial liabilities*

OTHER CURRENT FINANCIAL LIABILITIES			
Euro thousands	30.06.2023	31.12.2022	Changes
Financial payables IFRS 16	5,480	4,844	636
Financial payables for non-recourse management and other payables	2,816	3,152	(336)
Short-term portion of Non-convertible senior unsecured bond	2,047	933	1,114
Total	10,343	8,929	1,414

Other current financial liabilities amounted to Euro 10,343 thousand (Euro 8,929 thousand at 31 December 2022) and mainly relate to short-term financial payables arising from the application of IFRS 16, and in particular short and medium-term financial liabilities arising from the present value of future lease payments of Euro 5,480 thousand. The item financial payables for non-recourse management and other payables amounting to Euro 2,816 thousand includes: *i*) the financial payable of Euro 700 thousand to Monterosa SPV S.r.l. for the management of the collection of receivables securitized without recourse; *ii*) other financial payables relating to the current portion of the payable for the indemnity deriving from the settlement agreement for the early termination of the lease agreement for the former Milan - Via Monte Rosa office.

The financial payable provides for quarterly payments from January 2021 to April 2024 of a total nominal amount of Euro 7,600 thousand. This payable is discounted at a rate of 4.2%.

(26) Trade payables

TRADE PAYABLES			
Euro thousands	30.06.2023	31.12.2022	Changes
Suppliers	39,682	35,321	4,361
Deferred income	45,012	37,385	7,627
Trade payables to associates and minorities	18	95	(77)
Other trade payables	4,970	5,885	(915)
Total	89,681	78,686	10,996

Trade payables, amounting to Euro 89,681 thousand, increased by Euro 10,996 thousand compared to the previous year.

Deferred income is broken down as follows:

DEFERRED INCOME			
Euro thousands	30.06.2023	31.12.2022	Changes
Electronic publishing by subscription	31,935	26,268	5,667
Royalties	4,333	4,833	(500)
Subscriptions II Sole 24 ORE Newspaper	2,869	2,247	(1,697)
Services	2,860	2,048	812
Subscription software	1,307	1,061	246
Sale of magazines	550	646	2,223
Other deferred income	1,158	282	876
Total	45,012	37,385	7,627

The item Royalties amounting to Euro 4,333 thousand refers to the proceeds from the sale of the controlling interest in the training business, which was not recognized in full but was deferred over a period of 5 years by virtue of the Group's involvement in the partnership, as provided for in the agreements entered into with the Multiversity Group on 9 November 2022.

Other trade payables amounted to Euro 4,970 thousand, of which Euro 2,159 thousand relate to payables to agents.

(27) Other current liabilities

Other current liabilities amounted to Euro 222 thousand, down by Euro 508 thousand compared to 31 December 2022 and consisted of:

OTHER CURRENT LIABILITIES			
Euro thousands	30.06.2023	31.12.2022	Changes
Accrued liabilities	10	11	(1)
Current tax liabilities	212	719	(507)
Total	222	730	(508)

(28) Other payables

Other payables amounted to Euro 16,380 thousand (Euro 19,997 thousand at 31 December 2022) and consisted of the following:

OTHER PAYABLES			
Euro thousands	30.06.2023	31.12.2022	Changes
Payables to personnel for restructuring	934	5,627	(4,693)
13th and 14th monthly salaries accrued but not paid	2,560	1,293	1,267
Payables for holidays accrued and not taken and other amounts	4,995	3,699	1,296
Social security institutions	4,019	5,287	(1,268)
Tax payables	3,414	3,528	(115)
Other payables	458	562	(105)
Total	16,380	19,997	(3,617)

Payables to personnel for restructuring, amounting to Euro 934 thousand, relate to the liability recorded for short-term restructuring expenses. The change of Euro 4,693 thousand relates to the outlays for restructuring charges made in H1 2023, in accordance with established plans (Euro 1,213 thousand in H1 2023 - Euro 3,089 thousand as at 30 June 2022) and the restatement of the component to be settled within 12 months, amounting to Euro 3,480 thousand.

Tax payables amounted to Euro 3,414 thousand and the breakdown is as follows:

TAX PAYABLES			
Euro thousands	30.06.2023	31.12.2022	Changes
Withholding taxes on employee income	1,517	2,721	(1,203)
Withholding taxes on self-employment income	312	251	61
VAT payable and pro rata	1,519	367	1,151
Payables to foreign tax authorities	42	41	1
Other tax payables	24	148	(124)
Total	3,414	3,528	(116)

Statement of profit (loss)**(29) Revenues**

REVENUES				
Euro thousands	H1 2023	H1 2022	Change	% change
Publishing revenues	49,040	49,746	(706)	-1.4%
Advertising revenues	42,733	44,193	(1,460)	-3.3%
Other revenues	12,809	10,689	2,121	19.8%
Total	104,583	104,628	(45)	0.0%

In H1 2023, the 24 ORE Group reported **consolidated revenues** of Euro 104,583 thousand, in line with the same period of the previous year.

Publishing revenues amounted to Euro 49,040 thousand, a decrease of Euro 706 thousand (-1.4%) compared to H1 2022, when they amounted to Euro 49,746 thousand.

Advertising revenues of Euro 42,733 thousand were down Euro 1,460 thousand (-3.3%) compared to H1 2022.

Other revenues, amounting to Euro 12,809 thousand, increased by Euro 2,121 thousand compared to the same period of 2022, due to the good performance of the Professional Services and Training area.

(30) Other operating income

OTHER OPERATING INCOME				
Euro thousands	H1 2023	H1 2022	Change	% change
Contributions	3,255	519	2,736	>100%
Releases of provisions	580	331	249	75.4%
Recovery of sundry expenses	642	573	70	12.2%
Contingent assets	151	(4)	155	N.S.
Lease income	79	60	19	31.5%
Other	152	155	(3)	-1.9%
Total	4,859	1,634	3,226	197.5%

The item contributions amounting to Euro 3,255 thousand refers primarily to the tax credit received for the year 2021 in favour of newspaper and periodical publishing companies registered with the ROC on the expenses incurred in the year 2020 for the distribution of the titles published, 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. That contribution came to Euro 2,146 thousand. In the first half of the year, income in the amount of Euro 821 thousand was also recognized in respect of a tax credit in favour of newspaper and periodical publishing companies registered with the ROC on expenses incurred in the year 2021 to purchase the paper used to print the titles published.

Releases of provisions amounted to Euro 580 thousand and refer to the release of provisions for risks and charges, to which reference should be made (note 23 of the Notes to the financial statements).

