



## CAIRO COMMUNICATION

### Press Release - Results at 31 December 2023 approved

- In 2023, the Group achieved consolidated gross revenue of Euro 1,160.0 million (Euro 1,175.9 million in 2022) and growing margins, with EBITDA of Euro 167.5 million (Euro 147.1 million in 2022), EBIT of Euro 86.9 million (Euro 69.3 million in 2022), and net profit of Euro 38.4 million (Euro 32.1 million in 2022)
- In the second half of the year, the Group generated positive cash flows, improving the net financial position by Euro 42.2 million versus 30 June 2023
- RCS ranks as Italy's top online publisher also in 2023 with an aggregate figure of 31.6 million average monthly unique users (net of duplications - *Audicom*)
- At end December, the RCS Group's titles reached an active digital customer base of over one million subscriptions, 595 thousand for *Corriere della Sera*, Italy's leading newspaper also on newsstands, 214 thousand for *Gazzetta*, 136 thousand for *El Mundo*, and 82 thousand for *Expansión*
- La7 achieved high ratings, 3.4% in the all-day share and 4.9% in prime time, and was the sixth channel for ratings in this time slot, and in autumn (September-December) fifth with a 5.6% share
- The Cairo Editore magazine publishing segment, with EBITDA of Euro 7.9 million, also improved results versus 2022 (Euro 4.4 million)
- A dividend of Euro 0.16 per share will be proposed at the Shareholders' Meeting

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### Federico Cairo appointed member of the Board of Directors of Cairo Communication S.p.A.

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**Milan, 28 March 2024:** at its meeting today, the Board of Directors of Cairo Communication reviewed and approved the draft financial statements at 31 December 2023.

Income statement and balance sheet figures (€ millions)	31/12/2023	31/12/2022
Consolidated gross revenue	1,160.0	1,175.9
EBITDA before net non-recurring expense	167.9	159.2
EBITDA	167.5	147.1
EBIT	86.9	69.3
Profit (loss) attributable to the owners of the parent	38.4	32.1
	<b>31/12/2023</b>	<b>31/12/2022</b>
Net financial position (net financial debt)	(4.8)	(15.2)

2023 was marked by the continued conflict in Ukraine, with its consequences also in terms of impacts on the economy and trade. This is leading to a state of great uncertainty and a slowdown in anticipated economic growth in relevant markets. With regard to the Group, this context impacted on production costs, paper in particular. Moreover, during 2023, energy and gas costs, after the strong volatility and increases recorded in 2022, gradually returned to around the prices of late summer 2021; paper costs also decreased versus the prices of 2022, with anticipated positive effects on the income statement of 2024.

Since October, a conflict has erupted in the Middle East following Hamas attacks on Israeli territory, potentially leading to escalating geopolitical impacts and exacerbating the overall environment of uncertainty.

Against this backdrop, in 2023:

