



CAIRO COMMUNICATION

Half-Year Report at 30 June 2024

English translation for convenience of international readers. Only the Italian version is authentic

Cairo Communication S.p.A.

Registered office: Via Angelo Rizzoli 8, Milan
Share capital: Euro 6,989,663.10



Board of Directors (*)

Urbano Cairo (**)	Chairman
Uberto Fornara	CEO
Daniela Bartoli	Director
Valentina Beatrice Manfredi	Director
Laura Maria Cairo	Director
Federico Cairo	Director
Roberto Cairo	Director
Massimo Ferrari	Director
Paola Mignani	Director
Marco Pompignoli	Director

Control and Risk Committee

Massimo Ferrari	Director
Daniela Bartoli	Director
Paola Mignani	Director

Remuneration and Appointments Committee

Paola Mignani	Director
Daniela Bartoli	Director
Valentina Manfredi	Director

Board of Statutory Auditors (*)**

Michele Paolillo	Chairman
Gloria Marino	Standing Auditor
Maria Pia Maspes	Standing Auditor
Emilio Fano	Alternate Auditor
Francesco Brusco	Alternate Auditor

Independent Auditors (**)**

Deloitte & Touche S.p.A.

(*) The Board of Directors was appointed by resolution of the Shareholders' Meeting held on 8 May 2023. The Directors are in office for the years 2023-2024-2025, therefore until the Shareholders' Meeting called to approve the financial statements for the year ending 2025

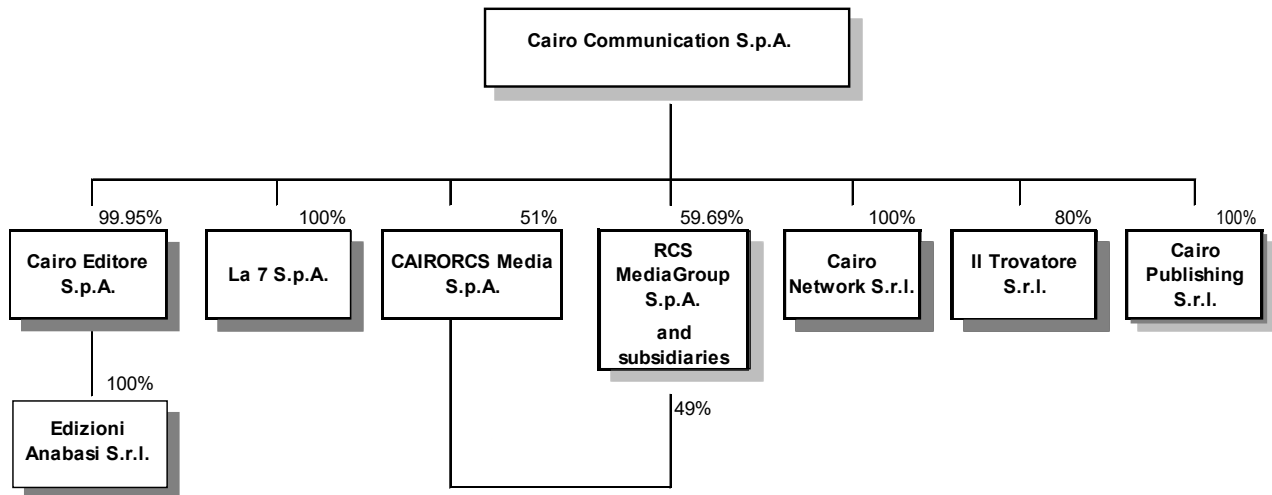
(**) Ordinary and extraordinary executive powers exercised with single signatory, as limited by the Board of Directors

(***) The Board of Statutory Auditors in office at the date of approval of this Report was appointed by resolution of the Shareholders' Meeting on 8 May 2023. The Statutory Auditors are in office for the years 2023-2024-2025, therefore until the Shareholders' Meeting called to approve the financial statements relating to the last of these years.

(****) In office until the Shareholders' Meeting called to approve the financial statements for the year ending 2028



The Group at 30 June 2024





Interim Report on Operations at 30 June 2024

In first half 2024, the Group operated as a:

- publisher of magazines and books (Cairo Editore/Editoriale Giorgio Mondadori and Cairo Publishing);
- TV (La7, La7d) and Internet (La7.it, TG.La7.it) publisher and network operator (Cairo Network);
- multimedia agency for the sale of advertising space (CAIRORCS Media);
- publisher of dailies, magazines (weeklies and monthlies) and books, in Italy and in Spain, through RCS MediaGroup, also active in the organization of major world sporting events, and in newsstand distribution through its subsidiary m-Dis.

The first half of 2024 was dominated by the ongoing conflicts in Ukraine and the Middle East, with their repercussions extending to the economy and trade. These events persist in creating a state of significant overall uncertainty. The Group has no direct exposure and/or business activities towards the markets affected by the conflict and/or sanctioned entities.

The latest figures published by the IMF in July 2024 (through *World Economic Outlook - July 2024*) estimate an increase in GDP for Italy of 0.7% in 2024 and 0.9% in 2025, and an increase in GDP for Spain of 2.4% in 2024 and 2.1% in 2025. At June 2024, the inflation rate in Italy shows a YoY change of 0.8% (*ISTAT- FOI index excluding tobacco*), while in Spain the YoY year inflation rate stands at 3.4% (*National Statistics Institute - INE*).

In Italy, the advertising market in the first six months of 2024 (*Nielsen*) was up by 6.7% versus the same period of 2023, with online (excluding search, social media and over the top) and TV up by 5.4% and by 8.6%. Newspapers and magazines were down by 7.1% and by 2.8%. In first half 2024, the Spanish advertising sales market was up by 6.4% versus the same period of 2023 (*i2p, Arce Media*). Specifically, the newspaper and magazine markets decreased by 5.7% and by 0.6%, while Internet (excluding social media, search, etc.) and radio sales increased by 5.3% and by 4.8%.

On the circulation front, in the first five months of 2024, generalist newspapers and sports newspapers in Italy recorded a decline in print and digital circulation of 7.9% and 6.4%, respectively (*ADS January-May 2024*). In Spain, in first half 2024, circulation figures show a decline for generalist newspapers (-8.1%), sports newspapers (-8.4%) and business newspapers (-9.9%) (*OJD January-June 2024*).

The magazine circulation market, referring to titles reported in ADS, dropped by 9.6% at May 2024



for weeklies (print and digital copies) versus the same period of the prior year. For monthlies, the same figure for the first four months of the year shows a 7.9% decline (Internal Source based on ADS figures; weeklies with more than 48 editions and monthlies with more than 10 editions).

In first half 2024, amid uncertainty from the conflicts in Ukraine and the Middle East:

- **the Group** increased its margins (EBITDA, EBIT, and net profit) versus the results in the same period of 2023;
- **RCS's** margins (EBITDA, EBIT and net result) too were up versus first half 2023. RCS confirmed remarkable circulation levels at newsstands and continued its growth in the digital field, ranking as Italy's top online publisher also in the first five months of 2024, with an aggregate figure of 31.2 million average monthly unique users (net of duplications - *Audicom*). At end June, the total active digital customer base (digital edition, membership and m-site) of *Corriere della Sera* reached 633 thousand subscriptions (595 thousand at end 2023 - Internal Source), while the customer base of *Gazzetta's* pay products (*G ALL*, *G+*, *GPRO* and *Fantacampionato*) reached 227 thousand subscriptions (214 thousand at end 2023 - Internal Source). Digital subscriptions grew in Spain too (digital edition and premium), reaching at June 2024 148 thousand subscriptions for *El Mundo* (136 thousand at end 2023 - Internal Source) and 96 thousand subscriptions for *Expansión* (82 thousand at end 2023 - Internal Source);
- the **TV publishing (La7) and network operator segment** achieved higher margins (EBITDA, EBIT and net result) than those achieved in the same period of 2023 and high and increasing ratings of the La7 channel (3.8% all-day share and 5.4% prime time, growing by 14% and 18% respectively versus the same period of 2023). Specifically, in the six months, La7 ranked as the third channel for ratings in the 20:00/22:30 slot with a share of 5.7% and the fourth in prime time in March, April and May. Advertising sales on La7 and La7d channels totaled approximately Euro 77.1 million (Euro 74.6 million in first half 2023);
- the **magazine publishing segment Cairo Editore**, with an EBITDA of Euro 3.3 million, also achieved higher results versus those in first half 2023 (Euro 1.7 million).

In first half 2024, consolidated gross revenue amounted to approximately Euro 595.1 million (comprising gross operating revenue of Euro 571.3 million and other revenue and income of Euro 23.8 million) versus Euro 599.2 million in first half 2023 (comprising gross operating revenue of Euro 577 million and other revenue and income of Euro 22.2 million).

EBITDA and EBIT came to Euro 90.4 million and Euro 51.1 million (Euro 80.2 million and Euro 41.1 million in the same period of the prior year). Net non-recurring expense amounted to Euro -1 million (Euro -0.6 million in first half 2023).



Profit attributable to the owners of the parent came to Euro 20.3 million (Euro 15.9 million in first half 2023).

Looking at the business segments, in first half 2024:

- in the **magazine publishing segment (Cairo Editore)**, EBITDA and EBIT came to Euro 3.3 million and Euro 2.7 million (Euro 1.7 million and Euro 0.8 million in first half 2023). Regarding weeklies, with approximately 0.8 million average copies sold in the first five months of 2024 (*ADS January - May 2024*), Cairo Editore retains its position as the leading publisher in copies of weeklies sold at newsstands, with an approximately 29% 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 million;
- in the **TV publishing (La7) and network operator segment**, EBITDA grew to reach approximately Euro 6.6 million (Euro 5 million in 2023). EBIT was approximately Euro -1.5 million (Euro -3.7 million in first half 2023);
- in the **advertising segment**, EBITDA came to Euro 0.8 million (Euro 1.1 million in first half 2023) and EBIT to Euro -0.5 million (Euro -0.1 million in first half 2023);
- in the **RCS segment**, in the consolidated financial statements of Cairo Communication, EBITDA¹ and EBIT amounted to Euro 79.9 million and Euro 50.3 million (Euro 72.3 million and Euro 44.1 million in the same period of the prior year). Net operating revenue amounted to Euro 434.1 million, with total digital revenue (Italy and Spain) amounting to approximately Euro 102.3 million and accounting for approximately 23.6% of total revenue. Total advertising sales from RCS online media amounted to Euro 67.6 million in first half 2024, making for 38.2% of total advertising revenue. 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). EGM's latest June 2024 “*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. *Marca*, with 950 thousand readers, is the most widely read newspaper in Spain, *El Mundo* the second among generalists and third among daily newspapers with over 500 thousand readers. 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 the period January-May 2024, 29.4 million and 15.6 million average monthly unique users, and in the period January-May 2024, 3.8 million and 2.1 million average daily unique users (*Audicom*). The main social accounts of the *Corriere System* at

¹ 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 - regarding provisions for risks and the allowance for impairment, totaling Euro 2.1 million in first half 2024 - EBITDA shown in the RCS Half-Year Report at 30 June 2024, approved on 31 July 2024, amounted to Euro 77.7 million.



30 June 2024 reached approximately 13 million total followers (considering *Facebook, Instagram, X, LinkedIn* and *TikTok* - Internal Source) and those of *La Gazzetta dello Sport* 6.3 million (considering *Facebook, Instagram, X, TikTok* and *YouTube* - Internal Source). In Spain, as part of the online activities, *elmundo.es, marca.com* and *expansión.com* reached 39.1 million, 82.2 million and 9.1 million average monthly unique browsers in first half 2024, comprising both domestic and foreign browsers and including apps (*Google Analytics*). The social audience of Unidad Editorial Group titles (Internal Source) stands at 11.1 million followers for *El Mundo*, 19.4 million for *Marca* and 2.5 million for *Telva* (considering *Facebook, Instagram* and *X*) and 1.5 million for *Expansión* (considering *Facebook, Instagram, X* and *LinkedIn*).

In first half 2024, La7's average all-day share was 3.8% and 5.4% in prime time (from 8:30 PM to 10:30 PM), growing by 14% and 18% respectively versus the same period of 2023, confirming a high-quality target audience. Specifically, in the six months, La7 ranked as the third channel for ratings in the 20:00/22:30 slot with a share of 5.7% and the fourth in prime time in March, April and May. In the morning slot too (7:00/12:00), La7 achieved a 3.8% share in the six months, claiming the fifth position in the national ranking. In the first half 2024 the share of TgLa7 8 p.m. edition grows by 20%. La7d's share in first half 2024 was 0.4% in all-day and 0.5% in prime time. Starting in April, La7d's programming has been enhanced with a revamped and dynamic schedule featuring new exclusive content. The La7 channel's news and discussion programmes in first half 2024 all continued to deliver remarkable results: *Otto e Mezzo* with 7.7% average share from Monday to Friday, *TgLa7 8 p.m. edition* with 6.9% from Monday to Friday, *diMartedì* 7.7%, *Piazzapulita* 5.7%, *Propaganda Live* 6.1%, *In Altre Parole* 5.4% on Saturday, *In Onda* 6.3%, *Omnibus La7* 3.9%, *Coffee Break* 4.3% from Monday to Friday, *L'Aria che tira* 4.9%, *Tagadà* 4%, *100 minuti* 5.1%, the two specials of *In Viaggio con Barbero* 5.8%, *La Torre di Babele* 4.5%, the four specials of *Inchieste da fermo* 3.9% and *Eden un pianeta da salvare* 3%.

In first half 2024, La7 confirmed its leadership among generalist TV stations in terms of news hours (almost 14 average hours per day) and was the second channel in terms of live hours (an average of 10 and a half hours per day).

On the digital front, there were 421 thousand average daily unique users in first half 2024, and 6.3 million average monthly unique users in the period January-May 2024. Stream views were 18.4 million per month. In the six months, average monthly unique browsers of Tg.La7.it (2.8 million) grew by 69% versus the same period of 2023. At end June 2024, followers of La7 and its active programmes on Facebook, X, Instagram, Tik Tok, Whatsapp, and Threads were 7.5 million.