(31) Personnel costs

PERSONNEL COSTS				
Euro thousands	H1 2023	H1 2022	Change	% change
Wages, salaries and remuneration	24,413	26,703	(2,290)	-8.6%
Contributions and pension fund	7,868	8,923	(1,055)	-11.8%
Employee severance indemnity (TFR)	1,886	1,911	(25)	-1.3%
Overtime, holidays and other costs and income	2,076	2,635	(559)	-21.2%
Total personnel costs	36,243	40,172	(3,929)	-9.8%

Personnel costs of Euro 36,243 thousand decreased by Euro 3,929 thousand compared to H1 2022, when they amounted to Euro 40,172 thousand. In H1 2023, there was a lower cost deriving from the decrease in the workforce, and the turnover trend, as well as the increased use of social shock absorbers and the utilization of the residual holiday provision. The average number of employees, 712, decreased by 76 (mainly graphic designers and printers) compared with the first half of the previous year when it amounted to 788.

During the period, personnel costs of Euro 211 thousand (Euro 240 thousand in H1 2022) were capitalized for internally developed software. It should also be noted that personnel carried out additional projects aimed at innovation that did not qualify for capitalization.

(32) Purchases of raw and consumable materials

PURCHASES OF RAW AND CONSUMABLE MATERIALS				
Euro thousands	H1 2023	H1 2022	Change	% change
Purchase of paper	2,547	2,632	(85)	-3.2%
Purchase of goods for resale	404	259	145	56.0%
Purchase of material for plant maintenance	6	7	(1)	-13.6%
Purchase of fuel	9	71	(62)	-87.5%
Other sundry costs	20	8	12	>100%
Adjustments previous years	-	(14)	14	>100%
Total	2,986	2,964	23	0.8%

Purchases of raw and consumable materials amounted to Euro 2,986 thousand, up by Euro 23 thousand (+0.8%) compared to H1 2022 (amounting to Euro 2,964 thousand) and are mainly represented by the purchase of paper. It should be noted that the cost of paper increased in H1 2023 compared to the corresponding period of the previous year.

(33) Costs for services

COSTS FOR SERVICES				
Euro thousands	H1 2023	H1 2022	Change	% change
Commissions and other sales expenses	10,844	10,074	770	7.6%
Distribution costs	7,181	7,881	(700)	-8.9%
IT and Software services	3,998	3,765	233	6.2%
Editorial costs	3,651	3,486	165	4.7%
Promotional and commercial expenses	5,019	4,667	352	7.5%
Costs for conferences and exhibitions	4,306	3,847	459	11.9%
Other consultancy costs	1,579	1,431	148	10.3%
Printing costs	3,287	3,184	103	3.2%
Utilities (telephone, energy, water, etc.)	1,236	1,071	165	15.4%
Administrative services	345	237	108	45.5%
Fees for Corporate Bodies and Independent Auditors	796	800	(4)	-0.5%
Sundry production costs	1,497	1,345	152	11.3%
General services expenses	612	802	(190)	-23.7%
Maintenance and repair expenses	733	725	8	1.1%
News agency costs	674	672	2	0.3%
Insurance expenses	541	461	80	17.3%
Employee services	582	824	(242)	-29.4%
News purchase costs	718	704	14	2.0%
Preparation costs	646	548	98	17.9%
Reimbursement of personnel expenses	360	228	132	57.9%
Bank fees	422	439	(17)	-3.9%
Product storage costs	241	219	22	10.0%
Packaging costs	65	44	21	47.3%
Adjustments previous years	97	(1)	98	N.S.
Total	49,430	47,455	1,975	4.2%

Costs for services amounted to Euro 49,430 thousand and were up overall by Euro 1,975 thousand (+4.2%) compared to H1 2022, when they amounted to Euro 47,455 thousand.

In particular, it should be noted that:

- commissions and other sales expenses increased by Euro 770 thousand (+7.6% from Euro 10,074 to 10,844 thousand);
- promotional and commercial expenses increased by Euro 352 thousand (+7.5% from Euro 4,667 to 5,019 thousand);
- expenses for conferences and exhibitions increased by Euro 459 thousand (+11.9% from Euro 3,847 to 4,306 thousand);
- expenses for utilities increased by Euro 165 thousand (+15.4% from Euro 1,071 to 1,236 thousand);
- distribution costs were down Euro 700 thousand (-8.9% from Euro 7,881 to 7,181 thousand).

(34) *Costs for rents and leases*

COSTS FOR RENTS AND LEASES				
Euro thousands	H1 2023	H1 2022	Change	% change
Royalties	964	944	20	2.1%
Other fees	1,199	1,036	163	15.7%
Rental fees and ancillary costs for mixed use cars	428	408	20	4.9%
Lease expenses and other condominium expenses	333	343	(10)	-3.0%
Copyrights	326	322	4	1.3%
Rental fees and ancillary costs for radio broadcasting systems	291	199	91	45.8%
Hardware rental-lease fees	25	26	(1)	-5.5%
Other sundry costs	40	32	9	28.3%
Adjustments previous years	-	1	(1)	-100.0%
Total	3,606	3,311	295	8.9%

Costs for rents and leases amounted to Euro 3,606 thousand and increased by Euro 295 thousand compared to H1 2022. This item includes the costs of rental contracts which, also on the basis of the contractual clauses applied, did not require the recognition of rights of use in accordance with IFRS 16.

(35) *Other operating expenses*

OTHER OPERATING EXPENSES				
Euro thousands	H1 2023	H1 2022	Change	% change
Other taxes and duties	958	1,060	(102)	-9.7%
VAT to be paid by the Publisher	293	317	(23)	-7.3%
Entertainment expenses	52	32	20	62.5%
Purchase of newspapers and magazines	126	141	(15)	-10.8%
Expenses for membership fees	150	153	(4)	-2.5%
Other sundry expenses	189	186	4	2.0%
Adjustments previous years	(10)	(204)	194	95.3%
Total	1,758	1,685	73	4.3%

Other operating expenses amounted to Euro 1,758 thousand in H1 2023, up Euro 73 thousand (Euro 1,685 thousand in the same period of 2022).

(36) *Gain/loss on disposal non-current assets*

Gains of Euro 1,187 thousand were recognized in H1 2023 (in H1 2022 there were gains of Euro 9 thousand) and mainly related to the sale of two production sites for Euro 1,157 thousand.