- **the Group** increased its margins (EBITDA, EBIT, and profit) versus the results in 2022;
- **RCS's** margins (EBITDA, EBIT and profit) too were up versus 2022. During the year, RCS confirmed remarkable circulation levels at newsstands and continued its growth in the digital field, ranking as Italy's top online publisher also in 2023 with an aggregate figure of 31.6 million average monthly unique users (net of duplications - *Audicom*). At end December, the total active digital customer base (digital edition, membership and m-site) of *Corriere della Sera* reached 595 thousand subscriptions (508 thousand at end 2022 - Internal Source), while the customer base of *Gazzetta's* pay products (*G ALL*, *G+*, *GPRO* and *Fantacampionato*) reached 214 thousand subscriptions (171 thousand at end 2022 - Internal Source). Digital subscriptions grew in Spain too, reaching at year end 136 thousand subscriptions for *El Mundo* (101 thousand at end 2022 - Internal Source) and 82 thousand subscriptions for *Expansión* (51 thousand at end 2022 - Internal Source). Both Italian newspapers, *Corriere della Sera* and *La Gazzetta dello Sport*, and in Spain *Marca* and *Expansión*, retained their circulation leadership in their respective market segments (*ADS* for Italy and *OJD* for Spain). *La Gazzetta dello Sport*, with the Audipress 2023/III survey, retained its position as the most-read Italian newspaper with a readership of over 2 million. EGM's latest November 2023 "*General Media Research*" survey confirms Unidad Editorial as the leader in Spanish print media, with almost 1.6 million overall daily readers of its three daily newspapers. The main digital performance indicators confirm the top market position of RCS, with the *Corriere della Sera* and *La Gazzetta dello Sport* brands, which counted in 2023 30.2 million and 17.8 million average monthly unique users, and 3.8 million and 2.5 million average daily unique users (*Audicom*). The main social accounts of the *Corriere System* at 31 December 2023 reached approximately 12.5 million total followers (considering *Facebook*, *Instagram*, *X*, *LinkedIn* and *TikTok* - Internal Source) and those of *La Gazzetta dello Sport* 6 million (considering *Facebook*, *Instagram*, *X* and *TikTok* - Internal Source). In Spain, as part of the online activities, *elmundo.es*, *marca.com* and *expansion.com* reached 44.4 million, 90.6 million and 9.5 million average monthly unique browsers respectively in 2023, comprising both domestic and foreign browsers and including apps (*Google Analytics*). The social audience of Unidad Editorial Group titles (Internal Source) stands at 10.7 million followers for *El Mundo*, 18.6 million for *Marca* and 2.4 million for *Telva* (considering *Facebook*, *Instagram* and *X*) and 1.5 million for *Expansión* (considering *Facebook*, *Instagram*, *X* and *LinkedIn*). Net operating revenue amounted to Euro 826.1 million, with total digital revenue (Italy and Spain) amounting to approximately Euro 217.6 million and accounting for approximately 26% of total revenue. Total advertising sales from RCS online media amounted to Euro 149.1 million in 2023, making for 43% of total advertising revenue;
- the **TV publishing (La7) and network operator segment** achieved high ratings of the La7 channel (3.4% in the all-day share and 4.9% in prime time). Gross advertising sales on La7 and La7d channels amounted to approximately Euro 150.8 million (Euro 150 million in 2022). Specifically, in the year La7 was the sixth channel in prime time ratings and in autumn (September-December) the fifth, with an average audience of 5.6%. In the morning slots too (7:00/12:00), La7 achieved a 3.5% share in the twelve months, claiming the fifth position in the national ranking. La7d's share in 2023 was 0.5% in both all-day and prime time. The channel's news and discussion programmes in 2023 all continued to deliver remarkable results: *Otto e Mezzo* with 7.4% average share from Monday to Friday, *TgLa7* 8 p.m. edition with 6.1% from Monday to Friday, *diMartedì* with 6.7%, *Piazzapulita* with 5.3%, *Propaganda Live* with 5.8%, *In Viaggio con Barbero* with 5.5%, *Una giornata particolare* with 5.9%, *In Altre Parole* with 5.2% on Saturdays, *In Onda* with 6.2% in access and 4.6% in prime time in summer, *Omnibus La7* with 3.8%, *Coffee Break* with 3.9% from Monday to Friday, *L'Aria che tira* with 4.6% in autumn, and *Tagadà* with 3.5%. In 2023, La7 confirmed its leadership among generalist TV stations in terms of news hours (almost 13 hours in the year) and was the second channel in terms of live hours (an average of more than 10 hours per day). On the digital front, average monthly unique users in 2023 were 8.9 million (+52% versus 2022) and daily unique users 710 thousand (+78%). Stream views were 29.9 million per month (+87%). In the year, average monthly unique browsers of *Tg.La7.it* (2.9 million) grew by 531% versus 2022. At end 2023, followers of La7 and its active programmes on *Facebook*, *X*, *Instagram* and *TikTok* were over 6.8 million;

- Also **the Cairo Editore magazine publishing segment** improved results versus 2022.

In 2023, consolidated gross revenue amounted to approximately Euro 1,160.0 million (comprising gross operating revenue of Euro 1,112.0 million and other revenue and income of Euro 48.0 million) versus Euro 1,175.9 million in 2022 (comprising gross operating revenue of Euro 1,126.7 million and other revenue and income of Euro 49.2 million).

EBITDA and EBIT came to Euro 167.5 million and Euro 86.9 million (Euro 147.1 million and Euro 69.3 million in the prior year). Net non-recurring expense came to Euro -0.4 million (Euro 12.1 million in 2022, including Euro 10 million in expense from the settlement of the litigation over the Via Solferino/San Marco/Balzan property complex).

Profit attributable to the owners of the parent came to approximately Euro 38.4 million (Euro 32.1 million in 2022).

Looking at the business segments, in 2023:

- in the **magazine publishing segment (Cairo Editore)**, EBITDA and EBIT came to Euro 7.9 million and Euro 6.5 million (Euro 4.4 million and Euro 1.9 million in 2022). Regarding weeklies, with approximately 1 million average copies sold in 2023 (*ADS*), Cairo Editore retains its position as the leading publisher in copies of weeklies sold at newsstands, with an approximately 30% market share. Including the average sales of titles out of the *ADS* survey, comprising copies sold of “*Enigmistica Più*” and of “*Enigmistica Mia*”, average copies sold were approximately 1.1 million;
- in the **TV publishing (La7) and network operator segment**, EBITDA grew to reach approximately Euro 16.6 million (Euro 15.6 million in 2022). EBIT was approximately Euro -0.6 million (Euro -0.4 million in 2022);
- in the **advertising segment**, EBITDA came to Euro 2.8 million (Euro 4.8 million in 2022) and EBIT to Euro 0.3 million (Euro 2.6 million in 2022);
- in the **RCS segment**, in the consolidated financial statements of Cairo Communication, EBITDA<sup>1</sup> and EBIT amounted to Euro 140.2 million and Euro 80.7 million (Euro 122.1 million and Euro 65 million in the prior year). In 2023, initiatives continued on maintaining and developing revenue, boosting the publishing range of products, developing the digital platforms and enhancing the vertical publishing systems. In **Italy**, regarding main initiatives only, for *Corriere della Sera*, new TikTok accounts were opened, video sections of local newspapers were updated and the Trento, Salerno, and Monza editions opened, exclusive events dedicated to digital subscribers were organized, the new *Corriere Club* and new *Corriere Family* product were launched, the podcast and newsletter catalogues were enhanced, and the new *Canale Salute* service of answering readers' questions was launched. Important events were also organized, including *Obiettivo5*, *Italia Genera Futuro*, the *Bilanci di Sostenibilità* award, *Civil Week*, *Tech Emotion*, *Cibo a Regola d'arte*, the *Economia d'Italia* events, the *Solferino 28 Elevators* multimedia installation, together with the *Living* and *Abitare* titles, *Il tempo delle Donne*, *Women in Food*, *La Bellezza Ritrovata*, *Il Bello dell'Italia*, *Il Tempo della Salute*, *L'Economia del Futuro*, and *Cook Night*. Starting from September, the *corriere.it* website has introduced a feature that allows users to listen to almost all articles. *La Gazzetta dello Sport* continued the graphical enhancement of *G+* content, launched the new sections *Stile Gazzetta*, *Il Ciclista* and *Numbers*, boosted the online games offer of *Gazzetta.it*, launched the *Gazzetta Motori YouTube* channel and the *Gazzabet* remote games site revamped the *digital edition* app, organized the *Milano Football Week* events, Trento's *Il Festival dello Sport* and the *Gazzetta Sports Awards*. In **Spain**, regarding the main initiatives only, in February the new online version of *El Mundo* was launched, while renewing its print version, in March the online *Cooking* platform was launched, in September the new version of the *Expansión* app was launched, and in October *Actualidad Economica* underwent a redesign, introducing a new print and online format. *Marca* continued to enhance its content by acquiring the rights to broadcast the main matches of the Arab-