The main **consolidated income statement figures** in first half 2024 can be compared as follows with those of first half 2023:

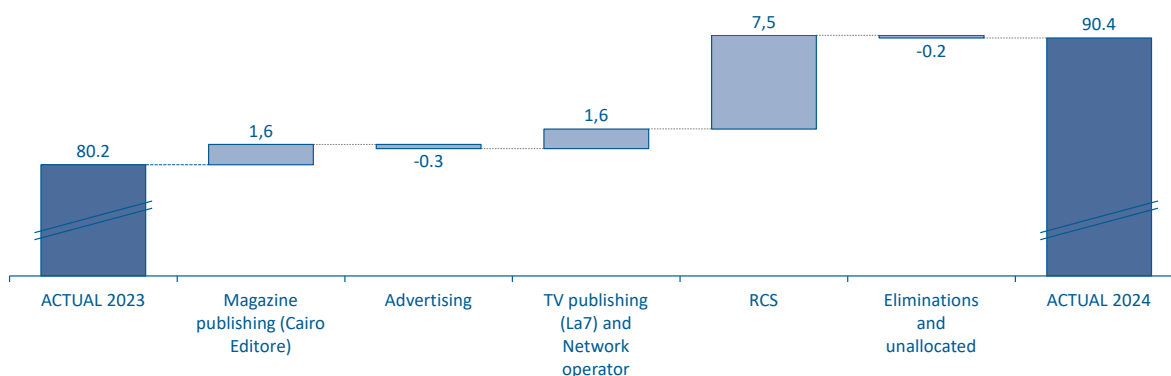
(€ millions)	30/06/2024	30/06/2023
Gross operating revenue	571.3	577.0
Advertising agency discounts	(29.4)	(29.6)
Net operating revenue	541.9	547.4
Change in inventory	0.8	0.9
Other revenue and income	23.8	22.2
Total revenue	566.6	570.5
Production costs	(311.3)	(325.1)
Personnel expense	(163.9)	(164.5)
Non-recurring income and expense	(1.0)	(0.6)
EBITDA	90.4	80.2
Amortization, depreciation, provisions and write-downs	(39.4)	(39.1)
EBIT	51.1	41.1
Other income (expense) from financial assets/liabilities	-	-
Net financial income (expense)	(6.2)	(6.1)
Profit (loss) before tax	44.9	35.1
Income tax	(11.2)	(7.2)
Non-controlling interests	(13.4)	(12.0)
Profit (loss) for the period attributable to the owners of the parent	20.3	15.9

In first half 2024, consolidated gross revenue amounted to approximately Euro 595.1 million (comprising gross operating revenue of Euro 571.3 million and other revenue and income of Euro 23.8 million) versus Euro 599.2 million in first half 2023 (comprising gross operating revenue of Euro 577 million and other revenue and income of Euro 22.2 million).

EBITDA and EBIT came to Euro 90.4 million and Euro 51.1 million (Euro 80.2 million and Euro 41.1 million in the same period of the prior year). Net non-recurring expense amounted to Euro -1 million (Euro -0.6 million in first half 2023).



The **EBITDA** trend between first half 2024 and the same period of 2023 is shown below:



Profit attributable to the owners of the parent came to Euro 20.3 million (Euro 15.9 million in first half 2023).

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

€ millions	Half year ended 30/06/2024	Half year ended 30/06/2023
Profit (loss) for the year	33.7	27.9
Reclassifiable items of the comprehensive income statement		
Gains (losses) from the translation of financial statements denominated in foreign currencies	-	-
Gains (losses) from cash flow hedges	-	(0.2)
Reclassification of gains (losses) from cash flow hedges	-	(0.3)
Tax effect	-	0.2
Non-reclassifiable items of the comprehensive income statement		
Actuarial gains (losses) from defined benefit plans	0.2	0.2
Tax effect	(0.1)	(0.1)
Gains (losses) from the fair value measurement of equity instruments	(0.1)	-
Total comprehensive income for the period	33.7	27.7
- Owners of the parent	20.3	15.7
- Non-controlling interests - continuing operations	13.4	12.0
	33.7	27.7

The Group's performance can be read better by analyzing first half 2024 results by **main business segment** (magazine publishing Cairo Editore, advertising, TV publishing La7, network operator and RCS) versus those of the same period of 2023.



2024	Magazine publishing Cairo	Advertising	TV publishing La7 and network operator	RCS	Eliminations and unallocated	Total
(€ millions)						
Gross operating revenue	34.2	192.0	59.9	451.1	(165.9)	571.3
Advertising agency discounts	-	(25.0)	-	(17.0)	12.7	(29.4)
Net operating revenue	34.2	166.9	59.9	434.1	(153.2)	541.9
Change in inventory	(0.0)	-	-	0.8	-	0.8
Other revenue and income	3.6	4.1	0.8	19.0	(3.7)	23.8
Total revenue	37.8	171.1	60.7	453.9	(156.9)	566.6
Production costs	(26.4)	(157.8)	(34.4)	(249.4)	156.7	(311.3)
Personnel expense	(7.8)	(12.5)	(19.6)	(123.9)	(0.1)	(163.9)
Non-recurring income (expense)	(0.3)	-	-	(0.7)	-	(1.0)
EBITDA	3.3	0.8	6.6	79.9	(0.2)	90.4
Amortization, depreciation, provisions and write-downs	(0.6)	(1.3)	(8.1)	(29.6)	0.2	(39.4)
EBIT	2.7	(0.5)	(1.5)	50.3	0.0	51.1
Other income (expense) from financial assets/liabilities	(0.0)	-	-	0.1	-	0.0
Net financial income	0.0	(1.4)	0.7	(5.6)	0.0	(6.2)
Profit (loss) before tax	2.7	(1.9)	(0.8)	44.8	0.0	44.9
Income tax	(0.2)	0.1	(0.0)	(11.0)	(0.0)	(11.2)
Non-controlling interests	-	0.1	-	(13.5)	(0.0)	(13.4)
Profit (loss) for the period attributable to the owners of the parent	2.5	(1.7)	(0.8)	20.3	0.0	20.3

2023	Magazine publishing Cairo	Advertising	TV publishing La7 and network operator	RCS	Eliminations and unallocated	Total
(€ millions)						
Gross operating revenue	37.2	191.8	58.0	456.0	(166.1)	577.0
Advertising agency discounts	-	(24.6)	-	(17.4)	12.5	(29.6)
Net operating revenue	37.2	167.2	58.0	438.6	(153.6)	547.4
Change in inventory	(0.0)	-	-	0.9	-	0.9
Other revenue and income	4.7	2.7	0.4	17.1	(2.8)	22.2
Total revenue	41.9	169.9	58.4	456.6	(156.4)	570.5
Production costs	(31.9)	(156.7)	(33.7)	(259.3)	156.4	(325.1)
Personnel expense	(8.3)	(12.1)	(19.7)	(124.3)	(0.0)	(164.5)
Non-recurring income (expense)	-	-	-	(0.6)	-	(0.6)
EBITDA	1.7	1.1	5.0	72.3	0.0	80.2
Amortization, depreciation, provisions and write-downs	(0.9)	(1.2)	(8.8)	(28.3)	0.0	(39.1)
EBIT	0.8	(0.1)	(3.7)	44.1	0.0	41.1
Other income (expense) from financial assets/liabilities	-	-	-	0.0	-	0.0
Net financial income	(0.0)	(0.2)	(0.0)	(5.9)	(0.0)	(6.1)
Profit (loss) before tax	0.8	(0.2)	(3.8)	38.3	0.0	35.1
Income tax	0.6	(0.3)	0.9	(8.4)	(0.0)	(7.2)
Non-controlling interests	-	0.1	-	(12.0)	(0.0)	(12.0)
Profit (loss) for the period attributable to the owners of the parent	1.4	(0.5)	(2.9)	17.8	0.0	15.9



Gross operating revenue in first half 2024, split up by main business segment, can be analyzed as follows versus the amounts of the same period of 2023:

2024 (€ millions)	Magazine publishing Cairo Editore	Advertising	TV publishing La7 and network operator	RCS	Eliminations and unallocated	Total
TV advertising	-	77.1	52.9	0.1	(53.4)	76.7
Advertising on print media, Internet and sporting events	3.6	112.8	0.8	193.9	(106.4)	204.7
Other TV revenue	-	-	1.2	1.2	(0.1)	2.3
Magazine over-the-counter sales and subscriptions	31.0	-	-	161.9	(0.8)	192.1
VAT relating to publications	(0.5)	-	-	(1.6)	-	(2.1)
Sundry revenue	-	2.1	5.1	95.6	(5.1)	97.6
Total gross operating revenue	34.2	192.0	59.9	451.1	(165.9)	571.3
Other revenue	3.6	4.1	0.8	19.0	(3.7)	23.8
Total gross revenue	37.8	196.1	60.7	470.1	(169.5)	595.1

2023 (€ millions)	Magazine publishing Cairo Editore	Advertising	TV publishing La7 and network operator	RCS	Eliminations and unallocated	Total
TV advertising	-	74.6	50.7	0.1	(51.3)	74.2
Advertising on print media, Internet and sporting events	4.0	115.3	1.4	196.8	(108.6)	208.8
Other TV revenue	-	-	1.1	1.4	(0.1)	2.4
Magazine over-the-counter sales and subscriptions	33.7	-	-	167.0	(1.1)	199.6
VAT relating to publications	(0.5)	-	-	(1.5)	-	(2.0)
Sundry revenue	-	1.9	4.8	92.2	(5.0)	93.9
Total gross operating revenue	37.2	191.8	58.0	456.0	(166.1)	577.0
Other revenue	4.7	2.7	0.4	17.1	(2.8)	22.2
Total gross revenue	41.9	194.6	58.4	473.1	(168.9)	599.2



The main **consolidated statement of financial position figures** at 30 June 2024 can be compared as follows with those at 31 December 2023:

(€ thousands)	30/06/2024	31/12/2023
Tangible assets	104.3	107.1
Rights of use on leased assets	138.1	130.4
Intangible assets	984.2	987.3
Financial assets	33.7	35.0
Deferred tax assets	86.0	84.0
Net working capital	(33.1)	(47.1)
<u>Total assets</u>	1,313.2	1,296.7
Non-current liabilities and provisions	85.7	87.8
Deferred tax provision	163.9	163.4
(Financial position)/Net debt	15.8	4.8
Liabilities from leases (pursuant to IFRS 16)	154.8	145.4
Equity attributable to the owners of the parent	547.2	548.4
Equity attributable to non-controlling interests	345.8	346.9
<u>Total equity and liabilities</u>	1,313.2	1,296.7

In 2024, as part of the share buy-back plans, no treasury shares were sold or purchased. At 30 June 2024, Cairo Communication held a total of no. 779 treasury shares, or 0.001% of the share capital, subject to Article 2357-ter of the Italian Civil Code.

It should be noted that:

- the Shareholders' Meeting held by RCS on 8 May 2024 approved the distribution of a dividend of Euro 0.07 per share, gross of tax, with ex-dividend date on 20 May 2024, for a total of approximately Euro 36.2 million (Euro 21.7 million the share of Cairo Communication),
- the Shareholders' Meeting held by Cairo Communication on 8 May 2024 approved the distribution of a dividend of Euro 0.16 per share, gross of tax, with ex-dividend date on 27 May 2024, for a total of approximately Euro 21.5 million.

As a result of dividend distribution, the change in the net financial position at the Group level was approximately Euro 36 million.



The **consolidated net financial debt** at 30 June 2024, versus the consolidated financial statement amounts at 31 December 2023, is summarized in the table below:

Net financial position (€ millions)	30/06/2024	31/12/2023	Changes
Cash and cash equivalents	57.7	58.1	(0.4)
Other current financial assets and financial receivables	0.4	0.9	(0.5)
Current financial assets (liabilities) from derivative instruments	0.1	0.2	(0.1)
Current financial payables and payables to banks	(27.8)	(23.6)	(4.2)
Current net financial position (net financial debt)	30.3	35.6	(5.3)
Non-current financial payables	(46.1)	(40.4)	(5.7)
Non-current financial assets (liabilities) from derivative instruments	-	-	-
Non-current net financial position (net financial debt)	(46.1)	(40.4)	(5.7)
Net financial position (net financial debt)	(15.8)	(4.8)	(11.0)
Liabilities from leases (pursuant to IFRS 16)	(154.8)	(145.4)	(9.4)
Total net financial position (net financial debt)	(170.6)	(150.2)	(20.4)

Consolidated net financial debt at 30 June 2024 stood at approximately Euro 15.8 million (Euro 4.8 million at end 2023). The change versus end 2023 is explained mostly by the outlays for dividends of Euro 36 million and for technical expenditure and non-recurring expense totaling Euro 18.7 million, partly offset by the positive contribution from typical operations. Working capital is affected not only by seasonal performance, but also by the timing of the collection of tax receivables provided for the publishing industry (at 30 June 2024, Euro 34.6 million residual receivables also related to the years 2021, 2022 and 2023), as already explained in the 2023 Annual Report.

Total net financial debt, which includes financial liabilities from leases recognized in accordance with IFRS 16 (mainly property leases) of Euro 154.8 million, amounted to Euro 170.6 million (Euro 150.2 million at 31 December 2023).



Statement of reconciliation of Parent equity and profit and Group equity and profit

The **statement of reconciliation** of equity and profit of Cairo Communication S.p.A. and Group equity and profit can be analyzed as follows:

(€ millions)	Equity 30/06/2024	Profit (loss) for the period
Separate financial statements of Cairo Communication S.p.A.	264.5	25.9
<u>Elimination of the carrying amount of consolidated equity investments:</u>		
Difference between carrying amount of investments and their equity value	24.4	
Effects of the purchase price allocation of RCS S.p.A.	156.4	(0.3)
Share in consolidated companies' profit net of investment impairment losses		21.6
<u>Allocation of consolidation differences</u>	-	-
RCS goodwill net of tax effects	112.4	-
Other goodwill	7.2	
Elimination of intra-group profits net of income tax	(17.8)	-
Elimination of intra-group dividends		(26.9)
Consolidated financial statements of Cairo Communication	547.2	20.3

MAGAZINE PUBLISHING CAIRO EDITORE

Cairo Editore - Cairo Publishing

Cairo Editore operates in the magazine publishing segment through (i) the weeklies “*Settimanale DIPIU’*”, “*DIPIU’ TV*” and the supplements “*Settimanale DIPIU’ e DIPIU’TV Cucina e Stellare*”, “*Diva e Donna*”, the fortnightly supplement “*Cucina Mia*”, “*TV Mia*”, “*Nuovo*”, “*F*”, “*Settimanale Giallo*” “*NuovoTV*”, “*Enigmistica Più*” and “*Enigmistica Mia*”, (ii) the monthly magazines “*Natural Style*”, “*Bell’Italia*”, “*Gardenia*” and “*Arte*”.



The results achieved by the publishing segment in first half 2024 can be compared as follows with those of the same period of 2023:

Print media publishing (€ millions)	30 June 2024	30 June 2023
Gross operating revenue	34.2	37.2
Other income	3.6	4.7
Change in inventory	-	-
Total revenue	37.8	41.9
Production costs	(26.4)	(31.9)
Personnel expense	(7.8)	(8.3)
Non-recurring income and expense	(0.3)	-
EBITDA	3.3	1.7
Amortization, depreciation, provisions and write-downs	(0.6)	(0.9)
EBIT	2.7	0.8
Net financial income (expense)	-	-
Profit (loss) before tax	2.7	0.8
Income tax	(0.2)	0.6
Profit (loss) for the period	2.5	1.4

In first half 2024, amid persisting uncertainty from the conflicts in Ukraine and the Middle East, Cairo Editore improved its results versus the same period of 2023.