In particular, the overall gain was recognized following the sale en bloc (not split up) of the two real estate complexes that the Group owned, used as offices and production facilities, although no longer operational. These properties are located in Milan and Carsoli (AQ) and refer to land, buildings, internal fixed plants and external construction works. The assets sold also included two Regioman model rotary presses from MANROLAND WEB SYSTEMS purchased at the end of 2004, installed in 2005 and expanded in 2008. The contractual agreements underlying the sale of the property in Milan at via Busto Arsizio provide, inter alia, for an additional price component of Euro 750 thousand, already paid by the purchaser and deposited in an escrow account at a notary's office. This sum will be defined and possibly released upon the occurrence of certain contractually agreed conditions by the end of 2023. Therefore, the capital gain recognized as at 30 June 2023 was determined without considering the additional price component.

(37) *Financial income (expenses)*

FINANCIAL INCOME (EXPENSES)				
Euro thousands	H1 2023	H1 2022	Change	% change
Other financial income	303	329	(26)	-7.9%
Exchange rate gains	16	9	7	73.4%
Total income	318	338	(19)	-5.7%
Exchange rate losses	(49)	2	(51)	N.S.
Financial expenses on short-term payables	(1,114)	(1,114)	0	0.0%
Financial expenses from amortized cost	(161)	(152)	(9)	-5.8%
Other financial expenses	(1,428)	(976)	(452)	-46.3%
Total expenses	(2,752)	(2,240)	(512)	-22.9%
Total	(2,433)	(1,902)	(531)	-27.9%

Net financial income and expenses were a negative Euro 2,433 thousand and increased by Euro 531 thousand compared to H1 2022.

Other financial income includes income from the actuarial valuation of the provision for agents' termination indemnity in accordance with IAS 37 and amounted to Euro 90 thousand.

Financial expenses on short-term payables relate to interest expenses on the unsecured non-convertible bond.

The application of IFRS 16 resulted in the recognition of negative financial income and expenses of Euro 438 thousand (Euro 611 thousand in H1 2022).

(38) Income taxes

The main components of income taxes for the periods ended 30 June 2023 and 30 June 2022 are as follows:

TAXES			
Euro thousands	H1 2023	H1 2022	Change
IRAP	(223)	(213)	(10)
Taxes of previous years	36	(65)	101
Foreign taxes	(11)	(33)	22
Total current taxes	(198)	(311)	113
Use of provision for deferred taxes	165	188	(23)
Deferred tax assets/liabilities	(644)	(675)	31
Deferred tax assets/liabilities	(480)	(488)	8
Total	(678)	(799)	121

It should be noted that Il Sole 24 ORE S.p.A. and its Italian subsidiaries have adopted the group taxation regime pursuant to article 117 et seq. of Presidential Decree no. 917 of 22 December 1986 (tax consolidation), as a result of which they determine a single overall IRES taxable base.

In H1 2023, the tax result of the Group's main companies was negative, also in connection with non-taxed contributions, interest expenses and write-downs of fixed assets previously not deducted. Therefore, the Group did not recognize any current IRES charges.

During the period, deferred tax assets of Euro 644 thousand were derecognized.

In addition, deferred tax liabilities of Euro 165 thousand were written off for non-deductible amortization on radio frequencies.

Pending a return to continuity of positive tax results, deferred tax assets on newly taxed temporary differences and tax losses were not recognized.

In addition, the Group recognized an IRAP expense of Euro 223 thousand. Finally, during the period, taxes owed by foreign subsidiaries were recognized in the amount of Euro 11 thousand.

9. Segment reporting

Segment reporting has been prepared in such a way as to provide the information necessary to allow an evaluation of the nature and effects on the financial statements of the activities carried out and the economic context of reference.

Operating segments have been identified on the basis of the company's operating activities that generate revenues and costs, the results of which are periodically reviewed at the highest operational decision-making level for the purpose of making decisions on resource allocation and performance assessment, and for which separate financial information is available.

An operating segment identified in accordance with the qualitative requirements set out above is separately disclosed when the following quantitative limits have been exceeded:

- reported revenues, including both sales to external customers and intersegment sales, represent at least 10% of the total revenues of all operating segments;
- the segment profit or loss represents at least 10% of the greater, in absolute value, between the total profit of all operating segments in profit and the total loss of all operating segments in loss;
- the activities of one segment account for at least 10% of the total activities of all operating segments.

If the quantitative thresholds indicated above are not exceeded, but management has deemed it useful to provide separate disclosure for the purposes of assessing the nature and effects on the financial statements of the related operating activities, the operating segments identified for this purpose have been reported in detail.

Please note that the H1 2022 comparative figures have been appropriately reclassified to reflect the new organization. In particular, the results of Radiocor Plus operating sector are included in the Publishing & Digital area (in H1 2022, they were included in the Professional Services and Training area).

The Group's operating segments, which are indicated separately, are as follows:

- **Publishing & Digital** is the division responsible for the daily newspaper Il Sole 24 ORE, digital products linked to the newspaper, products attached to the newspaper, magazines, add-ons, the website and the press agency Radiocor Plus;
- **Professional Services and Training** develops integrated product systems, with technical, regulatory and networking content, aimed at the world of professionals, companies and public administration. The specific market segments covered are Tax, Labour, Law, Construction and Public Administration. For each of them, integrated specialized information tools are created, capable of satisfying all the information, operational and networking needs of the reference targets: databases, vertical newspapers, magazines, books, internet services, software solutions, visibility platforms and continuous learning solutions;
- **Radio** manages the national radio station Radio 24, News & Talk with an editorial format that alternates radio news with information and entertainment programmes;
- **System 24** is the division that carries out the activity of advertising concessionaire for the Group's main media and some third-party media;
- **Culture** operates in the management and enhancement of museums (*Mudec*), in the production and sale of exhibitions and related services (*bookshop, ticketing, events*) as well as in the design and publication of books and merchandising. These activities are carried out through the company 24 ORE Cultura S.r.l.;
- **Events** operates in the management and organization, promotion and sale, both in Italy and abroad, of conferences, events, meetings, also in collaboration with public and private entities. These activities are carried out through the company Il Sole 24 ORE Eventi S.r.l.;
- **Corporate and centralized services** includes the Group's coordination departments and services related to support processes.

For these areas, the following information is provided as it is periodically presented to the highest level of operational decision-making:

- revenues from external customers, for the measurement of segment profit or loss;
- intersegment revenues for the measurement of segment profit or loss;
- write-downs and depreciation/amortization for the measurement of segment profit or loss;
- a measurement of the segment profits and losses, represented by EBITDA (gross operating margin) and EBIT (operating profit/loss);
- the assets for each segment are shown for the purposes of assessing the performance of the segment and relate in particular to property, plant and equipment, intangible assets, goodwill and trade receivables;
- a reconciliation of the total of the reportable segments' measures of profit or loss to the profit or loss reported in the statement of profit or loss for the period before tax expense and gains or losses from discontinued operations.