<sup>1</sup> Mention should be made that RCS adopts a different definition of EBITDA from the one used by the Cairo Communication Group, as indicated in the section below “Alternative Performance Measures”. As a result of these differences - relating to allocations to the provisions for risks and charges and the allowance for impairment, totaling Euro 4 million in 2023 - EBITDA reported in the RCS 2023 Annual Report approved on 27 March 2024 amounts to Euro 136.2 million.

Saudi league. Work also continued on organizing major events, including participation with *El Mundo* and *La Lectura* in the Madrid International Contemporary Art Fair, *Marca Sport Weekend*, *Marca Family & Sports*, *El foro económico internacional Expansión*, the new *Expansión Green World & Sustainability* summit, the *Congreso Internacional de Telva*, several stages of *Telva's* cycle of meetings to celebrate its 60th anniversary, *Tiempo de las Mujeres*, *Premio Internazionale di Periodismo*, the *Noche de Deporte* in Madrid, *Criterium Ciudad de Madrid*, and *Gran Fondo de Tenerife*.

Consolidated **net financial debt** at 31 December 2023 stood at approximately Euro 4.8 million (Euro 15.2 million at end 2022). The change versus 2022 is explained mostly by the outlays for dividend payout of approximately Euro 31.2 million and for technical expenditure and non-recurring expense totaling Euro 41.1 million, offset by the positive contribution of ordinary operations, affected by the current timing of collecting tax receivables granted to the publishing industry (at 31 December 2023, the outstanding receivable of approximately Euro 39.8 million refers also to 2021 and 2022). The Group generated positive cash flows in the second half, improving the net financial debt by Euro 42.2 million versus 30 June 2023 (Euro -47 million). At end December, the net financial debt of RCS stood at Euro 23.4 million (Euro 31.6 million at end 2022).

**Total net financial debt**, which includes financial liabilities from leases recognized in accordance with IFRS 16 (mainly property leases) of Euro 145.4 million, amounted to Euro 150.2 million (Euro 177.6 million at 31 December 2022).

The Board of Directors will propose at the Shareholders' Meeting the distribution of a dividend of Euro 0.16 per share gross of tax, with ex-dividend date (coupon number 17) on 27 May 2024 and payable on 29 May 2024 (record date 28 May 2024).

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2023 was marked by the continued conflict in Ukraine, with its consequences also in terms of impacts on the economy and trade. This is leading to a state of great uncertainty and a slowdown in anticipated economic growth in relevant markets. Since October, a conflict has erupted in the Middle East following Hamas attacks on Israeli territory, potentially leading to escalating geopolitical impacts and exacerbating the overall environment of uncertainty. The Group has no direct exposure and/or business activities towards the markets affected by the conflict and/or sanctioned entities. These conflicts, along with their impacts, are still ongoing even in this early part of 2024.

In 2023, the Group met the public's strong need to stay informed through its information offering, ensuring a timely service to its viewers and readers. The *La7* programmes, the daily editions of *Corriere della Sera* and *La Gazzetta dello Sport* in Italy, and of *El Mundo*, *Marca* and *Expansión* in Spain, the Group's magazines and web and social platforms have played a pivotal role in informing, focusing on their mission as a non-partisan, trustworthy public service, and establishing themselves as authoritative players in daily television, print and online information, with strong television ratings and digital traffic figures.

The developing situation and the potential effects on the business outlook, which are constantly monitored, are unforeseeable at this time as they depend, inter alia, on the evolution, developments and duration of the conflicts in Ukraine and the Middle East and their geopolitical effects.

In consideration of the actions already implemented and those planned, in the absence of a deterioration of the consequences from the continuation and the developments of the conflicts in Ukraine and the Middle East, the Group believes that it can set the goal of achieving strongly positive margins (EBITDA) in 2024, up from those achieved in 2023, and to continue with further cash generation from operations.