EBITDA and EBIT came to approximately Euro 3.3 million and approximately Euro 2.7 million (Euro 1.7 million and Euro 0.8 million in first half 2023).

The Group's weeklies reported high circulation results, with an average weekly ADS circulation in the first five months of 2024 of 251,617 copies for “*Settimanale DIPIU*”, 119,489 copies for “*DIPIU TV*”, 33,777 copies for “*Settimanale DIPIU' e DIPIU'TV Cucina*”, 78,579 copies for “*Diva e Donna*”, 137,413 copies for “*Settimanale Nuovo*”, 57,757 copies for “*F*”, 56,163 copies for “*TVMia*”, 41,635 copies for “*Settimanale Giallo*”, and 65,632 copies for “*NuovoTV*”, reaching a total of approximately 0.8 million average weekly copies sold, and making the Group the leading publisher in copies of weeklies sold at newsstands, with an approximately 29% 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 million.

Cairo Editore's activities continued to focus also on enhancing the value of editorial content, developing existing brands, and launching new projects.

Below are some of the main initiatives implemented in first half 2024:

- in January, the monthly *Arte* and the *Catalogue of Modern Art* participated in Arte Fiera, and in June *Arte* was released with a special issue dedicated to the 2024 Venice Biennial. June also saw the publication of an in-depth study dedicated to Art Basel. February saw the opening of entries for the 31st Art Prize;

- in March, *Bell'Italia* unveiled the release of the first volume of *Guide Osterie d'Italia 2024*, and in June presented the new Sardinia special on newsstands with *Corriere della Sera*;
- in the six months, *Gardenia* presented the first volume of *Manuale del perfetto giardiniere*, in collaboration with the Royal Horticultural Society, hosted the *Botanica Illustrata* exhibition in collaboration with the City of Milan, and celebrated its 40th anniversary with a floral display in the courtyard of Palazzo Reale in Milan;
- in the six months, *F* appeared on newsstands with a graphic redesign under the *Evolution* project and celebrated its twelfth anniversary with the project *It's time to..*;
- *Settimanale Dipiù* celebrated its 20th anniversary with two collector's issues.

Starting with the issue following the February 2024 edition. Cairo Editore discontinued the publication of five monthly magazines (*Bell'Europa*, *In Viaggio*, *Airone*, *For Men Magazine*, *Antiquariato*). These magazines had been consistently generating negative margins for several years. In early February, two reorganization plans were signed with Cairo Editore union representatives, assisted by territorial organizations, to manage 32 declared redundancies among journalists (16) and graphic designers (16). The procedures were concluded through joint examination with the Ministry of Labour on 27 February 2024, and with the Lombardy Region on 29 February 2024, respectively. Under the plans, Cairo Editore obtained activation for CIGS for reorganization, effective for a duration of 24 months from March 2024, with a maximum allowance for 16 journalists and 16 graphic designers. The Company also obtained access to 32 early retirements (16 journalists and 16 graphic designers), in accordance with current regulations and within the limit of positions available under the allocated resources.

ADVERTISING

With regard to the advertising segment, at end 2020 Cairo Communication and RCS transferred in a newly-established investee, CAIRORCS Media S.p.A., the advertising sales business units for RCS's print and online titles in Italy and the print, television and online titles of Cairo Editore and La7, as well as certain third-party media.

The results achieved by the advertising segment in first half 2024 can be compared as follows with those of the same period of 2023:



Advertising segment <i>(€ millions)</i>	30 June 2024	30 June 2023
Gross operating revenue	192.0	191.8
Advertising agency discounts	(25.0)	(24.6)
Net operating revenue	166.9	167.2
Other income	4.1	2.7
Change in inventory	-	-
Total revenue	171.1	169.9
Production costs	(157.8)	(156.7)
Personnel expense	(12.5)	(12.1)
EBITDA	0.8	1.1
Amortization, depreciation, provisions and write-downs	(1.3)	(1.2)
EBIT	(0.5)	(0.1)
Net financial income (expense)	(1.4)	(0.2)
Profit (loss) before tax	(1.9)	(0.2)
Income tax	0.1	(0.3)
Non-controlling interests	0.1	0.1
Profit (loss) for the period	(1.7)	(0.5)

In first half 2024, EBITDA came to Euro 0.8 million and EBIT to Euro -0.5 million (Euro 1.1 and Euro -0.1 million in first half 2023).

In first half 2024:

- advertising sales on La7 and La7d channels totaled approximately Euro 77.1 million (Euro 74.6 million in first half 2023),
- advertising sales on Cairo Editore titles amounted to Euro 5 million (Euro 5.4 million in first half 2023),
- gross advertising revenue of RCS titles in Italy amounted to Euro 101.3 million (Euro 102.6 million in first half 2023).

TV PUBLISHING (La7) AND NETWORK OPERATOR

The Group started operations in the TV field in 2013, following the acquisition from Telecom Italia Media S.p.A. of the entire share capital of La7 S.r.l. (today La7 S.p.A.) as of 30 April 2013, with the upstream integration of its concessionaire business for the sale of advertising space, diversifying its publishing activities previously focused on magazines.

At the acquisition date, the financial situation of La7 had called for the implementation of a restructuring plan aimed at reorganizing and streamlining the corporate structure and at curbing costs, while retaining the high quality levels of the programming. Starting from May 2013, the Group began to implement its own plan to restructure the company, achieving, as early as the May-December eight-month period of 2013, a positive gross operating profit (EBITDA), strengthening in the years that followed the results of the cost rationalization measures implemented.

With regard to the network operator business, in 2014, the Group company Cairo Network took part



in the tender procedure opened by the Ministry of Economic Development for the assignment of rights to use TV frequencies for digital terrestrial broadcasting systems, winning the rights of use for a period of 20 years. The mux covers at least 94% of the national population, providing high-quality service levels. January 2017 marked the start of the broadcasting of La7 channels on the mux. In first half 2024, it also hosted Dazn Channel, some of Elda Srl's "Italy" and "Art" channels, and some of GMH's channels.

The results achieved by the TV publishing (La7) and network operator segment in first half 2024 can be compared as follows with those of the same period of 2023:

Television and network operator segment (€ millions)	30 June 2024	30 June 2023
Gross operating revenue	59.9	58.0
Advertising agency discounts	-	-
Net operating revenue	59.9	58.0
Other income	0.8	0.4
Change in inventory	-	-
Total revenue	60.7	58.4
Production costs	(34.4)	(33.7)
Personnel expense	(19.6)	(19.7)
EBITDA	6.6	5.0
Amortization, depreciation, provisions and write-downs	(8.1)	(8.8)
EBIT	(1.5)	(3.7)
Net financial income (expense)	-	-
Other gain (losses) from financial assets/liabilities	(0.7)	-
Profit (loss) before tax	(0.8)	(3.8)
Income tax	-	0.9
Profit (loss) for the period	(0.8)	(2.9)

In first half 2024, the TV publishing (La7) and network operator segment's EBITDA grew to reach approximately Euro 6.6 million (Euro 5 million in first half 2023), while EBIT came to approximately Euro -1.5 million (Euro -3.7 million in first half 2023).

In first half 2024, La7's average all-day share was 3.8% and 5.4% in prime time (from 8:30 PM to 10:30 PM), in both cases up versus the same period of the prior year. Specifically, in the six months, La7 ranked as the fifth channel in prime time ratings and in March, April and May the fourth. In the morning slots too (7:00/12:00), La7 achieved a 3.8% share in the six months, claiming the fifth position in the national ranking. In the first half 2024 the share of TgLa7 8 p.m. edition grows by 20%. La7d's share in first half 2024 was 0.4% in all-day and 0.5% in prime time. Starting in April, La7d's programming has been enhanced with a revamped and dynamic schedule featuring new exclusive content. The La7 channel's news and discussion programmes in first half 2024 all continued to deliver remarkable results: *Otto e Mezzo* with 7.7% average share from Monday to Friday, *TgLa7 8 p.m. edition* with 6.9% from Monday to Friday, *diMartedì* 7.7%, *Piazzapulita* 5.7%, *Propaganda Live* 6.1%, *In Altre Parole* 5.4% on Saturday, *In Onda* 6.3%, *Omnibus La7* 3.9%, *Coffee Break* 4.3% from



Monday to Friday, *L'Aria che tira* 4.9%, *Tagadà* 4%, *100 minuti* 5.1%, the two specials of *In Viaggio con Barbero* 5.8%, *La Torre di Babele* 4.5%, the four specials of *Inchieste da fermo* 3.9% and *Eden un pianeta da salvare* 3%.

In first half 2024, La7 confirmed its leadership among generalist TV stations in terms of news hours (almost 14 average hours per day) and was the second channel in terms of live hours (an average of 10 and a half hours per day).

On the digital front, there were 421 thousand average daily unique users in first half 2024, and 6.3 million average monthly unique users in the period January-May 2024. Stream views were 18.4 million per month. In the six months, average monthly unique browsers of Tg.La7.it (2.8 million) grew by 69% versus the same period of 2023. At end June 2024, followers of La7 and its active programmes on Facebook, X, Instagram, Tik Tok, Whatsapp, and Threads were 7.5 million.

Explanatory Note 28 “*Other information*” to the condensed consolidated half-year financial statements at 30 June 2024 contains a detailed description of the current developments in the legislative and regulatory framework regarding the rights to use television frequencies, following the provisions of the 2018 and 2019 Budget Laws, and of Cairo Network’s distinctive position against this backdrop.

RCS

In 2016, the Group started operations in the daily newspaper publishing segment with the acquisition of the control of RCS.

RCS, both directly and indirectly through its subsidiaries, publishes and distributes - in Italy and Spain - daily newspapers and magazines (weeklies and monthlies), and is also involved in the distribution of editorial products at newsstands.

Specifically, in Italy RCS publishes the dailies *Corriere della Sera* and *La Gazzetta dello Sport*, as well as various weeklies and monthlies such as *Io Donna*, *Oggi*, *Amica*, *Living*, *Style Magazine*, *Sportweek*, *Sette*, *Dove* and *Abitare*.

In Spain, it operates through its subsidiary Unidad Editorial S.A., publisher of the dailies *El Mundo*, *Marca* and *Expansion*, as well as several magazines such as *Telva*.

RCS is also marginally active in the Pay TV market in Italy, through the satellite and OTT TV channel *Caccia e Pesca* and also publishes the web TVs of *Corriere della Sera* and *La Gazzetta dello Sport*.

In Spain, it is active with the leading national sports radio *Radio Marca* and the web TV of *El Mundo*, and broadcasts the two digital TV channels *GOL* and *Dmax*, whose content is produced by third parties.

RCS also organizes, through RCS Sport and RCS Sports & Events, major world sporting events (such



as *Giro d'Italia*, the *UAE Tour* and the *Milano City Marathon*).

With *Solferino - i libri del Corriere della Sera*, it is active in book publishing; June 2020, instead, saw the start of activities of *RCS Academy*, the Business School of the Group.

RCS generated negative results prior to 2016, and has embarked on an operational restructuring process to restore profitability. In 2016, profit had amounted to Euro 3.5 million,² marking a return to positive territory by the RCS Group (the first time since 2010), and in 2017², 2018² 2019² 2020² 2021² 2022² and 2023² profit had amounted to Euro 71.1 million, Euro 85.2 million, Euro 68.5 million, Euro 31.7 million, Euro 72.4 million, Euro 50.1 million and Euro 57 million.

The results achieved by the RCS segment in first half 2024 can be compared as follows with those of the same period of 2023:

RCS (€ millions)	30 June 2024	30 June 2023
Gross operating revenue	451.1	456.0
Advertising agency discounts	(17.0)	(17.4)
Net operating revenue	434.1	438.6
Change in inventory	0.8	0.9
Other revenue and income	19.0	17.1
Total revenue	453.9	456.6
Production costs	(249.4)	(259.3)
Personnel expense	(123.9)	(124.3)
Non-recurring income and expense	(0.7)	(0.6)
EBITDA	79.9	72.3
Amortization, depreciation, provisions and write-downs	(29.6)	(28.3)
EBIT	50.3	44.1
Net financial income (expense)	0.1	(5.9)
Other gain (losses) from financial assets/liabilities	(5.6)	-
Profit (loss) before tax	44.8	38.3
Income tax	(11.0)	(8.4)
Non-controlling interests	(13.5)	(12.0)
Profit (loss) for the period	20.3	17.8

In first half 2024, against a backdrop still dominated by the uncertainty caused by the conflicts in Ukraine and the Middle East, RCS achieved - in the consolidated financial statements of Cairo Communication - an EBITDA of approximately Euro 79.9 million³ and an EBIT of Euro 50.3 million (Euro 72.3 million and Euro 44.1 million in first half 2023). Net non-recurring expense and income came to Euro -0.7 million (Euro -0.6 million in first half 2023).

In first half 2024, net operating revenue amounted to Euro 434.1 million, with total digital revenue (Italy and Spain) amounting to approximately Euro 102.3 million and accounting for approximately

² RCS 2017, 2018, 2019, 2020, 2021, 2022 and 2023 Annual Report

³ 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 - regarding provisions for risks and the allowance for impairment, totaling Euro 2.1 million in first half 2024 - EBITDA shown in the RCS Half-Year Report at 30 June 2024, approved on 31 July 2024, amounted to Euro 77.7 million.



23.6% of total revenue. Total advertising sales from RCS online media amounted to Euro 67.6 million in first half 2024, making for 38.2% of total advertising revenue.

In first half 2024, both Italian newspapers retained their circulation leadership in their respective market segments (*ADS*). In Italy, in the first five months of 2024, the average daily copies distributed including digital copies of *Corriere della Sera* amounted to 229 thousand, and those of *La Gazzetta dello Sport* to 144 thousand copies (*ADS January-May 2024*). *Corriere della Sera* was able to achieve the excellent newsstand circulation results and, most importantly, to continue the growth in digital development. *La Gazzetta dello Sport*, in the Audipress 2024/I survey, retained its position as the most-read Italian newspaper with a readership of 2.1 million.

At end June 2024, the total active digital customer base for *Corriere della Sera* (digital edition, membership and m-site) reached 633 thousand subscriptions (595 thousand at end 2023 - Internal Source), while the customer base of *Gazzetta's* pay products (which includes *G ALL*, *G+*, *GPRO* and *Fantacampionato* products) reached 227 thousand subscriptions (214 thousand at end 2023 - Internal Source).

The main digital performance indicators confirm the top market position of RCS. The *Corriere della Sera* and *La Gazzetta dello Sport* brands, in the period January-May 2024, counted 29.4 million and 15.6 million average monthly unique users, and in the period January-June 2024 3.8 million and 2.1 million average daily unique users (*Audicom*). In the first five months of 2024 too, RCS ranks as the top online publisher in Italy with an aggregate figure of 31.2 million average monthly unique users (net of duplications - *Audicom*).