The Group carries out its activities mainly in Italy and the activities carried out in other countries are not relevant. With regard to information on its customers, it should be noted that there are no external customers with which transactions exceeding 10% of the Group's revenues have been carried out.

INCOME STATEMENT BY BUSINESS AREA

SECTOR	Revenues from third parties	Intersegment revenues	Total Revenues	EBITDA	Amortization/Depreciation	Gains/losses	EBIT
PUBLISHING & DIGITAL							
H1 2023	29,117	21,099	50,215	5,620	(1,740)	1,187	5,067
H1 2022	30,033	22,245	52,278	4,389	(2,170)	6	2,225
PROFESSIONAL SERVICES AND TRAINING							
H1 2023	26,557	137	26,694	8,587	(620)	-	7,968
H1 2022	24,414	139	24,552	7,555	(565)	0	6,989
RADIO							
H1 2023	188	7,903	8,091	976	(1,246)	0	(270)
H1 2022	127	9,009	9,136	1,973	(1,410)	1	564
SYSTEM 24							
H1 2023	40,376	(1,471)	38,905	601	(16)	-	585
H1 2022	42,626	(1,551)	41,075	67	(14)	-	53
EVENTS							
H1 2023	2,739	1,807	4,546	1,044	(14)	-	1,031
H1 2022	1,886	1,581	3,467	742	(8)	-	734
CULTURE							
H1 2023	5,605	429	6,034	(955)	(237)	(0)	(1,192)
H1 2022	5,542	506	6,048	(451)	(224)	-	(676)
CORPORATE AND CENTRALIZED SERVICES							
H1 2023	0	-	0	(973)	(3,743)	0	(4,716)
H1 2022	0	-	0	(3,867)	(3,772)	2	(7,637)
CONSOLIDATED							
H1 2023	104,583	-	104,583	14,901	(7,615)	1,187	8,473
H1 2022	104,628	-	104,628	10,409	(8,164)	9	2,254

BUSINESS BY SECTOR

SECTOR	Property, plant and equipment	Goodwill	Intangible assets	Trade receivables
PUBLISHING & DIGITAL				
30.06.2023	1,114	-	4,469	6,310
31.12.2022	6,543	-	4,816	4,774
PROFESSIONAL SERVICES AND TRAINING				
30.06.2023	77	15,469	1,947	30,247
31.12.2022	226	15,469	2,020	28,303
RADIO				
30.06.2023	4,195	-	14,748	146
31.12.2022	4,874	-	15,283	33
SYSTEM				
30.06.2023	69	-	-	24,258
31.12.2022	25	-	-	27,478
CULTURE				
30.06.2023	1,616	-	59	188
31.12.2022	1,795	-	54	391
EVENTS				
30.06.2023	3	4,955	60	2,197
31.12.2022	4	4,955	49	1,455
CORPORATE AND CENTRALIZED SERVICES				
30.06.2023	32,818	-	3,715	1,002
31.12.2022	32,294	-	4,181	154
CONSOLIDATED				
30.06.2023	39,892	20,424	24,998	64,348
31.12.2022	45,761	20,424	26,403	62,588

10. Further information

10.1 Transactions with related parties

A related party is a person or entity related to the Parent Company, identified in accordance with the provisions of *IAS 24 Related Party Disclosures*. The definition of a related party always includes companies controlled by associates and joint ventures of the Parent Company.

For transactions entered into with related parties during the period covered by these Half-Yearly Consolidated Financial Statements, the nature of the existing transaction with the related party, the amount of transactions, the amount of outstanding balances, including commitments, contractual terms and conditions, any guarantees received or given have been disclosed. If it had been necessary to make provisions for bad debts or recognize losses on non-collectible receivables, it would have been disclosed.

Transactions between the Parent Company and its subsidiaries are always indicated, regardless of whether transactions have taken place between them.

The information concerning related parties and transactions with them is summarized in the summary table below, with specific evidence of transactions, positions or balances that have an impact on the Group's financial position, economic result and cash flows. Transactions and outstanding balances with intercompany related parties have been derecognized in the preparation of these Half-Yearly Consolidated Financial Statements.

Transactions carried out with related parties are essentially limited to commercial, administrative and financial services with subsidiaries and associates. These transactions are part of normal business operations, within the scope of the typical activity of each party involved, and are regulated at market conditions.

The Company observes its own internal procedure "Regulation of Transactions with Related Parties", adopted on 12 November 2010 by resolution of the Board of Directors (the "Regulation"), in implementation of the Regulation approved by CONSOB resolution no. 17221 of 12 March 2010, and subsequently amended by resolution no. 17389 of 23 June 2010 (the "CONSOB Regulation"). The above Regulation was updated by resolution of the Board of Directors on 19 December 2018. It was subsequently revised, in order to update certain references contained therein, by resolution of the Board of Directors of 19 December 2019, updated, in compliance with Consob Resolution no. 21624 of 10 December 2020, by resolution of the Board of Directors of 30 June 2021, and lastly updated, in compliance with the new allocation of Board competences on related party transactions, assigned as of 27 April 2022 to the Control, Risk and Related Party Committee, by resolution of the Board of Directors of 28 July 2022.

Related parties consist of parties entered in the Register of Related Parties established by the Company. The Regulation is available on the website www.gruppo24ore.com, Governance section.

TRANSACTIONS WITH RELATED PARTIES – CONSOLIDATED AT 30 June 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)	12	-	-	-	43	-	-	-
Total Parent Company	12	-	-	-	43	-	-	-
Sole 24 ORE Formazione S.p.A.	221	-	-	-	199	-	-	-
Total associates	221	-	-	-	199	-	-	-
Key Executives	-	-	(541)	-	-	(978)	-	-
Board of Directors	-	-	(687)	-	-	(776)	-	-
Board of Statutory Auditors	-	-	(107)	-	-	(121)	-	-
Other related parties	149	-	(125)	-	282	(145)	-	-
Total other related parties	149	-	(1,461)	-	282	(2,021)	-	-
Total related parties	381	-	(1,461)	-	524	(2,021)	-	-

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 company Sole 24 ORE Formazione S.p.A., which provides for the lease of space in the Milan - Viale Sarca office. In terms of IFRS 16, this transaction resulted in the recognition of the relative financial receivable, which at 30 June 2023 totalled Euro 6,337 thousand. During H1 2023, Euro 500 thousand was collected for rent for the period.