Developments in the ongoing conflicts, the overall economic climate and the core segments could, however, affect the full achievement of these targets.

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The Board of Directors has appointed, pursuant to art. 2386, paragraph 1, of the Italian Civil Code, Federico Cairo as a member of the Board of Directors, following the resignation of Stefania Bedogni (who was drafted from the list submitted by the majority shareholder). Federico Cairo, a non-executive director who does not meet the independence requirements set forth in Legislative Decree 58/98 and the Corporate Governance Code, has not been appointed to any board committee and will remain in office until the date

of the next shareholders' meeting. His curriculum vitae is available on the Company's website [www.cairocommunication.it](http://www.cairocommunication.it), in the corporate governance/Board of Directors section. As of the date of this press release, Federico Cairo does not hold any shares in Cairo Communication S.p.A..

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The Financial Reporting Manager of Cairo Communication S.p.A., Marco Pompignoli, declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Finance Law, that the accounting information contained herein is consistent with the underlying accounting documents, books and records.

*Cairo Communication is one of the leading groups in the publishing and advertising sales segments, recognized as one of the first to have developed a multimedia sales approach. With the acquisition of the control of RCS MediaGroup, Cairo Communication establishes itself as a major multimedia publishing group, well-positioned to become the main player on the Italian market, with a strong international presence in Spain, by leveraging on the high quality and diversification of products in the dailies, web, television, magazines and sporting events segments.*

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This press release is also available on the Company's website [www.cairocommunication.it](http://www.cairocommunication.it)  
in the section NOTICES AND DOCUMENTS / PRESS RELEASES

## Summary of the main consolidated income statement figures at 31 December 2023

The main **consolidated income statement figures** in 2023 can be compared as follows with those of the same period of 2022:

(€ millions)	2023	2022
Gross operating revenue	1,112.0	1,126.7
Advertising agency discounts	(62.6)	(62.7)
<b>Net operating revenue</b>	<b>1,049.4</b>	<b>1,064.0</b>
Change in inventory	(0.7)	2.4
Other revenue and income	48.0	49.2
<b>Total revenue</b>	<b>1,096.8</b>	<b>1,115.7</b>
Production costs	(608.9)	(640.6)
Personnel expense	(320.0)	(315.9)
Non-recurring income (expense)	(0.4)	(12.1)
<b>EBITDA</b>	<b>167.5</b>	<b>147.1</b>
Amortization, depreciation, provisions and write-downs	(80.6)	(77.8)
<b>EBIT</b>	<b>86.9</b>	<b>69.3</b>
Other gains (losses) from financial assets/liabilities	1.3	(4.1)
Net financial income	(12.8)	(8.8)
<b>Profit (loss) before tax</b>	<b>75.4</b>	<b>56.4</b>
Income tax	(14.3)	(4.7)
Non-controlling interests	(22.7)	(19.6)
<b>Profit (loss) from continuing operations</b>	<b>38.4</b>	<b>32.1</b>
Profit (loss) from discontinued operations	0	0
<b>Profit (loss) attributable to the owners of the parent</b>	<b>38.4</b>	<b>32.1</b>

*Unaudited reclassified statements*

The Group **statement of comprehensive income** can be analyzed as follows:

€ millions	2023	2022
<b>Profit (loss) for the year</b>	<b>61.1</b>	<b>51.7</b>
<i>Reclassifiable items of the comprehensive income statement</i>		
Gains (losses) from the translation of financial statements denominated in foreign currencies	0.0	0.1
Gains (losses) from cash flow hedges	0.0	1.5
Reclassification of gains (losses) from cash flow hedges	(1.0)	0.1
Tax effect	0.2	(0.4)
<i>Non-reclassifiable items of the comprehensive income statement</i>		
Actuarial gains (losses) from defined benefit plans	(0.1)	3.3
Tax effect	0.0	(0.7)
Gains (losses) from the fair value measurement of equity instruments	(0.4)	0.0
<b>Total comprehensive income for the period</b>	<b>59.9</b>	<b>55.6</b>
- Owners of the parent	37.6	34.8
- Non-controlling interests - continuing operations	22.3	20.8
	<b>59.9</b>	<b>55.6</b>

*Unaudited reclassified statements*

## Summary of the main consolidated statement of financial position figures at 31 December 2023

The main **consolidated statement of financial position figures** at 31 December 2023 can be compared with the situation at 31 December 2022:

(€ millions)	31/12/2023	31/12/2022
Tangible assets	107.1	110.9
Rights of use leased assets	130.4	146.4
Intangible assets	987.3	990.2
Financial assets	35.0	36.8
Deferred tax assets	84.0	86.0
Net working capital	(47.1)	(57.8)
<b>Total assets</b>	<b>1,296.7</b>	<b>1,312.5</b>
Non-current liabilities and provisions	87.8	104.7
Deferred tax provision	163.4	163.4
(Financial position)/Net debt	4.8	15.2
Liabilities from leases (pursuant to IFRS 16)	145.4	162.4
Equity attributable to the owners of the parent	548.4	525.0
Equity attributable to non-controlling interests	346.9	341.8
<b>Total equity and liabilities</b>	<b>1,296.7</b>	<b>1,312.5</b>