The main social accounts of the *Corriere System* at 30 June 2024 reached approximately 13 million total followers (considering *Facebook*, *Instagram*, *X*, *LinkedIn* and *TikTok* - Internal Source) and those of *La Gazzetta dello Sport* 6.3 million (considering *Facebook*, *Instagram*, *X*, *TikTok* and *YouTube* - Internal Source).

Including digital copies, in first half 2024 the average daily circulation of *El Mundo*, *Marca* and *Expansión* stood at approximately 53 thousand copies, 51 thousand copies and 22 thousand copies (*OJD*). The latter two newspapers retained their circulation leadership in their respective market segments also at June 2024 (*OJD*). The latest *Estudio General de Medios* survey published in June 2024 confirms Unidad Editorial as the daily news leader with almost 1.6 million total daily readers for the three daily titles. *Marca*, with 950 thousand readers, is the most widely read newspaper in Spain, *El Mundo* the second among generalists with over 500 thousand readers and third among daily newspapers.

In Spain as well, the main digital performance indicators confirm Unidad Editorial's top market position, with *elmundo.es*, *marca.com* and *expansion.com* reaching 39.1 million, 82.2 million and 9.1 million average monthly unique browsers in first half 2024, comprising both domestic and foreign



browsers and including apps (*Google Analytics*). The international English-language version of *Marca* achieved 20.8 million average monthly unique browsers in first half 2024 (Internal Source), including those of *marca.com* above. The social audience of Unidad Editorial Group titles (Internal Source) stands at 11.1 million followers for *El Mundo*, 19.4 million for *Marca* and 2.5 million for *Telva* (considering *Facebook*, *Instagram* and *X*) and 1.5 million for *Expansión* (considering *Facebook*, *Instagram*, *X* and *LinkedIn*).

In Spain, at end June 2024, digital subscriptions (digital edition and premium) grew to reach approximately 148 thousand subscriptions for *elmundo.es* (136 thousand at end 2023 - Internal Source) and approximately 96 thousand subscriptions for *expansion.com* (82 thousand at end 2023 - Internal Source).

At 30 June 2024, net financial debt stood at Euro 43.8 million (Euro 23.4 million at 31 December 2023). The change is explained mostly by the outlays for dividend payout of approximately Euro 36.3 million and for technical expenditure, and by non-recurring expense of approximately Euro 11.9 million, partly offset by the positive contribution of ordinary operations, affected by the dynamics of working capital also due to the seasonality of its performance. It should be noted that at 30 June 2024, projected tax receivables for the publishing activity totaling approximately Euro 24.3 million (including residual receivables from 2021, 2022, and 2023) are recorded in the balance sheet assets. The total net financial debt of RCS, which includes financial liabilities from leases recognized in accordance with IFRS 16, totaling Euro 138.1 million (mainly property leases), amounted to Euro 181.9 million (Euro 151.4 million at 31 December 2023).

RCS's activities continued to focus also on enhancing the value of editorial content, developing existing brands, and launching new projects.

Below are some of the main initiatives implemented **in Italy** in first half 2024:

- on 23 January, the *L'Economia* channel of *corriere.it* launched the new digital service “*Chiedi all'Esperto*” in collaboration with Giuffrè, and on 20 February, the new “*Sportello Cancro*” on the *Salute* channel in collaboration with Fondazione Veronesi;
- *La Gazzetta dello Sport* and its supplements, *G Magazine* and *Sportweek*, followed the major sporting events of early 2024. Specifically, for the 2024 European Football Championship, *gazzetta.it* featured a dedicated editorial section with live updates, in-depth reports, and video productions with contributions from correspondents, the *Formidable* podcast, the European-style versions of the online games *Questo o Quello* and *GazzaQuiz*, and the *Fantacampionato Europeo*;
- in early 2024, *La Gazzetta dello Sport* opened two new social channels: *LinkedIn* and *YouTube*;
- in early March 2024, *La Gazzetta dello Sport* launched its new app, which offers access to both the site's news and the daily newspaper's browser in digital format;

- 7 and 8 March saw the third edition of *Obiettivo5*, the *Corriere della Sera* and *iO Donna* event in association with La Sapienza University of Rome dedicated to gender equality issues;
- in early March 2024, the Fantacampionato's "*Torneo dei lettori del quotidiano*" was launched on *La Gazzetta dello Sport*;
- on 11 March, "*Italia Genera Futuro*" was held, the *L'Economia*'s event presenting the ranking of Italy's top 1,000 small and medium-sized enterprises;
- on 14 March, the *FAST* channel "*Talks by Corriere della Sera*" was launched on Samsung TV Plus;
- new podcast columns available in *Gazzetta* and *Corriere della Sera* were created in the first half of the year;
- in first half 2024, *La Gazzetta dello Sport* unveiled a new organization for the cross platform video area (website and social channels). March also saw the completion of the migration process to the new video platform;
- new video columns on *Corriere TV* were produced in the six months, and new live slots live from *Corriere TV* studios such as "*Super Tuesday verso il voto Usa 2024*";
- on 20 March, *Corriere della Sera* reinstated its historic front pages to the centre of the newspaper in print format;
- on 25-28 March, *Corriere della Sera* and Bocconi University organized the first edition of the *Forum Internazionale Pact4Future*;
- 25 March saw the start of the new tour from Bergamo of the *Le Economie d'Italia* series of meetings, *L'Economia*'s journey through small and medium-sized businesses across Italy;
- on 29 March, the cross-media project "*Questa è l'Europa*" was launched by *Corriere della Sera*;
- in the digital subscriptions area, an important event related to the birthday of the *Corriere*, "*Come cambia l'informazione, dietro le quinte del Corriere*", was organized;
- on 8 April, *Corriere della Sera - Buone Notizie* promoted the *Premio Bilancio di Sostenibilità* initiative;
- on 10-11 April, the fourth edition of *Women in Food* was held;
- for the *Milan Design Week* from 15 to 21 April, the headquarters of the *Corriere della Sera* was open to the public with the installation «*Città Miniera: Design, Dismantle, Disseminate*», an event organized together with the interior decorating titles *Living* and *Abitare*;
- the restyling of *Sportweek*, launched on 20 April, was made;
- on 21 April, the weekly newsletter catalogue of *Corriere della Sera* included "*Le idee*" by Ferruccio de Bortoli and Daniele Manca;
- in May, VISA and *Corriere della Sera* launched the second edition of "*She's Next*";



- on 8 May, the new digital channel *Figli & Genitori* was launched, and the related App was also released on 17 June;
- on 9-12 May, the sixth edition of "*Civil Week*" was held;
- on 16-18 May, the second edition of *Tech Emotion* was held, and on 28-29 May, *Corriere della Sera* and Emotion Network organized the event "*Tech Emotion - Frames: Learnings for future vision*";
- the *Economia d'Italia* cycle of events continued, with events dedicated to the Apulia, Piedmont and Latium regions;
- on 5 June, *Corriere della Sera* celebrated the World Environment Day, with a green paper edition of the newspaper and the first edition of *Festival Pianeta 2030*;
- 6 June saw the completion of the redesign of *Corriere della Sera's* Instagram profile, doubling follower growth in the first month versus the previous month, reaching nearly 1.9 million followers;
- on Saturday, 15 June, to mark Italy's first match at Euro 2024, *La Gazzetta dello Sport* released a collector's issue printed on light blue paper, while the home page of *gazzetta.it* and the app were also coloured light blue;
- on 18 June, the new app for *L'Economia* was launched, featuring highlights such as an artificial intelligence-based virtual assistant and browsing customized to user interests;
- "*Le conversazioni del Corriere*" events dedicated to subscribers continued;
- in June, *La Gazzetta dello Sport*, with the sponsorship of the Municipality of Milan, organized the second edition of *Milano Football Week*;
- as part of the ongoing development of *Gazzetta Motori*, the new multi-platform video project "*Guida con Noi*" was launched in June;
- on the series, books and add-ons front in the six months, *La Gazzetta dello Sport* published the book "*Chiedimi chi era Pantani*", the "*Milo Manara Collection*", the "*Pokemon*" collection, the "*I sentieri della grande guerra*" series, the anastatic publications of the "*Album calciatori Panini*" and the "*Il Grande Black*" strips, the collection of unpublished essays *Terrorismo italiano*", and also celebrated Inter's 20th scudetto with the book "*Estasi nerazzurra*" and the series "*Due stelle nerazzurre*". *Corriere della Sera* in the six months published "*Il futuro della democrazia*", "*Lenin - La vita e la rivoluzione*", "*Longevità. Vivere bene per vivere a lungo*", "*Viaggi brevi - percorsi insoliti*", "*Giovinezza*", "*Con l'anima di traverso*", "*Le sanguisughe di Giulietta. Storie di progresso e contraddizioni della Medicina*", "*Interstellar*" and "*Il Cubo e io*", the series dedicated to Alessandro Baricco, the re-issue of Oriana Fallaci's works, the series "*Pratiche giapponesi per raggiungere la felicità*", the series dedicated to the famous couple Julia Donaldson and Axel Scheffler, "*Storia del Fascismo*", and a collector's insert dedicated to Inter's 20th scudetto.



In the six months, major sports events in the portfolio were organized: *Giro d'Italia*, *Milano Sanremo*, *Tirreno Adriatico*, *UAE Tour*, *Next Gen*, *Milano Torino*, *Strade Bianche* and *Milano Marathon*. *Giro d'Italia*, starting in Turin on May 4 and concluding in Rome on 26 May with Slovenian Tadej Pogacar's victory, generated immense enthusiasm and a large public following. Specifically, the audience and digital performance results for bicycle races were remarkably positive. *Giro d'Italia* improved (average +18%) its national live TV ratings of the first part of each stage, and confirmed the already highly positive figures for the final part, attracting an audience of 1.55 million viewers and a 16.7% share. Globally, the *Giro* on television was watched by nearly 700 million viewers on five continents. The major bicycle races also show growing digital engagement versus 2023, with the *Giro* totaling 220 million page views and a 7% increase in unique users. Once again this year, the *Giro*, which received the recognition of "*Ambassador of Sports Diplomacy*" in April, demonstrated its appeal by drawing a substantial number of Italian and foreign fans to the roads it crosses. Millions spectators attended the stages, bringing economic benefits to the regions it passed through. These benefits stem from both the direct impact of spending by spectators and organizers, and the long-term advantages generated by increased tourist attractiveness and investment in local infrastructure.

For **magazines**:

- in February, *Amica* launched its first podcast series, "*Fashion files - i feticci della moda*";
- on 15 March, *Style Piccoli* and *quimamme.it* in collaboration with *iO Donna*, *Corriere Salute*, *Fondazione Corriere della Sera* and the Italian Parents Movement, organized the event "*Elogio dell'empatia-Contributo al dialogo sul bullismo*";
- *Amica*, in collaboration with the Academy of Fine Arts, hosted the first edition of a contest that invited students to explore the theme of the dialogue between Art and Fashion through their expressions;
- in April, *Style Fashion* Issue celebrated 10 years with a special issue and an event at the Contemporary Art Pavilion in Milan;
- from 15 to 21 April, for the *Design Week*, furnishing publications *Living* and *Abitare* with *Corriere della Sera* created, for the second consecutive year, a scenic installation inside the courtyard of the historic headquarters in Via Solferino in Milan;
- on 25-26 May, the "*A corpo libero*" event organized by *iO Donna* was held for the second year;
- on 24 May, the monthly *Dove* hit the newsstands with a new look, featuring revamped graphics and content, which was presented to the public during an event at the National Museum of Science and Technology;
- on 19 June, "*Il Tempo del Viaggio*," a new insert of *Dove Travel*, was distributed as a supplement to *Corriere della Sera*;



- starting 9 July, Andrea Biavardi took over as the new editor-in-chief of the weekly magazine *Oggi*, replacing Carlo Verdelli.

RCS Academy, the Group's business school, completed in first half 2024 the training activities of the ten full-time master's degree programs launched in autumn 2023 and the related placement of 210 *Alumni*, offering all young students tangible opportunities to enter the job world. The first seven master's degree programs in the 2024-2025 academic calendar began in May and June. These include full-time master's degrees in *Sports Management*, *Digital Communication and Media*, and *Business Law*, as well as a part-time master's degree in *Journalism*. The first half of the year also featured the first four Business Talks on the topics of *Business Economy and Sustainability*, *Alternative Energy Sources*, *Health System Renewal*, and *Retail & Omnichannel Strategy*. On 20 June, the first *Advisory Board Meeting* of the year was held, an invitation-only meeting for CEOs in the Albertini Hall attended by thirty CEOs of partner companies.

As for the Books market in Italy (*GfK*), the first quarter experienced a sluggish beginning versus the prior year (a cumulative -5% in volume and -3.8% in value), while March showed an encouraging rebound (+5.3% in volume and +8.2% in value). Publications related to RCS brands (*Solferino*, *Cairo* and *Fuorisceña*) outperformed the market by far, with YoY growths of +14% in volume and +18.6% in value.

Below are also some of the main initiatives implemented **in Spain** in first half 2024:

- January saw the launch of the new version of *La Lectura*, *El Mundo's* cultural supplement, with a redesign that adapts the magazine to the newspaper format while enriching its content;
- since 10 January, *Radio Marca* has extended its territorial reach by adding 11 new stations, broadening its presence to Castilla and Leon, a region inhabited by 2 million people;
- also in January, Unidad Editorial reached an agreement with *Canela Media* to market advertising for its titles in the United States;
- in February, Unidad Editorial's *Escuela de Formación* launched a new, fully revamped web portal to provide users with access to its educational offerings;
- in March, the business newspaper *Expansión* launched a new series of video interviews with key players in the Spanish business world;
- in early March, the *Foro Internacional de El Mundo* “*Europa, un año decisivo*” was attended by prominent national and international political personalities, inaugurating a series of initiatives aimed at celebrating the 35th anniversary of the newspaper;
- also in March, the daily *Marca* revamped its print edition with a new layout, expanding its content offerings and introducing new weekly supplements;



- work also continued on organizing major events in the six months, including the participation with *El Mundo* and *La Lectura* in the Madrid International Contemporary Art Fair and the series of "España está de moda" meetings organized by *Telva* magazine across various provinces in the country. On 8-9 May, the fifth edition of "*El foro económico internacional Expansión*", organized in association with *The European House Ambrosetti*, was held, with the participation of prominent national and international figures from politics and the business world;
- on 17 March, *marca.com* created a new section "*Ganamos Juntos*", supporting a social cause each month by giving it visibility through sport;
- in April, the newspaper *El Mundo* bolstered its weekend offerings by introducing the option to purchase the *Hola* magazine with the Sunday edition and by expanding and redesigning the *Papel* section;
- in April, Unidad Editorial reached an agreement with *Warner Bros Discovery* to market advertising for its titles in Latin America;
- the end of May saw the launch of the new *Telva Living* magazine, dedicated to design, architecture and interior design.