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 30 June 2023, 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 30 June 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, pursuant to and in accordance with article 2386, paragraph 1, of the Civil Code and article 19 of the Articles of Association, Roberta Cocco and Gianmario Verona, who were co-opted on 20 December 2022 to replace Chiara Laudanna and Fabio Domenico Vaccarone, respectively, who had resigned effective as of 10 November 2022.

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

10.2 Breakdown of the Group's past due positions by type

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	384	63	23	14	136	2	4	631	1,256
Social security payables	-	-	-	-	-	-	-	-	-
Payables to employees	-	-	-	-	-	-	-	-	-
Tax payables	-	-	-	-	-	-	-	-	-
	384	63	23	14	136	2	4	631	1,256

The past due debt positions of the 24 ORE Group refer to trade payables. Past due 0 to 30 days also includes positions that were subject to offsetting or payment in July 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 and after the hearing, the panel adjourned the case to 5 December 2023 for closing arguments.

As far as creditor initiatives are concerned, it is noted that the reminders received are part of normal administrative operations. At the date of this Half-yearly report at 30 June 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.

10.3 Significant events occurring after 30 June 2023

On 5 July 2023, Dow Jones and the 24 ORE Group, two top national and international players in the media sector, entered into a multi-year partnership to provide the Italian and foreign markets with business news and financial information characterized by the reliability, accuracy and timeliness of their respective news bulletins.

The new Dow Jones Radiocor Newswire offers real-time news in Italian produced by the Il Sole 24 Ore Radiocor news agency, market news and insights from the Dow Jones Newswire news agency translated from English into Italian, and data on macroeconomic events from more than 60 countries. The new newsletter will be distributed in Italy and abroad, meeting the needs of the Italian business community around the world.

The agreement also includes the possibility for Radiocor to distribute the English-language Dow Jones Institutional News, Equity Trader and Multi-Asset Trader news bulletins in Italy, and for Dow Jones to distribute the Radiocor news bulletin abroad. The partnership between Radiocor and Dow Jones Newswire complements the existing 24 ORE Group collaboration with Factiva, the Dow Jones business intelligence platform, through which the daily content of Il Sole 24 ORE and Radiocor is made available to Factiva's global customer base.

On 14 July 2023, the Shareholders' Meeting of Il Sole 24 ORE S.p.A. approved a settlement with the former Editorial Director of the corporate liability action pursuant to articles 2392 and 2393 of the Italian Civil Code, referred to in the explanatory report published on 14 June 2023, which had been brought, after authorization by the Shareholders' Meeting on 30 April 2019, by means of the civil action lodged before the Court of Milan under G.R. no. 30810/2019.

On 17 July 2023, Elisabetta Floccari took over as Chief Financial Officer of the 24 ORE Group.

10.4 Disclosure pursuant to Consob Resolution no. 15519 of 27 July 2006

CONSOLIDATED STATEMENT OF FINANCIAL POSITION				
Euro thousands	30.06.2023	of which re- lated parties	31.12.2022	of which re- lated parties
ASSETS				
Non-current assets				
Property, plant and equipment	39,892	-	45,761	-
Goodwill	20,424	-	20,424	-
Intangible assets	24,997	-	26,403	-
Investments in associates and joint ventures	295	-	300	-
Non-current financial assets	828	-	772	-
Other non-current assets	5,872	-	6,224	-
Deferred tax assets	13,503	-	14,148	-
Total	105,812	-	114,032	-
Current assets				
Inventories	3,279	-	2,936	-
Trade receivables	64,348	382	62,588	108
Other receivables	4,186	-	1,633	-
Other current financial assets	2,895	-	4,279	-
Other current assets	9,288	-	6,231	-
Cash and cash equivalents	71,257	-	54,066	-
Total	155,254	382	131,733	108
Assets available for sale	-	-	-	-
TOTAL ASSETS	261,066	382	245,765	108

(*) Section 8 of the Notes to the Financial Statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

Euro thousands	30.06.2023	of which related parties	31.12.2022	of which related parties
EQUITY AND LIABILITIES				
Equity				
Equity attributable to shareholders of the Parent Company				
Share capital	570	-	570	-
Capital reserves	19,452	-	19,452	-
Employee severance indemnity (TFR) reserve - IAS adjustment	(3,133)	-	(3,756)	-
Profits (losses) carried forward	(964)	-	(875)	-
Profit (loss) attributable to shareholders of the Parent Company	5,413	-	534	-
Total	21,338	-	15,925	-
Equity attributable to minority shareholders				
Capital and reserves attributable to minority shareholders	-	-	-	-
Profit (loss) attributable to minority shareholders	-	-	-	-
Total	-	-	-	-
Total equity	21,338	-	15,925	-
Non-current liabilities				
Non-current financial liabilities	77,686	-	79,138	-
Employee benefits	9,394	-	10,681	-
Deferred tax liabilities	4,103	-	4,268	-
Provisions for risks and charges	6,412	-	6,658	-
Other non-current liabilities	10,153	-	6,673	-
Total	107,748	-	107,417	-
Current liabilities				
Current bank overdrafts and loans	15,355	-	14,081	-
Other current financial liabilities	10,343	-	8,929	-
Trade payables	89,681	232	78,686	523
Other current liabilities	222	-	730	-
Other payables	16,380	1,228	19,997	1,169
Total	131,981	1,461	122,423	1,693
Liabilities available for sale	-	-	-	-
Total liabilities	239,729	1,461	229,840	1,693
TOTAL EQUITY AND LIABILITIES	261,066	1,461	245,765	1,693

(*) Section 8 of the Notes to the Financial Statements

CONSOLIDATED STATEMENT OF PROFIT (LOSS)