*Unaudited reclassified statements*

The consolidated **net financial position** at 31 December 2023, versus the situation at 31 December 2022, can be summarized as follows:

Net financial position (Euro millions)	31/12/2023	31/12/2022	Changes
Cash and cash equivalents	58.1	54.3	3.8
Other current financial assets and financial	0.9	1.0	(0.1)
Current financial assets (liabilities) from derivative instruments	0.2	0.9	(0.7)
Current financial payables	(23.6)	(31.8)	8.3
<b>Current net financial position (net financial debt)</b>	<b>35.6</b>	<b>24.3</b>	<b>11.3</b>
Non-current financial payables	(40.4)	(40.0)	(0.4)
Non-current financial assets (liabilities) from derivative instruments	0.0	0.4	(0.4)
<b>Non-current net financial position (net financial debt)</b>	<b>(40.4)</b>	<b>(39.6)</b>	<b>(0.8)</b>
<b>Net financial position (net financial debt)</b>	<b>(4.8)</b>	<b>(15.2)</b>	<b>10.4</b>
Liabilities from leases (pursuant to IFRS 16)	(145.4)	(162.4)	17.0
<b>Total net financial position (net financial debt)</b>	<b>(150.2)</b>	<b>(177.6)</b>	<b>27.4</b>

*Unaudited reclassified statements*

## Consolidated statement of cash flows

The consolidated statement of cash flows at 31 December 2023 can be compared with the statement of cash flows at 31 December 2022:

€ millions	31 December 2023	31 December 2022
Cash funds	54.3	113.0
Bank overdrafts	-	-
<b>CASH AND CASH EQUIVALENTS OPENING BALANCE</b>	<b>54.3</b>	<b>113.0</b>
<b>OPERATIONS</b>		
Profit (loss)	61.1	51.7
Amortization/depreciation	74.9	71.9
(Gains) losses and other non-monetary items	(0.1)	(0.2)
(Gains) losses on financial assets/liabilities	(1.3)	4.1
Net financial expense (income)	12.7	8.8
Dividends from equity-accounted investees	-	-
Income tax	14.3	4.7
(Increase) decrease in employee benefits and provisions for risks and charges	(14.6)	(2.8)
<b>Cash flow from operations before changes in working capital</b>	<b>147.1</b>	<b>138.2</b>
(Increase) decrease in trade and other receivables	3.7	(0.1)
Increase (decrease) in payables to suppliers and other liabilities	(44.5)	4.7
(Increase) decrease in inventory	14.1	(15.9)
<b>CASH FLOW FROM OPERATIONS</b>	<b>120.5</b>	<b>126.9</b>
Income tax received (paid)	(3.8)	(14.7)
Net financial expense paid	(10.0)	(9.1)
<b>CASH FLOW FROM OPERATIONS (A)</b>	<b>106.7</b>	<b>103.1</b>
<b>INVESTING ACTIVITIES</b>		
Net (acquisition) disposal of PPE and intangible assets	(38.6)	(91.9)
Acquisition of investments	-	(3.0)
Proceeds from the disposal of investments	2.2	0.5
Proceeds from the sale of property, plant and equipment and intangible assets	0.2	0.7
Net decrease (increase) in other non-current assets	(0.7)	0.1
<b>CASH FLOW FROM INVESTING ACTIVITIES (B)</b>	<b>(36.9)</b>	<b>(93.6)</b>
<b>FINANCING ACTIVITIES</b>		
Dividends paid	(31.2)	(36.3)
Net change in financial payables and other financial assets	(14.6)	(5.2)
Net change in lease liabilities	(26.3)	(26.9)
Increase (decrease) in non-controlling interests' share capital and reserves	-	0.1
Other changes in equity	-	-
<b>CASH FLOW FROM FINANCING ACTIVITIES (C)</b>	<b>(72.1)</b>	<b>(68.3)</b>
<b>CASH FLOW FOR THE PERIOD (A)+(B)+(C)</b>	<b>(2.3)</b>	<b>(58.7)</b>
<b>CASH AND CASH EQUIVALENTS CLOSING BALANCE</b>	<b>51.8</b>	<b>54.3</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Cash funds	58.1	54.3
Bank overdrafts	(6.3)	-
	<b>51.8</b>	<b>54.3</b>



## Segment reporting at 31 December 2023

The Group's performance can be read better by analyzing the results by **main business segment**:

2023 (€ millions)	Magazine publishing Cairo Editore	Advertising	TV publishing La7 and network operator	RCS	Elimination s and unallocated	Total
Gross operating revenue	77.6	402.6	117.0	864.0	(349.1)	1,112.0
Advertising agency discounts	0	(52.5)	0	(38.0)	27.8	(62.6)
<b>Net operating revenue</b>	<b>77.6</b>	<b>350.2</b>	<b>117.0</b>	<b>826.1</b>	<b>(321.4)</b>	<b>1,049.4</b>
Change in inventory	(0.0)	0	0	(0.7)	0	(0.7)
Other revenue and income	9.7	6.7	1.0	37.8	(7.1)	48.0
<b>Total revenue</b>	<b>87.2</b>	<b>356.9</b>	<b>118.0</b>	<b>863.2</b>	<b>(328.5)</b>	<b>1,096.8</b>
Production costs	(63.3)	(330.1)	(63.3)	(480.8)	328.5	(608.9)
Personnel expense	(16.1)	(24.0)	(38.1)	(241.7)	(0.1)	(320.0)
Non-recurring income (expense)	0	0	0	(0.4)	0	(0.4)
<b>EBITDA</b>	<b>7.9</b>	<b>2.8</b>	<b>16.6</b>	<b>140.2</b>	<b>0.0</b>	<b>167.5</b>
Amortization, depreciation, provisions and write-downs	(1.4)	(2.5)	(17.2)	(59.5)	0.0	(80.6)
<b>EBIT</b>	<b>6.5</b>	<b>0.3</b>	<b>(0.6)</b>	<b>80.7</b>	<b>0.0</b>	<b>86.9</b>
Other gains (losses) from financial assets/liabilities	0	0	0	1.3	0	1.3
Net financial income	0.3	(2.2)	0.8	(11.6)	0.0	(12.8)
<b>Profit (loss) before tax</b>	<b>6.8</b>	<b>(1.9)</b>	<b>0.2</b>	<b>70.4</b>	<b>0.0</b>	<b>75.4</b>
Income tax	(1.0)	0.0	-0.1	(13.3)	(0.0)	(14.3)
Non-controlling interests	0	0.1	0	(22.8)	0.0	(22.7)
<b>Profit (loss) from continuing operations</b>	<b>5.8</b>	<b>(1.8)</b>	<b>0.1</b>	<b>34.4</b>	<b>0.0</b>	<b>38.4</b>
Profit (loss) from discontinued operations	0	0	0	0	0	0
<b>Profit (loss) for the period attributable to the owners of</b>	<b>5.8</b>	<b>(1.8)</b>	<b>0.1</b>	<b>34.4</b>	<b>0.0</b>	<b>38.4</b>
2022 (€ millions)	Magazine publishing Cairo Editore	Advertising	TV publishing La7 and network operator	RCS	Elimination s and unallocated	Total
Gross operating revenue	79.5	402.0	114.8	882.9	(352.6)	1,126.7
Advertising agency discounts	0.0	(52.4)	0.0	(37.9)	27.7	(62.7)
<b>Net operating revenue</b>	<b>79.5</b>	<b>349.6</b>	<b>114.8</b>	<b>845.0</b>	<b>(324.9)</b>	<b>1,064.0</b>
Change in inventory	0.0	0.0	0.0	2.4	0.0	2.4
Other revenue and income	7.9	6.2	4.6	36.0	(5.6)	49.2
<b>Total revenue</b>	<b>87.5</b>	<b>355.8</b>	<b>119.5</b>	<b>883.4</b>	<b>(330.5)</b>	<b>1,115.7</b>
Production costs	(66.7)	(327.5)	(66.5)	(510.6)	330.7	(640.6)
Personnel expense	(16.4)	(23.5)	(37.3)	(238.6)	(0.1)	(315.9)
Non-recurring income (expense)	0.0	0.0	0.0	(12.1)	0.0	(12.1)
<b>EBITDA</b>	<b>4.4</b>	<b>4.8</b>	<b>15.6</b>	<b>122.1</b>	<b>0.1</b>	<b>147.1</b>
Amortization, depreciation, provisions and write-downs	(2.5)	(2.2)	(16.0)	(57.1)	0.0	(77.8)
<b>EBIT</b>	<b>1.9</b>	<b>2.6</b>	<b>(0.4)</b>	<b>65.0</b>	<b>0.1</b>	<b>69.3</b>
Other gains (losses) from financial assets/liabilities	0.0	0.0	0.0	(4.1)	0.0	(4.1)
Net financial income	(0.1)	(0.3)	(0.4)	(8.0)	0.0	(8.8)
<b>Profit (loss) before tax</b>	<b>1.8</b>	<b>2.3</b>	<b>(0.8)</b>	<b>53.0</b>	<b>0.1</b>	<b>56.4</b>
Income tax	0.9	(1.1)	0.0	(4.5)	(0.0)	(4.7)
Non-controlling interests	0.0	0.0	0.0	(19.6)	0.0	(19.6)
<b>Profit (loss) from continuing operations</b>	<b>2.8</b>	<b>1.2</b>	<b>(0.8)</b>	<b>28.9</b>	<b>0.1</b>	<b>32.1</b>
Profit (loss) from discontinued operations	0.0	0.0	0.0	0.0	0.0	0.0
<b>Profit (loss) for the period attributable to the owners of</b>	<b>2.8</b>	<b>1.2</b>	<b>(0.8)</b>	<b>28.9</b>	<b>0.1</b>	<b>32.1</b>

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## Details of consolidated revenue at 31 December 2023

Gross operating revenue in 2023, split up by main business segment, can be analyzed as follows versus the amounts of 2022:

2023 (€ millions)	Magazine publishing Cairo Editore	Advertising	TV publishing La7 and network operator	RCS	Eliminations and unallocated	Total
TV advertising	0	150.8	102.2	0.4	(103.1)	150.3
Advertising on print media, Internet and sporting events	8.6	248.8	2.7	384.6	(234.7)	410.2
Other TV revenue	0	0	1.8	2.8	(0.3)	4.3
Magazine over-the-counter sales and subscriptions	70.1	0	0	336.3	(2.1)	404.3
VAT relating to publications	(1.2)	0	0	(3.4)	0	(4.5)
Sundry revenue	0	3.0	10.2	143.2	(9.0)	147.4
<b>Total gross operating revenue</b>	<b>77.6</b>	<b>402.6</b>	<b>117.0</b>	<b>864.0</b>	<b>(349.2)</b>	<b>1,112.0</b>
Other revenue	9.7	6.7	1.0	37.8	(7.1)	48.0
<b>Total gross revenue</b>	<b>87.3</b>	<b>409.3</b>	<b>118.0</b>	<b>901.8</b>	<b>(356.3)</b>	<b>1,160.0</b>

2022 (€ millions)	Magazine publishing Cairo Editore	Advertising	TV publishing La7 and network	RCS	Eliminations and unallocated	Total
TV advertising	0	151.1	102.1	0.4	(103.5)	150.1
Advertising on print media, Internet and sporting events	9.2	248.2	2.6	383.0	(236.5)	406.5
Other TV revenue	0	0	1.3	2.7	(0.3)	3.8
Magazine over-the-counter sales and subscriptions	71.5	0	0	358.5	(2.8)	427.2
VAT relating to publications	(1.2)	0	0	(2.6)	0	(3.8)
Sundry revenue	0	2.7	8.8	141.0	(9.6)	142.9
<b>Total gross operating revenue</b>	<b>79.5</b>	<b>402.0</b>	<b>114.8</b>	<b>882.9</b>	<b>(352.6)</b>	<b>1,126.7</b>
Other revenue	7.9	6.2	4.6	36.0	(5.6)	49.2
<b>Total gross revenue</b>	<b>87.5</b>	<b>408.2</b>	<b>119.5</b>	<b>919.0</b>	<b>(358.2)</b>	<b>1,175.9</b>

## Summary of the main income statement figures of the Parent at 31 December 2023

The main income statement figures of Cairo Communication S.p.A. in 2023 can be compared as follows versus those in 2022:

(€ millions)	2023	2022
Gross operating revenue	4.8	5.0
Advertising agency discounts	0	0
<b>Net operating revenue</b>	<b>4.8</b>	<b>5.0</b>
Other revenue and income	0.3	1.2
<b>Total revenue</b>	<b>5.1</b>	<b>6.2</b>
Production costs	(2.7)	(3.1)
Personnel expense	(1.9)	(1.9)
<b>EBITDA</b>	<b>0.5</b>	<b>1.2</b>
Amortization, depreciation, provisions and write-downs	(0.2)	(0.2)
<b>EBIT</b>	<b>0.3</b>	<b>1.0</b>
Net financial income	(1.8)	(0.2)
Other gains (losses) from financial assets/liabilities	20.7	25.5
<b>Profit (loss) before tax</b>	<b>19.3</b>	<b>26.4</b>
Income tax	0.1	(0.6)
<b>Profit (loss) for the year</b>	<b>19.4</b>	<b>25.7</b>

The statement of comprehensive income of the Parent can be analyzed as follows:

€ millions	2023	2022
<b>Profit (loss) for the year</b>	<b>19.4</b>	<b>25.7</b>
<i>Other reclassifiable items of the comprehensive income statement</i>		
Gains (losses) from cash flow hedges	(0.2)	0.2
Tax effect	0.0	(0.0)
<i>Other non-reclassifiable items of the comprehensive income statement</i>		
Actuarial gains (losses) from defined benefit plans	0.0	0.2
Tax effect	(0.0)	(0.0)
<b>Total comprehensive income</b>	<b>19.3</b>	<b>26.0</b>

## Summary of the main figures of the statement of financial position of the Parent at 31 December 2023

The main **statement of financial position figures** of Cairo Communication S.p.A. at 31 December 2023 can be compared with the situation at 31 December 2022:

(€ millions)	31/12/2023	31/12/2022
Tangible assets	0.2	0.3
Rights of use leased assets	0.1	0.1
Intangible assets	0.2	0.2
Financial assets	326.0	325.9
Other non-current financial assets	4.5	4.5
Net working capital	(29.1)	(24.4)
<b>Total assets</b>	<b>301.9</b>	<b>306.7</b>
Non-current liabilities and provisions	1.1	1.1
(Financial position)/Net debt	40.7	45.9
Liabilities from leases (pursuant to IFRS 16)	0.1	0.1
Equity	260.1	259.6
<b>Total equity and liabilities</b>	<b>301.9</b>	<b>306.7</b>

*Unaudited reclassified statements*

The **net financial position** of the Parent at 31 December 2023 versus the situation at 31 December 2022 is summarized below:

Euro/000	31/12/2023	31/12/2022	Change
Cash funds	21,922	14,809	7,113
Non-current assets for hedging derivatives	0	207	(207)
Financial payables to La7 S.p.A.	(41,036)	(40,071)	(965)
Financial payables to subsidiaries - intra-group	(11,476)	(15,830)	4,354
Non-current financial payables	(10,000)	0	(10,000)
Current financial payables	0	(5,000)	5,000
<b>Net financial debt</b>	<b>(40,590)</b>	<b>(45,885)</b>	<b>5,295</b>
Liabilities from leases	(83)	(84)	1
<b>Total net financial debt</b>	<b>(40,673)</b>	<b>(45,969)</b>	<b>5,296</b>