Alternative performance measures

In this Half-Year Report, in order to provide a clearer picture of the performance of the Cairo Communication Group, besides of the conventional financial indicators required by IFRS, a number of alternative performance indicators 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 (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 Half-Year Report, consolidated EBITDA was determined consistently with the definition adopted by the Parent 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).

Transactions with parents, subsidiaries and associates and subject to the control of the parents

Transactions with related parties in the period, including with Group companies, were not considered to be atypical or unusual, and were part of the ordinary activities of Group companies. These transactions were carried out on market terms, taking account of the goods and services provided.

Information on transactions with related parties is shown in Note 29 to the condensed consolidated half-year financial statements at 30 June 2024.



Main risks and uncertainties to which the Group is exposed, which could impact on the business outlook for second half 2024

The Directors' Report on the financial statements for the year ended 31 December 2023 includes a description, to which reference should be made, of the main risks and uncertainties to which Cairo Communication S.p.A. and the Group are exposed, as well as the strategies and activities implemented to monitor and counter them. Specifically, mention should be made of:

- Risks associated with the general economic and geopolitical climate, and with the potential effects of the persisting factors of economic uncertainty in the short-medium term on the Group's business, strategies and outlook.
- Risks associated with advertising and publishing market trends, related mainly to the general contraction in sales and the advertising market trend.
- Risks associated with developments in the media segment, as a result mainly of the penetration of new communication resources.
- Risks associated with privacy, data protection and cybersecurity
- Risks associated with Management and "key staff", hence with the ability of its executive directors, editors-in-chief, TV personalities, and other Management members to efficiently manage the Group, and with the ability of the Group to attract and retain new talents.
- Risks associated with retaining the value of the brands of the Group titles and programmes, by maintaining the current levels of quality and innovation.
- Risks associated with dealings with suppliers, customers and staff regarding the outsourcing of production processes, specifically printing and distribution, and the production of TV content.
- Risks associated with developments in the legal and regulatory framework, specifically for the television industry.
- Risks associated with the measurement of intangible assets, related to the regular review of their recoverable carrying amount.
- Risks associated with litigations.
- Risks associated with environmental issues, including those arising from potential climate change. This also includes risks related to regulatory developments aimed at accelerating the transition to a low-carbon economy, as well as those related to changing preferences and expectations of the Group's stakeholders, who may gradually shift towards products/companies that are more sensitive to sustainability issues.



- Financial risks.

This Half-Year Report provides a summary of the financial risks that could impact on the business outlook for second half 2024.

Risks associated with the general economic and geopolitical climate

The operating results, financial position and cash flows of the Cairo Communication Group may be influenced by various factors within the macro-economic environment, such as the increase or decrease of GNP, the level of consumer and corporate confidence, the advertising expenditure/GDP ratio, inflation, interest rate trends and cost of raw materials.

With the acquisition of the control of RCS, the Group activities are carried out mainly in Italy and Spain. Therefore, Group profits are exposed to risks caused by the economic cycle of these two countries, and the effectiveness of the economic policies implemented by the respective governments. The latest figures published by the IMF in July 2024 (through *World Economic Outlook - July 2024*) estimate an increase in GDP for Italy of 0.7% in 2024 and 0.9% in 2025, and an increase in GDP for Spain of 2.4% in 2024 and 2.1% in 2025. At June 2024, the inflation rate in Italy shows a YoY change of 0.8% (*ISTAT- FOI index excluding tobacco*), while in Spain the YoY year inflation rate stands at 3.4% (*National Statistics Institute - INE*).

The first half of 2024 was dominated by the ongoing conflicts in Ukraine and the Middle East, with their repercussions extending to the economy and trade. These events persist in creating a state of significant overall uncertainty. The Group has no direct exposure and/or business activities towards the markets affected by the conflict and/or sanctioned entities.

Should this situation of uncertainty continue for some time, the operations, strategy and outlook for the Group may be impacted.

Risks associated with advertising and publishing market trends

The persisting short and medium-term economic uncertainty, aggravated by the current conflicts in Ukraine and the Middle East, may impact negatively on daily newspapers and magazines.

In Italy, the advertising market in the first six months of 2024 (*Nielsen*) was up by 6.7% versus the same period of 2023, with online (excluding search, social media and over the top) and TV up by 5.4% and by 8.6%. Newspapers and magazines were down by 7.1% and by 2.8%. In first half 2024, the Spanish advertising sales market was up by 6.4% versus the same period of 2023 (*i2p, Arce Media*). Specifically, the newspaper and magazine markets decreased by 5.7% and by 0.6%, while Internet (excluding social media, search, etc.) and radio sales increased by 5.3% and by 4.8%.



On the circulation front, in the first five months of 2024, generalist newspapers and sports newspapers in Italy recorded a decline in print and digital circulation of 7.9% and 6.4%, respectively (*ADS January-May 2024*). In Spain, in first half 2024, circulation figures show a decline for generalist newspapers (-8.1%), sports newspapers (-8.4%) and business newspapers (-9.9%) (*OJD January-June 2024*).

The magazine circulation market, referring to titles reported in ADS, dropped by 9.6% at May 2024 for weeklies (print and digital copies) versus the same period of the prior year. For monthlies, the same figure for the first four months of the year shows a 7.9% decline (Internal Source based on ADS figures; weeklies with more than 48 editions and monthlies with more than 10 editions).

Advertising

The Cairo Communication Group is significantly exposed to advertising revenue trends, which are cyclical and directly related to general economic trends. Advertising sales are currently the main source of revenue for the TV publishing segment. La7 boasts an exceptional audience profile, particularly appealing in terms of advertising.

Considering the Cairo Editore magazine publishing segment, advertising revenue at the Group level in first half 2024 accounted for 14.2%, while the remaining 85.8% was generated by distribution and subscription revenue.

Regarding RCS, advertising represents 40.8% of total revenue.

Persisting global economic uncertainty could impact on advertising market prospects. Against this backdrop, any difficulty in maintaining or increasing its advertising revenue could impact on Group prospects, activities, operating results and cash flows.

Additionally, also with regard to the advertising segment, in light of the developments taking place, growing importance is attached to the ability of the operators to develop digital products that allow the customization of advertising content and formats, user profiling, use of analytics/big data, and lead generation. With regard to the evolution of the market, any difficulty or delay in adapting to and meeting the new demand - also through the development of cutting-edge, intuitive and effective technological products - may impact negatively on the prospects, activities, operating and financial results of the Group.

Circulation

In addition to advertising, a large share of its other activities is represented by the sale of publishing products for a market that has been long undergoing change in both Italy and Spain, which implies increasing integration with online communication systems. This transition may impact on the circulation of print products, which the Group is addressing by adopting appropriate digital



development strategies. Against this backdrop, any difficulty in maintaining the circulation of its print products could impact on Group prospects, activities, operating results and cash flows.

The ability of the Cairo Communication Group to increase its revenue and pursue its growth and development targets, and maintain adequate levels of profitability, also depends on how successful it is in putting its industrial strategy into place, which is also based on the expansion and enrichment of its product portfolio, including digital products, in order to capture market segments with greater potential.

Should the Cairo Communication Group fail to pursue this strategy, the activities and prospects of the Group may be negatively affected.

Privacy, data protection and cybersecurity

The innovation and enhancement of technological platforms and the organic development of digital products and customer centric strategies lead to increased risks related to data protection. Privacy and personal data protection are becoming an increasingly important issue for the Group and, especially in the publishing industry, play a key role in the relationship of trust with readers and users.

This strategy must be complemented by stringent rules and policies and a corporate culture that needs to be aligned with the latest regulations that have extended and consolidated the protection of data subjects' rights.

Additionally, the global scenario has seen a growth in the frequency and complexity of cyberattacks (malware, ransomware, phishing and social engineering techniques), with both extortionary and industrial espionage purposes.

Also in connection with the ongoing conflict in Ukraine and its geopolitical consequences, greater threats have arisen from criminal organizations of cyberattacks against industrial and strategic targets in a number of countries, including Italy.

Such a context requires constant monitoring and evolving IT security systems, which in turn call for growing resources to cope with increasingly sophisticated attacks.

Given the topical nature of the risk, the Group has introduced further protection tools and procedures, focusing its attention on a constant and gradual upgrading of its technological platforms.

The Group has procedures and tools in place to ensure compliance with the European Regulation on the protection of personal data EU 679/2016, with Legislative Decree 196/2003 as amended by Legislative Decree 101/2018 in Italy, and with Ley Orgánica 3/2019, de Protección de Datos Personales y Garantía de los Derechos Digitales in Spain of 5 December 2019.



Risks associated with dealings with suppliers, customers and staff

A number of the production processes of the Cairo Communication Group, particularly magazine printing in Italy and Spain and for dailies in Spain, and network management activities in the TV publishing segment, are outsourced. The outsourcing of production processes requires close collaboration and careful monitoring of suppliers to ensure and preserve the quality of the products carried out with the help of external suppliers. This outsourcing may provide operational benefits in terms of flexibility and efficiency, but means that the Cairo Communication Group has to trust the ability of its suppliers to achieve and maintain the quality standards required by the Cairo Communication Group.

The uncertainty on the short and medium-term economic scenario, exacerbated by the conflict in Ukraine, fueled, in 2021 and 2022 in particular, the growing trend in the costs of various inputs, particularly for paper. Additionally, by 2023, energy and gas costs had gradually returned to levels similar to those at end summer 2021. The cost of paper has also been decreasing throughout 2023 and into the early part of 2024, compared to the levels of 2022, positively impacting the 2024 income statement.

Certain dealings with suppliers/customers are based on licence and/or sponsorship agreements, non-renewal of which on expiry or renewal of which at less favourable conditions could impact on the results and financial position of the Group.

Risks associated with developments in the legal and regulatory framework

The Cairo Communication Group operates in a number of heavily-regulated business areas.

La7 activities are regulated mainly by Legislative Decree no. 208 of 28 November 2021, Consolidated Law on Audiovisual Media Services, hereinafter "TUSMA", which repealed and replaced the previous Consolidated Law on Audiovisual and Radio Media Services (Legislative Decree no. 177 of 31 July 2005, "TUSMAR"). The new Consolidated Law outlines general principles for the provision of audiovisual media services in response to evolving market dynamics.

The role of network operator carried out by Cairo Network is subject to extensive regulation at both national and EU level. Specifically, radio-television broadcasters are subject to regulations aimed at protecting people and the environment from exposure to electromagnetic fields.

Since, as mentioned above, a qualified operator was engaged to create and manage the network in full service mode, who made commitments and guarantees that Cairo Communication considered to be adequate to ensure compliance with applicable regulations, any breaches could have negative effects on the operating results and financial position of the Cairo Communication Group.

In the 2018 Budget Law (Law no. 205 of 2017, as subsequently supplemented and amended by Law no. 145 of 2019), Article 1, paragraph 1026 et seq. introduced specific provisions for terrestrial TV

operators to release 694-790 MHz frequencies (“700 band” – corresponding to channels 49-60) to telephone operators and for the consequent reorganization of the user rights of existing television operators over the remaining television spectrum (“refarming”).

In implementation of the above law, AGCOM and MISE adopted the consequent measures, as a result of which in 2019 Cairo Network was assigned a right of use with no frequency specification, equal to half of a mux.

Subsequently, at the end of the procedure for consideration called, the Ministry of Economic Development, through its decision dated 2 July 2021, announced that Cairo Network had been awarded a right of use with no frequency specification, equal to half of a newly-planned national multiplex. Cairo Network paid half of the amount offered in the tender (subject to a reservation) and asked for the residual amount to be paid in installments (in three annual installments). On 6 August 2021, MISE, as a result of the combination of the two rights of use with no frequency specification, then announced the provision for the assignment of the right of use of the frequencies for the purposes of operating the national network of the PNAF called "National network no. 10" until 2032 (two years less than the duration of the right originally acquired in 2014).

Cairo Network was heard in the context of the various proceedings, and took part in the relating public consultations, pointing out the legal and technical arguments for the exclusion of the Company from the application of the Budget Law (and, specifically, from the procedure for the conversion of the original right of use and the assignment of newly-planned rights of use), also attaching supporting documentation.

Cairo Network then also challenged the resolutions and provisions of AGCOM and MISE, implementing the Budget Law, filing appeals with the Latium Regional Administrative Court, Rome, and subsequent additional grounds (g.r. no. 6740/2018, no. 7017/18, no. 440/2021 and no. 6040/2021), in which the same arguments raised with the public authorities and further illegalities of the contested measures were also raised with the administrative judge.

The Latium Regional Administrative Court, with judgments issued on 28 January 2021 in the above trials g.r. no. 6740/2018 and no. 7017/2018, rejected the claims for annulment, while not fully addressing the merits of the issues raised by Cairo Network, and the above judgments are subject to an appeal before the Council of State (g.r. no. 4335/2021 and no. 4334/2021), which by Order no. 10415 of 1 December 2023, after the discussion hearings on 28 September 2023, ordered a reference for a preliminary ruling under Article 267 TFEU before the Court of Justice of the European Union C-764/23. The preliminary reference procedure is ongoing, and Cairo has already filed its comments, insisting that the provisions of the 2018 Budget Law and subsequent implementing acts are incompatible with EU law. The Court Clerk's notice of the other parties' comments and the scheduling



of the hearing for discussion are still pending. It is anticipated that the decision will be concluded in 2025.

On 8 February 2022, the MISE then published the decree on compensatory measures to network operators for the costs incurred in the preparation of transmission facilities to guarantee the T2 transmission standard, which Cairo Network has challenged in an appeal before the Regional Administrative Court, which is pending (g.r. no. 4515/2022).

Lastly, with decree dated 17 April 2023 (published on 10 July 2023), the Ministry of Business and Made in Italy (Mimit) established the fees for digital frequency usage rights for the years 2022-2023. According to the decree, network operators are required to pay an annual amount of Euro 3.8 million for each network. Cairo Network should be exempted from the provisions of the above decree, and, specifically, from paying the fees for the years 2022 and 2023, since the acts of the bidding procedure called in 2014 and concluded with the assignment to Cairo Network of the right of use for a 20-year period, established that: i) upon completion of the refarming of frequencies, Cairo would receive a frequency with similar coverage and duration as the one assigned; ii) payment of the amount of Cairo's bid was also made as a fee for the granting of rights of use of radio frequencies, thus fulfilling its obligation to pay. On 3 August 2023, the Ministry of Enterprise and Made in Italy published a notice announcing that a review of this decree of 17 April 2023 is underway to date.

Additionally, Cairo Network is about to initiate actions, also of a judicial nature (in addition to disputes already filed), in order to obtain compensation for the damages and harm suffered i) for payment requested to regain ownership of a right of use of frequencies that Cairo had already paid for as a result of the 2014 tender procedure, ii) for the different duration of the new right of use, iii) for the loss of business opportunities suffered in recent years as a result of the uncertainty generated by the refarming procedure, and iv) for being discriminated (virtually the only network operator to be so) by the compensatory measures envisaged in the MISE decree of 17 November 2021 and published on 8 February 2022.