Euro thousands	H1 2023	of which related parties	of which non-recurring	H1 2022	of which related parties	of which non-recurring
1) Continuing operations						
Revenues	104,583	425		104,628	159	
Other operating income	4,859	99	2,516	1,634		421
Personnel costs	(36,243)	(978)		(40,172)	(1,584)	-
Change in inventories	343			961		
Purchases of raw and consumable materials	(2,986)			(2,964)		-
Costs for services	(49,430)	(1,042)		(47,455)	(611)	-
Costs for rents and leases	(3,606)			(3,311)		-
Other operating expenses	(1,758)			(1,685)	-	-
Allocations	(567)			(479)	-	
Bad debt	(294)			(749)		
Gross operating margin	14,901	(1,496)	2,516	10,409	(2,036)	421
Amortization of intangible assets	(3,681)			(3,884)		
Depreciation of tangible assets	(3,934)			(4,279)		
Impairment of tangible and intangible assets	-			-		-
Gains/losses on disposal of non-current assets	1,187		1,157	9		
Operating profit (loss)	8,473	(1,496)	3,673	2,254	(2,036)	421
Financial income	318	-		338		
Financial expenses	(2,752)	-		(2,240)	-	-
Total financial income (expenses)	(2,433)	-	-	(1,902)	-	-
Other income from investment assets and liabilities	51	-		42	-	
Profit (loss) before taxes	6,090	(1,496)	3,673	394	(2,036)	421
Income taxes	(678)	-		(799)	-	-
Profit (loss) from continuing operations	5,413	(1,496)	3,673	(405)	(2,036)	421
2) Assets held for sale						
Profit (loss) from assets held for sale	-	-	-	-	-	-
Net profit (loss)	5,413	(1,496)	3,673	(405)	(2,036)	421
Profit (loss) attributable to minority shareholders	-	-	-	-	-	-
Profit (loss) attributable to shareholders of the Parent Company	5,413	(1,496)	3,673	(405)	(2,036)	421

(*) Section 8 of the Notes to the Financial Statements

CONSOLIDATED STATEMENT OF CASH FLOWS

Euro thousands	H1 2023	of which re- lated parties	H1 2022	of which re- lated parties
Statement items				
Profit (loss) before taxes from continuing operations attributable to the Group [a]		6,090		394
Adjustments [b]	9,093	-	10,257	-
Amortization/Depreciation	7,615		8,164	
(Gains) losses	(1,187)		(9)	
Effect of valuation of investments	(51)		(42)	
Allocation and (release) of provisions for risks and charges	(12)		148	
Provision for employee benefits	294		93	
Change in value of tangible and intangible assets	-		1	
Financial income and expenses	2,433		1,902	
Changes in operating net working capital [c]	735	(505)	10,836	(299)
Change in inventories	(343)		(961)	
Change in trade receivables	(1,760)	(274)	3,680	(299)
Change in trade payables	10,996	(291)	15,358	(370)
Income tax payments	(1,186)		(493)	
Other changes in net working capital	(6,971)	59	(6,747)	370
Total cash flow from operating activities [d=a+b+c]	15,918	(505)	21,487	(299)
Cash flow from investing activities [e]	5,173	-	(1,718)	-
Investments in intangible and tangible assets	(2,569)		(2,814)	
Proceeds from the sale of intangible and tangible assets	6,342		-	
Security deposits paid	(13)		-	
Change in receivables guaranteeing financial payables	1,086		1,086	
Other changes in investing activities	327		10	
Cash flow from financing activities [f]	(3,900)	-	(4,298)	-
Net financial interest paid	(1,189)		(841)	
Change in short-term bank loans	188		(1,070)	
Changes in other financial payables and receivables	35		(1,242)	
Other changes in financial assets and liabilities	-		146	
Change in payables IFRS 16	(2,933)		(1,291)	
Change in financial resources [g=d+e+f]	17,192	(505)	15,472	(299)
Cash and cash equivalents at the beginning of the year	54,066		35,744	
Cash and cash equivalents at the end of the year	71,257		51,216	
Increase (decrease) for the year	17,192		15,472	

(*) Section 8 of the Notes to the Financial Statements

It should be noted that no atypical and/or unusual transactions were carried out with third parties, related parties or Group companies.

10.5 Net financial position

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	30.06.2023	31.12.2022
A. Cash	50	190
B. Cash equivalents	71,207	53,876
C. Other current financial assets	2,895	4,279
D. Liquidity (A + B + C)	74,153	58,345
E. Current financial payable	(15,355)	(14,081)
F. Current portion of the non-current financial payable	(10,343)	(8,929)
G. Current financial debt (E + F)	(25,697)	(23,010)
H. Current net financial position (G + D)	48,455	35,335
I. Non-current financial payable	(34,585)	(36,197)
J. Debt instruments	(43,101)	(42,940)
K. Trade payables and other non-current payables	-	-
L. Non-current financial debt (I + J + K)	(77,686)	(79,138)
M. Net financial position (H + L)	(29,230)	(43,803)

The **net financial position** at 30 June 2023 was a negative Euro 29.2 million and compares with a negative Euro 43.8 million at 31 December 2022, an improvement of Euro 14.6 million. The change in the net financial position is mainly related to cash flows from operating activities and the collection of Euro 6.5 million deriving from the sale of the two production sites located in Milan and Carsoli (AQ).

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 offices, broadcasting equipment and cars totalling Euro 34.6 million (Euro 35.2 million at 31 December 2022) in application of IFRS 16.

The Group's current net financial position at 30 June 2023 was a positive Euro 48.5 million (positive Euro 35.3 million at 31 December 2022) and includes Euro 2.2 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 5.5 million.

10.6 Employees

The average number of employees by category is as follows:

EMPLOYEES						
AVERAGE WORKFORCE	H1 2023		H1 2022		Change	
	Number	%	Number	%	Number	%
Executives	25.8	3.6%	25.5	3.2%	0.3	1.2%
Journalists	252.9	35.5%	261.0	33.1%	(8.1)	-3.1%
White-collar workers	433.5	60.9%	501.3	63.6%	(67.8)	-13.5%
Blue-collar workers	0.0	0.0%	0.3	0.0%	(0.3)	-100.0%
Total	712.2	100.0%	788.1	100.0%	(75.9)	-9.6%

DIRECTORS' ASSESSMENT OF THE GOING CONCERN ASSUMPTION

The 24 ORE Group closed H1 2023 with a net profit of Euro 5.4 million (net loss of Euro 0.4 million in H1 of the previous year) and at 30 June 2023 had equity of Euro 21.3 million (Euro 15.9 million at 31 December 2022), and a negative net financial position of Euro 29.2 million (Euro 43.8 million at 31 December 2022).

On 29 July 2021 Il Sole 24 ORE S.p.A issued an unsecured, non-convertible bond in the principal amount of Euro 45 million and with a duration of seven years. 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 current uncertainty linked to and any impacts deriving from the conflict under way in Ukraine, as well as rising commodity and energy costs and the resurgence of inflation, calls for continuing to maintain a certain degree of caution.