*Unaudited reclassified statements*

## Statement of cash flows

The **statement of cash flows** at 31 December 2023 of Cairo Communication S.p.A. can be compared with the statement of cash flows at 31 December 2022:

Euro/000	2023	2022
<b>CASH AND CASH EQUIVALENTS</b>	<b>14,809</b>	<b>9,755</b>
Liquid assets from the merger of Cairo Pubblicità S.p.A.	0	327
<b>OPERATIONS</b>		
Profit (loss)	19,393	25,719
Amortization, depreciation, provisions and write-downs	200	176
Write-down of investments	0	0
Release of provision for the write-down of investments	0	0
Net financial income	(18,960)	(25,337)
Income tax	(128)	648
Change in post-employment benefits	0	(15)
Change in provisions for risks and charges	80	0
<b>Cash flow from operations before changes in working capital</b>	<b>585</b>	<b>1,191</b>
(Increase) decrease in trade and other receivables	22,309	(2,020)
Increase (decrease) in payables to suppliers and other liabilities	(17,314)	(10,060)
<b>TOTAL CASH FROM OPERATIONS</b>	<b>5,581</b>	<b>(10,889)</b>
Income tax paid	(36)	0
Financial expense paid	(349)	(200)
<b>TOTAL NET CASH FROM OPERATIONS (A)</b>	<b>5,195</b>	<b>(11,089)</b>
<b>INVESTING ACTIVITIES</b>		
Net (acquisition) disposal of PPE and intangible assets, rights of use on leased assets and intangible assets	(109)	(148)
Interest and financial income received	0	0
Dividends received	20,728	25,537
(Increase) decrease in investments	(76)	(857)
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<b>20,542</b>	<b>24,532</b>
<b>FINANCING ACTIVITIES</b>		
Dividends paid	(18,818)	(24,195)
Increase (decrease) in non-current financial assets	0	24,873
(Increase) decrease in current financial assets	0	(14)
Increase (decrease) in financial payables	193	(9,439)
Net change in lease liabilities	(0)	58
Other changes in equity	0	1
<b>NET CASH USED IN FINANCING ACTIVITIES (C)</b>	<b>(18,625)</b>	<b>(8,716)</b>
<b>CASH FLOW FOR THE PERIOD (A) + (B) + (C)</b>	<b>7,113</b>	<b>4,727</b>
<b>NET CASH AND CASH EQUIVALENTS CLOSING BALANCE</b>	<b>21,922</b>	<b>14,809</b>

### **Alternative performance measures**

In this press release, in order to provide a clearer picture of the financial performance of the Cairo Communication Group, besides of the conventional financial measures required by IFRS, a number of alternative performance measures are shown that should, however, not be considered substitutes of those adopted by IFRS.

The alternative measures are:

• **EBITDA:** used by Cairo Communication as a target to monitor internal management, and in public presentations (to financial analysts and investors). It serves as a unit of measurement to evaluate Group and Parent operational performance, with **EBIT**, and is calculated as follows:

**Result from continuing operations, before tax**

+/- Net finance income

+/- Other income (expense) from financial assets and liabilities

**EBIT - Operating profit (loss)**

+ Amortization & depreciation

+ Bad debt impairment losses

+ Provisions for risks

**EBITDA – Operating profit (loss), before amortization, depreciation, provisions and write-downs.**

EBITDA (earnings before interest, tax, depreciation and amortization) is not classified as an accounting measure under IFRS, therefore, the criteria adopted for its measurement may not be consistent among companies or different groups.

RCS defines EBITDA as operating profit/loss (EBIT) before depreciation, amortization and write-downs on fixed assets

The main differences between the two definitions of EBITDA lie in the provisions for risks and in the allowance for impairment, included in the EBITDA definition adopted by RCS, while they are excluded from the EBITDA definition adopted by Cairo Communication. Owing to the differences between EBITDA definitions adopted, in this press release, consolidated EBITDA has been determined consistently with the definition adopted by the parent company Cairo Communication.

**Consolidated gross revenue:** for a more detailed view, and in consideration of the specific features of the segment, operating revenue - for advertising revenue - includes gross operating revenue, advertising agency discounts and net operating revenue. Consolidated gross revenue is equal to the sum of gross operating revenue and other revenue and income.

The Cairo Communication Group also considers the **net financial position (net financial debt)** as a valid measure of the Group's financial structure determined as a result of current and non-current financial liabilities, net of cash and cash equivalents and current financial assets, excluding financial liabilities (current and non-current) from leases previously classified as operating and recognized in the financial statements in accordance with IFRS 16.

The **total net financial position (net financial debt)** also includes financial liabilities from leases recorded in the financial statements pursuant to IFRS 16, previously classified as operating leases and non-remunerated debt, which have a significant implicit or explicit financing component (e.g. trade payables with a maturity of over 12 months), and any other non-interest-bearing loans (as defined by the "Guidelines on disclosure requirements under the Prospectus Regulation" published by ESMA on 4 March 2021 with document "ESMA32-382-1138" and taken up by CONSOB in communication 5/21 of 29 April 2021).