To date, the effects of the outcome of the appeals brought before the Regional Administrative Court and the Council of State, also following the interlocutory procedure before the Court of Justice, or of those that may be brought in the future, cannot be predicted with certainty yet.

Risks associated with the measurement of intangible assets

At 30 June 2024, the Group held intangible assets for a total of Euro 984.2 million.

Intangible assets should be regularly subject to measurement, in accordance with international accounting standards, in order to verify their recoverable carrying amount and ensure their consistency with the carrying amounts in the financial statements (impairment test). This test is based on financial



ratios and estimates of the trend of the activities to which the assets are linked, which are highly sensitive to the financial and economic markets. The main valuation decisions and the sources of estimation uncertainty are commented on in the section "Key Sources of Estimation Uncertainty" in the notes to the consolidated financial statements of this Half-Year Report, to which reference is made for further details. Significant changes in the economic and financial environment may lead to significant deviations in the parameters and forecasts as estimated and used in the impairment test. If these changes were negative, write-downs could be made with a significant impact on results.

Risks associated with litigations

Due to the nature of its business, the Cairo Communication Group is subject to the risk of litigation in the performance of its activities. The Cairo Communication Group monitors the development of these disputes, including with the help of external consultants, and sets aside the amounts needed to deal with the disputes in place according to how likely they are to lose.

The notes on "other information" (Note 28 to the consolidated financial statements) contain information on a number of cases of litigation. The evaluation of the potential legal and tax liabilities requires the Company to use estimates and assumptions in relation to forecasts made by the Directors, based upon the opinions expressed by the Company's legal and tax advisers, in relation to the probable cost that can be reasonably considered to be incurred. Actual results may vary from these estimates. Mention should be made that, because of its business activities, the Cairo Communication Group is involved in certain civil and criminal disputes for press defamation. With regard to the disputes for libel, on the basis of the experience of the Cairo Communication Group, for the cases where the Cairo Communication Group companies have lost, these proceedings are normally settled by paying compensation for smaller amounts than the original amounts claimed. Moreover, La7 has an insurance policy that covers professional responsibility for television activity.

Risks associated with environmental issues

Climate change is a major issue for all industries, and no less so for publishing. In the publishing sector, greenhouse gas emissions are mainly connected with energy consumption, transportation (e.g. company fleet, and business travel) and the production cycle of print products managed internally.

The Group's supply chain is primarily centered around the procurement of the raw material "paper", with production processes (printing) entirely outsourced, both in Spain and in other countries, for the printing of magazines. In Italy, on the other hand, production processes are mainly managed directly for daily newspapers. The distribution process for print publishing products in Spain is outsourced and in Italy is managed directly by m-dis.

The paper industry in Europe has traditionally been one of the most environmentally friendly, as it



uses renewable resources that generate recyclable products. In this context, the Group uses the main Italian and European suppliers, with certifications of an eco-friendly production process.

Another important aspect is the management of waste; in this case, the Group is committed to operating in compliance with local regulations and guaranteeing waste traceability. Additionally, the Group delivers waste to specialized and authorized companies for recovery or disposal and also recycles the paper of publishing products by specialized pulpers.

As far as its supply chain is concerned (the publishing and distribution chain in particular), in addition to requiring compliance with current legislation, the Group has adopted stringent environmental protection policies. The Group considers it crucial to adopt stringent policies in supplier selection, also on the basis of the proven attention to environmental topics, as explained in the Consolidated Non-Financial Statement.

The Group continuously monitors environmental risks to prevent and curb potential impacts. The environmental risks the Group is potentially exposed to include not only those associated with directly-managed production processes, but also those mainly generated indirectly through third parties, such as "strategic" paper supplies or printing processes and offices where the Group is a lessee of "multitenant" buildings. While in cases of internal production, the Group is able to adopt policies to reduce its environmental impact, through the monitoring of specific KPIs, in the case of purchases of outsourced goods or services, the Group can act only indirectly, by carefully choosing suppliers and sharing its environmental policies.

It should be noted that during 2023, the Group, in line with ESMA guidance (as part of the European common enforcement priorities for 2023 financial statements) concerning climate risk, incorporated a specific focus on risks associated with climate change and their potential impact on the Group's activities within its risk assessment process.

In particular, the Group has identified the main potential risks caused or influenced by climate change that could impact both the economic and reputation targets pursued by the Group. Consistent with operational guidelines and practices, both "physical risks", such as losses resulting from increased frequency and severity of extreme weather events (e.g., floods, wind gusts, earthquakes, etc.), and "transition risks" stemming from the transition toward a low-carbon economy have been identified. These risks could impact the company's competitiveness and prospects through increased costs (e.g., compliance costs, access to new technologies, etc.) or changes in market and consumer preferences towards less impactful products and companies with established reputations in these topics. This could necessitate adaptations to production processes, investments, or re-evaluation of the useful life of assets and/or their obsolescence assessments. The assessment of the significance of these risks in terms of likelihood of occurrence and potential impact on the company was conducted by involving the heads of operational and corporate departments representing all major business areas of the Group.



At the conclusion of the Risk Assessment, and considering their respective sectors, the heads of these departments reported no significant risks related to climate change. However, the following risks emerged, assessed to be of medium significance, attributed to:

- regulatory developments related to possible interventions aimed at accelerating the transition to a low-carbon economy, which may result in direct or indirect operating costs;
- changes in the preferences and expectations of consumers and stakeholders of the Group, who may gradually lean towards products and companies showing strong sensitivity to sustainability topics.

In accordance with the provisions of Article 5, paragraph 3, letter b, of Legislative Decree 254/2016 in implementation of EU Directive 2014/95, the Group prepares the Consolidated Non-Financial Statement.

Financial risks

The Group manages capital structure and financial risks consistent with its asset structure, in order to maintain adequate and consistent credit ratings and capital ratio levels, taking account of the current credit availability in Italy.

No significant changes were made to the operating objectives, policies and procedures in first half 2024 from the year ended 31 December 2023.

The notes on “risk management” (Note 31 to the consolidated financial statements) contain information on liquidity risk, interest rate risk and credit risk.

Other information

Human resources

Because of the nature of its business activities, human resources play a critical role in the success of the Group. The evaluation of staff, the development of their abilities and the recognition of their achievements and responsibilities are the principles which govern personnel management, from the selection phase, which is facilitated by the high degree of the Group’s visibility and its ability to attract personnel.

The exact headcount of the Group at 30 June 2024 is shown below, broken down by role and geographical area:



	CAIRO COMMUNICATION AND OTHER COMP		RCS		TOTAL
	MEN	WOMEN	MEN	WOMEN	
<i>Executives</i>	37	6	53	19	115
<i>Editors</i>	7	1	23	9	40
<i>Middle managers</i>	63	50	117	85	315
<i>White collars</i>	273	274	599	665	1,811
<i>Blue collars</i>	1	0	136	11	148
<i>Journalists and freelance</i>	88	119	707	470	1,384
TOTAL	469	450	1,635	1,259	3,813

	ITALY		ABROAD		TOTAL
	MEN	WOMEN	MEN	WOMEN	
<i>Executives</i>	79	17	11	8	115
<i>Editors</i>	27	7	3	3	40
<i>Middle managers</i>	154	117	26	18	315
<i>White collars</i>	580	624	292	315	1,811
<i>Blue collars</i>	137	11	0	0	148
<i>Journalists and freelance</i>	522	410	273	179	1,384
TOTAL	1,499	1,186	605	523	3,813

With regard to the other Group companies, most of the employees work in the TV segment (484 resources), followed by the advertising segment (CairoRCS Media), which counts 242 employees and a sales network of approximately 200 agents (including direct and indirect) coordinated by managers and sales officers.

Regarding RCS, the headcount at 30 June 2024 amounted to 2,894 employees, 1,128 of whom working abroad.

Events occurring after the reporting period and business outlook

The first half of 2024 was dominated by the ongoing conflicts in Ukraine and the Middle East, with their repercussions extending to the economy and trade. These events persist in creating a state of significant overall uncertainty. The Group has no direct exposure and/or business activities towards the markets affected by the conflict and/or sanctioned entities.

The respective conflicts and their impacts are still ongoing as of the date of approval of this half-year report.

In the opening months of 2024, 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 ongoing conflicts and their developments in Ukraine and the Middle East and/or cost dynamics, the Group believes that it can confirm the goal of achieving strongly positive margins (EBITDA) in 2024, up from those achieved in 2023, and of continuing 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.

For the Board of Directors

Chairman Urbano Cairo



CAIRO COMMUNICATION

Condensed consolidated half-year financial statements

at 30 June 2024



CONSOLIDATED INCOME STATEMENT AT 30 JUNE 2024

€ millions		Half year ended 30/06/2024	Half year ended 30/06/2023
	Notes		
Net revenue	1	541.9	548.0
Other revenue and income	2	23.8	22.2
Change in inventory of finished products	3	0.8	0.9
Raw and ancillary materials and consumables	4	(48.1)	(59.5)
Cost of services	5	(237.1)	(241.3)
Use of third-party assets	6	(16.5)	(15.9)
Personnel expense	7	(164.9)	(165.7)
Amortization, depreciation, provisions and write-downs	8	(39.4)	(39.1)
Other operating costs	9	(9.5)	(8.5)
EBIT		51.1	41.1
Other gains (losses) from financial assets/liabilities	10	0.0	0.0
Net financial income (expense)	11	(6.2)	(6.1)
Profit (loss) before tax		44.9	35.1
Income tax for the year	13	(11.2)	(7.2)
Profit (loss) from continuing operations		33.7	27.9
Profit (loss) from discontinued operations		-	-
Profit (loss) for the year		33.7	27.9
- Owners of the parent		20.3	15.9
- Non-controlling interests - continuing operations		13.4	12.0
		33.7	27.9
Earnings per share (Euro)			
- Earnings per share - continuing and discontinued operations	15	0.151	0.118
- Earnings per share - continuing operations	15	0.151	0.118



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AT 30 JUNE 2024

€ millions	Half year ended 30/06/2024	Half year ended 30/06/2023
Profit (loss) for the year	33.7	27.9
<i>Reclassifiable items of the comprehensive income statement</i>		
Gains (losses) from the translation of financial statements denominated in foreign currencies	-	-
Gains (losses) from cash flow hedges		(0.2)
Reclassification of gains (losses) from cash flow hedges		(0.3)
Tax effect		0.2
<i>Non-reclassifiable items of the comprehensive income statement</i>		
Actuarial gains (losses) from defined benefit plans	0.2	0.2
Tax effect	(0.1)	(0.1)
Gains (losses) from the fair value measurement of equity instruments	(0.1)	-
Total comprehensive income for the period	33.7	27.7
- Owners of the parent	20.3	15.7
- Non-controlling interests - continuing operations	13.4	12.0
	33.7	27.7



CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2024

Assets € millions	Notes	30 June 2024	31 December 2023
Property, investment property, plant and equipment	16	104.3	107.1
Rights of use on leased assets	17	138.1	130.4
Intangible assets	18	984.2	987.3
Investments	19	30.4	30.5
Non-current financial receivables and financial assets recognized for derivatives	19	-	-
Other non-current assets	19	3.3	4.5
Deferred tax assets	20	86.0	84.0
Total non-current assets		1,346.3	1,343.8
Inventory	21	20.6	21.4
Trade receivables	21	284.3	259.5
Receivables from parents, associates and affiliates	21	1.5	1.2
Sundry receivables and other current assets	21	82.6	88.7
Other current financial assets	25	0.5	1.1
Cash and cash equivalents	25	57.7	58.1
Total current assets		447.2	430.0
Total assets		1,793.5	1,773.8
Equity and liabilities	Notes	30 June 2024	31 December 2023
Share capital		7.0	7.0
Share premium reserve		224.2	224.2
Prior-years' profit (loss) and other reserves		295.7	278.8
Profit for the year		20.3	38.4
Equity attributable to the owners of the parent		547.2	548.4
Share capital and reserves attributable to non-controlling interests		345.8	346.9
Total equity	27	893.0	895.3
Non-current financial payables and liabilities	25	46.1	40.4
Non-current liabilities from lease contracts	25	126.0	120.0
Post-employment benefits	23	39.8	41.8
Provisions for non-current risks and charges	24	18.9	21.5
Deferred tax liabilities	24	163.9	163.4
Other non-current liabilities	22	3.8	3.8
Total non-current liabilities		398.5	390.9
Payables and current financial liabilities	25	27.8	23.6
Current liabilities from leases contracts	25	28.8	25.4
Payables to suppliers	21	277.9	278.1
Payables to parents, associates and affiliates	21	8.0	11.7
Tax payables	21	31.5	24.2
Current portion of provisions for risks and charges	24	23.2	20.7
Sundry payables and other current liabilities	21	104.7	103.9
Total current liabilities		502.0	487.6
Total liabilities		900.5	878.5
Total equity and liabilities		1,793.5	1,773.8



CONSOLIDATED STATEMENT OF CASH FLOWS AT 30 JUNE 2024

€ millions	Half year ended 30 June 2024	Half year ended 30 June 2023
Cash funds	58.1	54.3
Bank overdrafts	(6.3)	0.0
CASH AND CASH EQUIVALENTS OPENING BALANCE	51.8	54.3
OPERATIONS		
Profit (loss)	33.7	27.9
Amortization/depreciation	36.5	36.6
(Gains) losses and other non-monetary items	0.0	0.0
(Income) expense from investments	0.0	0.0
Net financial expense (income)	6.2	6.1
Dividends from equity-accounted investees	0.0	0.0
Income tax	11.2	7.2
Increase (decrease) in employee benefits and provisions for risks and charges	(2.2)	(3.8)
Cash flow from operations before changes in working capital	85.4	74.0
(Increase) decrease in trade and other receivables	(19.0)	(18.3)
Increase (decrease) in payables to suppliers and other liabilities	(10.7)	(22.4)
(Increase) decrease in inventory	0.8	3.1
CASH FLOW FROM OPERATIONS	56.4	36.5
Income tax received (paid)	0.0	(0.9)
Net financial expense paid	(5.5)	(5.3)
CASH FLOW FROM OPERATIONS (A)	50.9	30.3
INVESTING ACTIVITIES		
Net (acquisition) disposal of PPE and intangible assets	(16.7)	(18.2)
Acquisition of investments	0.0	0.0
Proceeds from the disposal of investments	0.5	0.5
Proceeds from the sale of property, plant and equipment and intangible assets	0.0	0.0
Net decrease (increase) in other non-current assets	0.7	0.1
CASH FLOW FROM INVESTING ACTIVITIES (B)	(15.6)	(17.5)
FINANCING ACTIVITIES		
Dividends paid	(36.0)	(31.2)
Net change in financial payables and other financial assets	6.8	39.0
Net change in lease liabilities	(10.4)	(13.0)
Increase (decrease) in non-controlling interests' share capital and reserves	0.0	0.0
Other changes in equity	0.0	(0.1)
CASH FLOW FROM FINANCING ACTIVITIES (C)	(39.5)	(5.1)
CASH FLOW FOR THE PERIOD (A)+(B)+(C)	(4.2)	7.7
CASH AND CASH EQUIVALENTS CLOSING BALANCE	47.8	62.0
CASH AND CASH EQUIVALENTS		
Cash funds	57.7	62.0
Bank overdrafts	(9.9)	0.0
	47.8	62.0



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

€ millions	Share capital	Share premium reserve	Prior-years' profit (loss) and other reserves	Profit (loss) for the period	Equity attributable to the owners of the parent	Share capital and reserves attributable to non-controlling interests	Total
Balance at 31 December 2021	7.0	224.2	232.2	51.0	514.4	333.3	847.7
Allocation of profit (loss)			51.0	(51.0)			
Dividend distribution			(24.2)		(24.2)	(12.5)	(36.7)
Other changes						0.1	0.1
Items of the comprehensive income statement			2.7	(2.7)			
Total comprehensive profit (loss) for the period				34.8	34.8	20.8	55.6
Balance at 31 December 2022	7.0	224.2	261.7	32.1	525.0	341.8	866.8
Allocation of profit (loss)			32.1	(32.1)			
Dividend distribution			(18.8)		(18.8)	(12.4)	(31.2)
Other changes			4.7		4.7	(4.7)	
Items of the comprehensive income statement			(0.8)	0.8			
Total comprehensive profit (loss) for the period				37.6	37.6	22.3	59.9
Balance at 31 December 2023	7.0	224.2	278.8	38.4	548.4	346.9	895.3
Allocation of profit (loss)			38.4	(38.4)			
Dividend distribution			(21.5)		(21.5)	(14.5)	(36.0)
Other changes							
Items of the comprehensive income statement			0.0	(0.0)			
Total comprehensive profit (loss) for the period				20.3	20.3	13.4	33.7
Balance at 30 June 2024	7.0	224.2	295.7	20.3	547.2	345.8	893.0



EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS

Company information

Cairo Communication S.p.A. (the Parent or the Company) is a joint-stock company listed in the Milan Company Register.