Given these elements, and albeit in the presence of the uncertainties deriving from the macroeconomic and geopolitical scenario, those typical of the sector and of each forecasting activity, that could affect the results that will actually be achieved, as well as the related methods and timing of occurrence, the Directors believe, also in light of the provisions of the 2023-2026 Plan approved by the Board of Directors on 21 February 2023, that it has the financial and equity resources to allow the half-yearly financial report at 30 June 2023 to be prepared on a going concern basis.

OUTLOOK

The evolution of the reference context, including in particular, the current uncertainty linked to the ongoing conflict in Ukraine, the sharp upturn in inflation, the rise in interest rates and the rise in commodity and energy costs, requires us to continue to maintain a degree of caution with respect to the forecasts of the macroeconomic scenario.

Italian GDP is expected to grow in both 2023 (+1.2%) and 2024 (+1.1%), albeit at a slower pace than in 2022 (source: *ISTAT* - Italian economy outlook 2023-2024 of 6 June 2023).

In this macroeconomic context characterized by uncertainties, the Group's will is to continue to pursue steady and sustainable growth by leveraging innovation, digitalization of products and processes, globalization, 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 context.

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.

Milan, 1 August 2023

Chairperson of the Board of Directors
Edoardo GARRONE

**CERTIFICATION OF THE CONSOLIDATED FINANCIAL STATEMENTS
PURSUANT TO ARTICLE 81-TER OF CONSOB REGULATION NO. 11971 OF 14
MAY 1999, AS AMENDED**

1. The undersigned Mirja Cartia d'Asero, in her capacity as Chief Executive Officer, and Emilio Bernacchi, in his capacity as Manager in charge of financial reporting of Il Sole 24 ORE S.p.A., taking into account the provisions of article 154-bis, paragraphs 3 and 4, of Legislative Decree no. 58 of 24 February 1998, certify:

- the adequacy in relation to the characteristics of the company and
- the effective implementation of the administrative and accounting procedures for the preparation of the condensed half-yearly consolidated financial statements at 30 June 2023.

2. In this respect, the following significant issues have emerged:

- the verification of the adequacy and effective application of the administrative and accounting procedures for the preparation of the condensed half-yearly consolidated financial statements and the analysis of the results achieved were carried out in a complex context characterized, among other things, by the continuation of the organizational review of corporate processes;
- the adequacy of the administrative and accounting procedures for the preparation of the consolidated condensed half-yearly financial statements at 30 June 2023 was assessed on the basis of the methodological standards of Il Sole 24 ORE S.p.A. defined taking into account the *Internal Control - Integrated Framework* model issued by the *Committee of Sponsoring Organizations of the Treadway Commission*, which represents the main reference framework for the creation, analysis and evaluation of the internal control system used at international level. With reference to the aspects of improvement in the controls identified in previous years, the execution of the action plan continued, which provides for the necessary corrective actions, which at the beginning of 2018, had the favourable opinion of the Company's Audit and Risk Committee and the approval by the Board of Directors;
- pending the complete implementation of the above plan aimed at reviewing the administrative-accounting model pursuant to law no. 262/2005, compensating control procedures were also put in place as a result of which no economic and financial impacts emerged on the information presented in the condensed half-yearly consolidated financial statements at 30 June 2023.

3. It is further certified that:

- the condensed half-yearly consolidated financial statements:
 - have been prepared in accordance with International Financial Reporting Standards as endorsed by the European Community pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002;
 - correspond to the information contained in the accounting ledgers and records;
 - provide a true and fair representation of the equity, economic and financial situation of the issuer in question.

The report on operations includes a reliable analysis of the operating performance and results for H1 2023, as well as the situation of the issuer, together with a description of the principal risks and uncertainties.

Milan, 1 August 2023

CEO
Mirja CARTIA d'ASERO

Manager in charge of financial reporting
Emilio BERNACCHI

ADDITIONS AT THE REQUEST OF CONSOB PURSUANT TO ARTICLE 114 OF LEGISLATIVE DECREE NO. 58/1998

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	30.06.2023	31.12.2022
A. Cash	50	190
B. Cash equivalents	71,207	53,876
C. Other current financial assets	2,895	4,279
D. Liquidity (A + B + C)	74,153	58,345
E. Current financial payable	(15,355)	(14,081)
F. Current portion of the non-current financial payable	(10,343)	(8,929)
G. Current financial debt (E + F)	(25,697)	(23,010)
H. Current net financial position (G + D)	48,455	35,335
I. Non-current financial payable	(34,585)	(36,197)
J. Debt instruments	(43,101)	(42,940)
K. Trade payables and other non-current payables	-	-
L. Non-current financial debt (I + J + K)	(77,686)	(79,138)
M. Net financial position (H + L)	(29,230)	(43,803)

The **net financial position** at 30 June 2023 was a negative Euro 29.2 million and compares with a negative Euro 43.8 million at 31 December 2022, an improvement of Euro 14.6 million. The change in the net financial position is mainly related to cash flows from operating activities and the collection of Euro 6.5 million deriving from the sale of the two production sites located in Milan and Carsoli (AQ).

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 offices, broadcasting equipment and cars totalling Euro 34.6 million (Euro 35.2 million at 31 December 2022) in application of IFRS 16.

The Group's current net financial position at 30 June 2023 was a positive Euro 48.5 million (positive Euro 35.3 million at 31 December 2022) and includes Euro 2.2 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 5.5 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	30.06.2023	31.12.2022
A. Cash	20	31
B. Cash equivalents	66,278	47,567
C. Other current financial assets	2,829	3,975
D. Liquidity (A + B + C)	69,128	51,573
E. Current financial payable	(15,355)	(14,081)
F. Current portion of the non-current financial payable	(15,247)	(12,585)
G. Current financial debt (E + F)	(30,602)	(26,667)
H. Current net financial position (G + D)	38,526	24,906
I. Non-current financial payable	(33,908)	(35,477)
J. Debt instruments	(43,101)	(42,940)
K. Trade payables and other non-current payables	-	-
L. Non-current financial debt (I + J + K)	(77,009)	(78,417)
M. Net financial position (H + L)	(38,483)	(53,511)

The **Parent Company's net financial position** at 30 June 2023 was negative by Euro 38.5 million and compares with a negative Euro 53.5 million at 31 December 2022, an improvement of Euro 15.0 million. The change in the net financial position is mainly related to cash flows from operating activities and the collection of Euro 6.5 million deriving from the sale of the two production sites located in Milan and Carsoli (AQ).

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 offices, broadcasting equipment and cars totalling Euro 33.9 million (Euro 34.5 million at 31 December 2022) in application of IFRS 16.