The Cairo Communication Group operates as a

- publisher of magazines and books (Cairo Editore - and its division Editoriale Giorgio Mondadori - and Cairo Publishing);
- TV (La7, La7d) and Internet (La7.it, TG.La7.it) publisher and network operator (Cairo Network);
- multimedia advertising agency for the sale of spaces on TV, in print media and at stadiums (Cairo Communication and CAIRORCS Media);
- publisher of dailies and magazines (weeklies and monthlies) in Italy and in Spain, through RCS MediaGroup, also active in the organization of major world sporting events, and in newsstand distribution through its subsidiary m-Dis.

At 30 June 2024, the condensed half-year financial statements, in addition to the Parent Company, included 54 fully consolidated direct and indirect subsidiaries. Further details on investments are found in the annex "List of Group Investments at 30 June 2024".

The entity that prepares the consolidated financial statements of the largest body of entities, of which the entity forms part as a subsidiary, is U.T. Communications S.p.A., with registered office in Via Montenapoleone 8, Milan.

Basis of preparation

The Group condensed consolidated half-year financial statements were prepared in accordance with IFRS international accounting standards issued by the International Accounting Standards Board (IASB) and endorsed by the European Union in accordance with Regulation no. 1606/2002. The term IFRS is used to also mean the International Accounting Standards (IAS) still in effect, and all the interpretations of the International Financial Reporting Interpretations Committee (IFRIC).

These condensed consolidated half-year financial statements were prepared in summary form in accordance with IAS 34 – *Interim financial reporting*. They do not contain all the information required for the Annual Report and should, therefore, be read together with the Annual Report for the year ended 31 December 2023.

The accounting standards adopted in the preparation of the condensed consolidated half-year financial statements are the same as those used for the consolidated financial statements at 31 December 2023, with the exception of the adoption of the new standards, where applicable, effective as of 1 January 2024.



The Group has not adopted in advance any new standards, interpretations or amendments issued but not yet in force.

The condensed half-year financial statements at 30 June 2024 were prepared on a going concern basis as the Group has determined that, despite the current geopolitical and economic context, there are no significant uncertainties (as defined in paragraph 25 of IAS 1) on the Company's ability to continue operating as a going concern, given both the profitability outlook and cash generating capacity of the Group companies, as well as the Company's financial position.

The currency of these consolidated financial statements is the Euro, used as the functional currency by most Group companies. Unless otherwise indicated, all amounts are expressed in millions of Euro.

Key sources of estimation uncertainty

The preparation of the condensed half-year financial statements has required using estimates and assumptions both for determining the carrying amounts of some assets and liabilities and for measuring contingent assets and liabilities. The main items involved are goodwill, other intangible assets with indefinite useful life, rights of use, deferred tax assets and the estimated recoverability of receivables. Projections are also used when determining revenue generated through consignment contracts (newspapers and magazines), the estimated provisions for risks and charges and legal disputes, the estimated returns to receive (books), the provisions for doubtful accounts, amortization and depreciation, employee benefits, as well as deferred tax and inventory valuations.

The estimates and assumptions are periodically reviewed and the effects of any changes immediately reflected in the financial statements.

Amidst a complex macroeconomic landscape marked by ongoing and emerging global crises, the estimates at 30 June 2024 were made based on future assumptions marked by a significant degree of uncertainty. Therefore, if results differ from the estimates made at 30 June 2024, it may be necessary to make even significant adjustments to the assessed balance sheet amounts.

At 30 June 2024, the areas of the financial statements most affected by estimates and assumptions, owing to their relevance, are intangible fixed assets with indefinite useful life and deferred tax assets. Certain measurement processes, in particular the determination of any impairment losses on intangible assets, or reviews of the economic useful lives, are generally carried out at year end, or, nonetheless, when all the necessary information is available, unless there are impairment indicators.

Intangible assets are periodically subject to an impairment test to determine their value in use, which is compared with the value recorded in the financial statements, and to verify their sustainability. In the case of goodwill and intangible assets with indefinite useful life, this assessment is performed at least once a year irrespective of any signs or evidence of impairment.



The amounts recorded in this Half-Year Report had passed the impairment test performed at 31 December 2023. At 30 June 2024, the presence of possible indicators of impairment was assessed, taking account of the impact of actual figures in the period on the forecasts used in the impairment tests at 31 December 2023, and the trend in interest rates to evaluate the repercussions of said trend on the estimate of the discount rate (WACC) to be applied to expected cash flows. The analysis also took account of the sensitivity tests developed at 31 December 2023 to better appraise the impacts that these changes could generate in determining the recoverable amount of the cash generating units and assets identified. No impairment indicators emerged on conclusion of this analysis.

However, following the preparation of the condensed half-year financial statements and the materialization of trends that differ from estimates to date, adjustments, including significant ones, may be required to the amounts recorded in the half-year report.

Deferred tax assets recognized at the reporting date represent amounts which are likely to arise, based on Management estimates, on future taxable profit, and on current tax rates, taking account of the effects of participation in the Group tax consolidation. At 30 June 2024, the recoverability assumptions developed at 31 December 2023 were confirmed.

1. Accounting standards, amendments and interpretations effective as of 1 January 2024

As of 1 January 2024, amendments to the following standards came into effect:

- Amendment to IAS - 1 *Classification of liabilities as current or non-current and Non-current liabilities with clauses*. These changes aim to clarify the existing requirements of how to classify payables and other short-term or long-term liabilities. The amendments also improve the information that an entity must provide when its right to defer settlement of a liability for at least twelve months is subject to meeting certain parameters (such as covenants).
- Amendment to IFRS 16 - *Lease liability in a sale and leaseback*. The document requires the seller-lessee to measure the lease liability arising from a sale and leaseback transaction such that it recognizes no gain or loss related to the right of use it retains.
- Amendment to IAS 7 and IFRS 7 - *Supplier Finance Arrangements*. The amendment requires specific disclosures about supply chain finance arrangements, enabling users of financial statements to assess the effects of these arrangements on the entity's liabilities, cash flows, and exposure to liquidity risk.

The adoption of such amendments had no impact on the Group's condensed consolidated half-year financial statements.



2. Accounting standards, amendments and interpretations yet to be endorsed by the EU and applicable from financial periods after 1 January 2024

The following are the amendments that have yet to be endorsed and have not been adopted in advance by the Group, on which an assessment of their impact is in progress, with indication of the effective date:

- Amendment to IAS 21 - *Lack of exchangeability*. The amendments apply as from 1 January 2025.
- IFRS 18 - *Presentation and Disclosure in Financial Statements*. The new standard applies as of 1 January 2027.
- IFRS 19 - *Subsidiaries without Public Accountability: Disclosures*. The new standard applies as of 1 January 2027.
- Amendment to IFRS 9 and IFRS 7 - *Amendments to the Classification and Measurement of Financial Instruments*. The new standard applies as of 1 January 2026.

Form and content of the financial statements

The **consolidated income statement** is presented by nature, highlighting interim operating results and pre-tax results, in order to allow a better measurement of the results from normal operations. Furthermore, cost and revenue components deriving from events or transactions which, by their nature or size, are considered non-recurring, are also separately identified in the financial statements and the notes. These transactions also fall under the definition of non-recurring events and transactions as per CONSOB Communication No. 6064293 of 28 July 2006.

The income statement effect of discontinued operations is shown in a single line of the income statement named “Profit/loss from discontinued operations”, under IFRS 5.

The **consolidated statement of comprehensive income** also reflects the “*changes arising from transactions with non-owners*”- separately showing the relevant tax effects, that is:

- profit and loss that could be directly recognized in equity (for instance actuarial gains and losses from the measurement of defined benefit plans);
- the effects of the measurements of derivative instruments hedging future cash flows;
- the effects of the measurements of available-for-sale financial assets;
- the effects arising from any change in accounting standards.

The consolidated statement of comprehensive income presents the items relating to the amounts of the components of other comprehensive income for the period by nature and grouped into those which, in accordance with the provisions of other IAS/IFRS:

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



The **consolidated statement of financial position** presents separately assets and liabilities divided in current and non-current. Specifically, an asset or a liability is classified as current when it satisfies one of the following criteria:

- it is expected to be realized or settled or it is expected to be sold or utilized in the normal operating cycle of the company;
- it is held mainly to be traded;
- it is expected to be realized or settled within 12 months of the reporting date.

Otherwise, the asset or liability is classified as non-current.

The **consolidated statement of cash flows** was prepared applying the indirect method in which operating profit is adjusted to reflect transactions of a non-monetary nature, for whatever deferral or accrual of previous or future operating receipts or payments and for revenue or cost components connected to cash flows arising from investing or financing activities. Income and expense relating to medium or long-term financial operations and those relating to hedging instruments and dividends paid are included in financing activities.

The **consolidated statement of changes in equity** shows the changes in equity relating to:

- allocation of profit for the year;
 - effects from transactions with owners (purchase and sale of treasury shares);
- and separately income and expense defined as “*changes arising from transactions with non-owners*”, also shown in the consolidated statement of comprehensive income.

Lastly, the statements containing significant related party transactions and non-recurring items were presented in specific annexes, as required by CONSOB Resolution no. 15519 of 27 July 2006, in order not to affect the overall readability of the financial statements.

The condensed consolidated half-year financial statements were subject to a limited audit by Deloitte & Touche S.p.A., which was appointed by a resolution of the Shareholders' Meeting held on 27 April 2018.

Scope of consolidation

There were no changes in the scope of consolidation in first half 2024.

The condensed consolidated half-year financial statements at 30 June 2024 include the financial statements of the Parent Cairo Communication S.p.A. and the following direct or indirect subsidiaries and associates appearing in the annex “List of Group Investments at 30 June 2024”.

Significant events in the reporting period

Significant events in the first half are described in the Interim Report on Operations.



Significant events after the reporting period

Significant events during the period between the end of the six-month period and the date of approval of this half-year report by the Board of Directors are described in the Interim Report on Operations.

NOTES TO THE CONSOLIDATED INCOME STATEMENT

There follows an analysis of the main items of cost and revenue for the half year ended 30 June 2024. The comparative figures refer to the Half-Year Report at 30 June 2023.

1. Net Revenue

In order to provide a more detailed view, and in consideration of the specific features of the segment, gross operating revenue, advertising agency discounts and net operating revenue are analyzed below.

Description	2024	2023
Gross operating revenue	571.3	577.6
Advertising agency discounts	(29.4)	(29.6)
Net operating revenue	541.9	548.0

Revenue is generated mainly in Italy and in Spain. An analysis of revenue by business segment is provided in [Note 14](#).

The breakdown of gross operating revenue can be analyzed as follows:

Description	2024	2023
TV advertising	76.7	74.2
Advertising on print media, Internet and sporting events	204.7	208.9
Other TV revenue	2.3	2.4
Magazine over-the-counter sales and subscriptions	192.1	199.6
VAT relating to publications	(2.1)	(2.0)
Sundry revenue	97.6	94.5
Total gross operating revenue	571.3	577.6

Gross operating revenue, amounting to Euro 571.3 million, decreased by Euro 6.3 million versus the same period of the prior year.

In first half 2024:



- circulation revenue (including subscriptions) of Euro 192.1 million refers for Euro 30.9 million to Cairo Editore (Euro 33.6 million in first half 2023) and for Euro 161.2 million to the RCS Group (Euro 166 million in first half 2023).
- gross advertising sales from Group publications, Group websites and sporting events amounted to Euro 204.7 million, Euro 194 million of which attributable to the RCS Group (Euro 196.8 million in first half 2023) and Euro 5 million to the Cairo Editore titles (Euro 5.4 million in first half 2023),
- gross advertising revenue on La7 and La7d channels amounted to Euro 77.1 million (Euro 74.6 million in first half 2023).
- sundry revenue amounted to Euro 97.6 million, up by Euro 3.1 million versus the same period of the prior year.

2. Other revenue and income

"Other revenue and income" amounted to Euro 23.8 million (Euro 22.2 million in 2023) and included revenue from pulp and paper sales, grants, capital gains, cost chargebacks, rental income, and other non-operating revenue items.

3. Change in inventory of finished goods

The item amounted to a positive Euro 0.8 million and arises from the use of the magazine sales during the ordinary course of business relating to Group companies.

4. Raw and ancillary materials and consumables

The details of costs for raw and ancillary materials and consumables are as follows:

Description	2024	2023
Paper	24.7	34.3
Finished products, equipment and sundry materials	21.5	21.3
Change in inventory of paper, equipment and sundry materials, TV programmes and the like	1.9	3.9
Total raw and ancillary materials and consumables	48.1	59.5

This item, amounting to Euro 48.1 million, refers mainly to the publishing activities of Cairo Editore, La7 and the RCS Group. The increase versus the prior amounted to Euro 11.4 million, attributable to the dynamics of paper inventory and to lower procurement costs.