The Company's current net financial position at 30 June 2023 was a positive Euro 38.5 million (positive Euro 24.9 million at 31 December 2022) and includes Euro 2.2 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 5.3 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 30 June 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	384	63	23	14	136	2	4	631	1,256
Social security payables	-	-	-	-	-	-	-	-	-
Payables to employees	-	-	-	-	-	-	-	-	-
Tax payables	-	-	-	-	-	-	-	-	-
	384	63	23	14	136	2	4	631	1,256

Past due debt positions of Il Sole 24 ORE S.p.A. broken down by type at 30 June 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	319	39	18	3	131	1	4	570	1,086
Social security payables	-	-	-	-	-	-	-	-	-
Payables to employees	-	-	-	-	-	-	-	-	-
Tax payables	-	-	-	-	-	-	-	-	-
	319	39	18	3	131	1	4	570	1,086

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. Past due 0 to 30 days also includes positions that were subject to offsetting or payment in July 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 and after the hearing, the panel adjourned the case to 5 December 2023 for closing arguments.

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 Half-yearly report at 30 June 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) are as follows

TRANSACTIONS WITH RELATED PARTIES – CONSOLIDATED AT 30 JUNE 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)	12	-	-	-	43	-	-	-
Total Parent Company	12	-	-	-	43	-	-	-
Sole 24 ORE Formazione S.p.A.	221	-	-	-	199	-	-	-
Total associates	221	-	-	-	199	-	-	-
Key Executives	-	-	(541)	-	-	(978)	-	-
Board of Directors	-	-	(687)	-	-	(776)	-	-
Board of Statutory Auditors	-	-	(107)	-	-	(121)	-	-
Other related parties	149	-	(125)	-	282	(145)	-	-
Total other related parties	149	-	(1,461)	-	282	(2,021)	-	-
Total related parties	381	-	(1,461)	-	524	(2,021)	-	-

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 company Sole 24 ORE Formazione S.p.A., which provides for the lease of space in the Milan - Viale Sarca office. In terms of IFRS 16, this transaction resulted in the recognition of the relative financial receivable, which at 30 June 2023 totalled Euro 6,337 thousand. During H1 2023, Euro 500 thousand was collected for rent for the period.

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 30 June 2023, 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 30 June 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, pursuant to and in accordance with article 2386, paragraph 1, of the Civil Code and article 19 of the Articles of Association, Roberta Cocco and Gianmario Verona, who were co-opted on 20 December 2022 to replace Chiara Laudanna and Fabio Domenico Vaccarone, respectively, who had resigned effective as of 10 November 2022.

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 30 June 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)	12	-	-	-	43	-	-	-
Total Parent Company	12	-	-	-	43	-	-	-
24 ORE Cultura S.r.l.	1,593	-	(693)	(2,826)	495	(410)	-	(93)
Il Sole 24 ORE Eventi S.r.l.	1,315	-	(1,774)	(2,289)	864	(1,872)	-	(75)
Il Sole 24 ORE UK Ltd	-	-	(547)	-	-	(177)	-	-
Il Sole 24 ORE U.S.A. Inc	-	-	(322)	-	-	(224)	-	-
Total Subsidiaries	2,908	-	(3,337)	(5,115)	1,359	(2,684)	-	(168)
Sole 24 ORE Formazione S.p.A.	221	-	-	-	199	-	-	-
Total associates	221	-	-	-	199	-	-	-
Key Executives	-	-	(541)	-	-	(978)	-	-
Board of Directors	-	-	(687)	-	-	(776)	-	-
Board of Statutory Auditors	-	-	(99)	-	-	(99)	-	-
Other related parties	149	-	(88)	-	282	(108)	-	-
Total other related parties	149	-	(1,415)	-	282	(1,961)	-	-
Total related parties	3,289	-	(4,752)	(5,115)	1,883	(4,645)	-	(168)

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 company Sole 24 ORE Formazione S.p.A., which provides for the lease of space in the Milan - Viale Sarca office. In terms of IFRS 16, this transaction resulted in the recognition of the relative financial receivable, which at 30 June 2023 totalled Euro 6,337 thousand. During H1 2023, Euro 500 thousand was collected for rent for the period.

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 30 June 2023, 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 30 June 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, pursuant to and in accordance with article 2386, paragraph 1, of the Civil Code and article 19 of the Articles of Association, Roberta Cocco and Gianmario Verona, who were co-opted on 20 December 2022 to replace Chiara Laudanna and Fabio Domenico Vaccarone, respectively, who had resigned effective as of 10 November 2022.

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 30 June 2023, the credit line for the securitization of trade receivables with recourse (for a total amount of Euro 20.0 million) had been used for Euro 15.4 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 30 June 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 digitalization of products and processes, globalization and continuous brand enhancement. The growth in revenues and margins is also confirmed in the changed geopolitical, economic and market context.

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:

- ✓ digitalization 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;
- ✓ globalization in every segment with the strengthening of existing partnerships with some of the leading international news organizations;
- ✓ 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 optimization, with a time rescheduling compared to the previous 2022-2025 Plan.

In light of the uncertainties of the macroeconomic and geopolitical scenario characterized 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 commodity 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 H1 2023 did not meet forecasts, mainly due to the drop in advertising revenues and the lower than expected performance of some initiatives, while EBITDA and EBIT showed a clear improvement compared to the 2023 plan due to both the different development of the business and actions to limit 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.

Milan, 1 August 2023

Chairperson of the Board of Directors
Edoardo GARRONE



Il Sole 24 Ore S.p.A.

Review report on the interim condensed consolidated financial statements at June 30, 2023

(Translation from the original Italian text)

Review report on the interim condensed consolidated financial statements (Translation from the original Italian text)

To the Shareholders of
Il Sole 24 Ore S.p.A.

Introduction

We have reviewed the interim condensed consolidated financial statements, comprising the statement of financial position, the statement of profit (loss) for the period, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows and the related explanatory notes of Il Sole 24 Ore S.p.A. and its subsidiaries (the "24 Ore Group") at June 30, 2023. The Directors of Il Sole 24 Ore S.p.A. are responsible for the preparation of the interim condensed consolidated financial statements in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with review standards recommended by Consob (the Italian Stock Exchange Regulatory Agency) in its Resolution no. 10867 of July 31, 1997. A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the interim condensed consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements of 24 Ore Group at June 30, 2023 are not prepared, in all material respects, in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union.

Milan, August 2, 2023

EY S.p.A.
Signed by: Agostino Longobucco, Auditor

This report has been translated into the English language solely for the convenience of international readers