RCS Group's costs for raw and ancillary materials and consumables amounted to Euro 40.8 million.



5. Cost of Services

As shown in the following chart, this item comprises mainly direct costs of advertising agencies, external processing, consultancies and collaborations mainly for bordereau, TV costs, promotion costs, organization costs and overheads. Costs of services are broken down as follows:

Description	2024	2023
Direct brokerage costs	18.0	19.9
Professional services, consulting and other administrative costs	21.5	20.8
Consultancy services and publishing collaborations	18.6	19.1
External processing	30.9	33.9
Transport costs	48.6	52.5
Sub-contracted TV programmes	12.5	11.7
Professional and artistic services and other TV consulting	5.1	4.8
Shooting, crew, editing, and outdoor TV activities	0.5	0.3
News and sport information services and TV news agency	0.6	0.7
TV broadcasting services	0.1	0.1
TV artwork	0.3	0.2
Outdoor TV links	0.4	0.5
Advertising and promotion	17.9	18.7
Organizational costs and overheads	62.1	58.1
Total cost of services	237.1	241.3

The item decreased by Euro 4.2 million versus the same period of the prior year.

6. Use of third-party assets

The item, amounting to Euro 16.5 million (Euro 15.9 million at 30 June 2023), includes lease payments, rental costs in the TV segment, rental fees for office equipment and royalties for copyrights.



Description	2024	2023
Lease payments for property	0.6	0.8
Rental of TV studios	-	-
Rental fees for TV studio equipment	0.3	0.3
TV programme rights	0.1	0.4
Sport rights	0.2	0.2
Journalistic rights	1.3	1.4
Copyrights (SIAE, IMAIE, SCF, AFI)	2.0	1.9
Royalty expense and sundry rights	6.4	5.7
Other costs for use of third-party assets	5.6	5.2
Total costs for use of third-party assets	16.5	15.9

7. Personnel expense

Personnel expense amounted to Euro 164.9 million (Euro 165.7 million at 30 June 2023), down by Euro 0.8 million versus the same period of the prior year.

The item includes non-recurring expense related to the corporate reorganization process for Euro 1 million (Euro 1.2 million at 30 June 2023).

8. Amortization, depreciation, provisions and write-downs

This item can be analyzed as follows:

Description	2024	2023
Amortization of intangible assets	19.3	18.5
Depreciation of property, plant and equipment	5.1	5.3
Amortization/depreciation of rights of use on leased assets	12.1	12.8
Allocations to the allowance for impairment	1.3	2.6
Allocations to the provisions for risk and charges	1.5	(0.1)
Total amortization, depreciation, provisions and write-downs	39.4	39.1

It amounted to Euro 39.4 million, with amortization and depreciation of Euro 12.1 million resulting from the application of IFRS 16.

It should be noted that amortization attributable to the amounts allocated to intangible assets (previously unrecognized) with finite useful life under the "acquisition method" in the business combination of RCS, amounting, for the six months ended 30 June 2024, to Euro 0.9 million;



Goodwill and titles with indefinite useful life are not amortized, but are tested at least once a year to identify any impairment losses.

9. Other operating costs

The item, amounting to Euro 9.5 million (Euro 8.5 million at 30 June 2023), includes mainly tax expense, prior-year expense and other operating expense. The latter include membership fees, contributions, entertainment expense, donations and transaction costs.

10. Income (expense) on investments

The balance of the item, as in first half 2023, is zero.

11. Net financial expense

Net financial expense amounted to Euro 6.2 million (Euro 6.1 million in 2023). The item includes interest income on fixed-term deposits on current accounts and on treasury bank accounts used to employ liquidity.

“Net financial expense” is broken down as follows:

Description	2024	2023
Interest income on bank accounts, loans and receivables	0.3	0.1
Other	0.3	1.3
Total financial income	0.6	1.4
Bank interest expense	(0.2)	-
Interest income on loans	(1.7)	(1.9)
Losses on derivatives	-	(0.1)
Interest on lease payables - IFRS 16	(1.8)	(1.5)
Other financial expense	(3.1)	(4.0)
Total financial expense	(6.8)	(7.5)
Net financial expense	(6.2)	(6.1)

Net financial expense referring to RCS and amounting to Euro 5.6 million decreased by a total of Euro 0.3 million versus the same period of 2023.



12. Non-recurring income and expense

In accordance with CONSOB Resolution no. 15519, the main components of income (positive and/or negative) deriving from events or transactions, the occurrence of which is non-recurring, or deriving from transactions or events that are unlikely to occur frequently in the normal course of business, are shown below.

Description	Non-recurring expense	Non-recurring income	Total	Reported total	% of reported total
Personnel expense	(1.0)	-	-	(164.9)	0.6%
Total non-recurring income and expense	(1.0)	-	-	-	

In first half 2024, non-recurring expense amounted to Euro 1 million, attributable to payroll costs.

In the same period of the prior year, net non-recurring expense totaled Euro 0.6 million, of which Euro 1.2 million attributable to payroll costs.

13. Income tax for the period

This item can be analyzed as follows:

Description	2024	2023
IRES for the year	9.8	4.5
IRAP for the year	2.7	1.9
Deferred tax assets and liabilities	(1.3)	0.8
Total income tax	11.2	7.2

14. Segment reporting

For a clearer understanding of the Group's operating performance, the analysis is focused on the results achieved in the half-year period by each business segment, which has been identified, in compliance with IFRS 8 – *Operating segments*, based on internal reporting which is regularly reviewed by Management.

The Group is organized in business units, each in turn structured around specific products and services, and has six reportable business segments:

- **Magazine publishing Cairo Editore**, the Group operates as a publisher of magazines through its subsidiary Cairo Editore - which incorporated Editoriale Giorgio Mondadori in 2009 and publishes weeklies “Settimanale DIPIU” and “DIPIU’ TV”, supplements “Settimanale DIPIU’ e DIPIU’TV Cucina e Stellare”, “Diva e Donna” and the fortnightly “Diva e Donna Cucina”, “TV Mia”, “Nuovo”, “F”, “Settimanale Giallo”, “Nuovo TV”, “Nuovo e Nuovo TV Cucina” and



“Enigmistica Più”, “Enigmistica Mia,” and monthly magazines "Natural Style", Bell'Italia”, "Gardenia”, and “Arte”. The Group also operates as a book publisher through its subsidiary Cairo Publishing;

- **Advertising**, the segment includes the two companies Cairo Communication S.p.A. and CAIRORCS Media S.p.A., and operates in advertising sales on print media for RCS's print and online titles, for Cairo Editore's magazines, in TV advertising sales for La7 and La7d, for the sale of stadium signage and space at the Olimpico in Turin for Torino FC, and in advertising sales for a number of other third-party publishers;
- **TV publishing La7 and network operator**, the segment includes La7 S.p.A., which operates as a television publisher for La7 and La7d, and Cairo Network S.r.l. which, in 2014, took part in the procedure called by the Ministry of Economic Development, by being awarded the rights to use a lot of frequencies (“mux”). With the acquisition and realization of the mux, the Cairo Communication Group started operations as a network operator;
- **RCS**, the Group started operations in 2016 in the daily newspaper publishing segment with the acquisition of the control of RCS. RCS, both directly and indirectly through its subsidiaries, publishes and distributes - in Italy and Spain - daily newspapers and magazines (weeklies and monthlies), and is also involved in print media and online advertising sales in Spain, and in the distribution of editorial products at newsstands. In Italy, RCS has also minor operations on the pay TV market with the TV satellite channels *Caccia* and *Pesca*, and with the web TV channels of *Corriere della Sera* and of *La Gazzetta dello Sport*.

In Spain, it is active with the leading national sports radio *Radio Marca* and the web TV of El Mundo, and broadcasts the two digital TV channels *GOL Television* and *Discovery max* on the Veo multiplex.

RCS also organizes, through RCS Sport and RCS Sports & Events, major world sporting events (such as *Giro d'Italia*, the *UAE Tour*, and the *Milano City Marathon*), and is well-positioned as a partner in the creation and organization of events through RCS Live.

With *Solferino - i libri del Corriere della Sera*, RCS is active in book publishing and since March 2019 has operated *RCS Academy*, the new Business School of the RCS Group.



2024	Magazine publishing Cairo Editore	Advertising	TV publishing and network operator	RCS	Intra and un allocated	Total
(€ millions)						
Net operating revenue	34.2	166.9	59.9	434.1	(153.2)	541.9
Change in inventory	(0.0)	-	-	0.8	-	0.8
Other income	3.6	4.1	0.8	19.0	(3.7)	23.8
Total revenue	37.8	171.1	60.7	453.9	(156.9)	566.6
Production costs	(26.4)	(157.8)	(34.4)	(249.4)	156.7	(311.3)
Personnel expense	(7.8)	(12.5)	(19.6)	(123.9)	(0.1)	(163.9)
Non-recurring income (expense)	(0.3)	-	-	(0.7)	-	(1.0)
EBITDA	3.3	0.8	6.6	79.9	(0.2)	90.4
Amortization, depreciation, provisions and write-downs	(0.6)	(1.3)	(8.1)	(29.6)	0.2	(39.4)
EBIT	2.7	(0.5)	(1.5)	50.3	0.0	51.1
Other income (expense) from financial assets/liabilities	(0.0)	-	-	0.1	-	0.0
Net financial income	0.0	(1.4)	0.7	(5.6)	0.0	(6.2)
Profit (loss) before tax	2.7	(1.9)	(0.8)	44.8	0.0	44.9
Income tax	(0.2)	0.1	(0.0)	(11.0)	(0.0)	(11.2)
Profit (loss) for the period	2.5	(1.8)	(0.8)	33.8	0.0	33.7
Non-controlling interests	-	(0.1)	-	13.5		13.4
2023	Magazine publishing Cairo Editore	Advertising	TV publishing and network operator	RCS	Intra and un allocated	Total
(€ millions)						
Net operating revenue	37.2	167.2	58.0	438.6	(153.6)	547.4
Change in inventory	(0.0)	-	-	0.9	-	0.9
Other income	4.7	2.7	0.4	17.1	(2.8)	22.2
Total revenue	41.9	169.9	58.4	456.6	(156.4)	570.5
Production costs	(31.9)	(156.7)	(33.7)	(259.3)	156.4	(325.1)
Personnel expense	(8.3)	(12.1)	(19.7)	(124.3)	(0.0)	(164.5)
Non-recurring income (expense)	-	-	-	(0.6)	-	(0.6)
EBITDA	1.7	1.1	5.0	72.3	0.0	80.2
Amortization, depreciation, provisions and write-downs	(0.9)	(1.2)	(8.8)	(28.3)	0.0	(39.1)
EBIT	0.8	(0.1)	(3.7)	44.1	0.0	41.1
Other income (expense) from financial assets/liabilities	-	-	-	0.0	-	0.0
Net financial income	(0.0)	(0.2)	(0.0)	(5.9)	(0.0)	(6.1)
Profit (loss) before tax	0.8	(0.2)	(3.8)	38.3	0.0	35.1
Income tax	0.6	(0.3)	0.9	(8.4)	(0.0)	(7.2)
Profit (loss) for the period	1.4	(0.5)	(2.9)	29.9	0.0	27.9
Non-controlling interests	-	(0.1)	-	(12.0)		(12.0)



Management monitors the operating results of business units separately in order to decide on the allocation of resources and the evaluation of results. Transfer prices between business segments are established based on market conditions applicable in transactions with third parties.

Total assets for each reportable segment are not provided, as they are not usually reviewed periodically by the chief operating decision-maker.

15. Earnings per share

Earnings per share are calculated dividing the profit/loss attributable to the owners of the parent by the weighted average of outstanding shares, excluding the weighted average of treasury shares held. Specifically:

Description	2024	2023
€ millions		
Profit (loss) from continuing operations attributable to the owners of the parent	20.3	15.9
Profit (loss) for the year	20.3	15.9
Weighted average number of shares outstanding	134,416,598	134,416,598
Weighted average number of treasury shares	(779)	(779)
Weighted average number of shares to calculate earnings per share	134,415,819	134,415,819
Euro:		
Earnings per share attributable to continuing operations	0.151	0.118
Earnings per share - continuing and discontinued operations	0.151	0.118



NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets and liabilities by category are analyzed in the following notes.

16. Property, investment property, plant and equipment

The movements in PPE can be analyzed as follows:

Description	Land and property	Plant and equipment	Other assets	Fixed assets under development	Investment property	Total
Carrying amounts at 31/12/2023	75.9	16.9	6.3	1.3	6.7	107.1
Additions	0.3	0.7	0.9	0.3	-	2.2
Depreciation	(1.5)	(2.4)	(1.1)	-	-	(5.1)
Write-downs	-	-	-	-	-	-
Other changes	0.7	-	0.6	(1.3)	-	-
Carrying amounts at 30/06/2024	75.4	15.2	6.7	0.3	6.7	104.3

The item includes:

- land and property amounting to Euro 75.4 million, consisting of the building and land in Via Solferino in Milan, the historical headquarters of Corriere della Sera, the owned industrial buildings, and improvements to the Via Rizzoli and Via Solferino offices and to other third-party industrial buildings;
- plant and equipment amounting to Euro 15.2 million, comprised mainly of production facilities for the printing of newspapers and magazines;
- other assets amounting to Euro 6.7 million, comprised mainly of servers for data storage to support publishing and management systems, personal computers, various electronic devices, furniture and fittings;
- investment properties amounting to Euro 6.7 million, attributable mainly to currently vacant owned industrial buildings located in Madrid and Turin.

17. Rights of use on leased assets

This item includes rights of use on leased assets recognized in the financial statements following application of IFRS 16 as from 1 January 2019.



Description	Rights of use on property	Rights of use plant	Rights of use other assets	Rights of use motor vehicles	Total
Carrying amounts at 31/12/2023	111.5	12.7	0.0	6.2	130.4
Net increases	17.1	-	0.2	2.4	19.7
Amortization/depreciation	(10.2)	(0.6)	-	(1.3)	(12.1)
Other changes	-	-	-	-	-
Carrying amounts at 30/06/2024	118.4	12.1	0.2	7.3	138.1

At 30 June 2024, rights of use amounted to Euro 138.1 million, up by a net Euro 7.7 million versus the prior year. Increases include, in particular, the new lease on Unidad Editorial's Madrid office.

18. Intangible assets

The movements in intangible assets can be analyzed as follows:

Description	Television rights	Concessions, licenses, trademarks and publications	Goodwill	Other intangible fixed assets	Fixed assets under development	Total
Carrying amounts at 31/12/2023	14.0	775.7	195.5	0.3	1.8	987.3
Additions	5.6	4.8	-	0.3	5.4	16.2
Amortization and write-downs	(5.8)	(13.4)	-	(0.2)	-	(19.3)
Other changes	0.8	0.3	-	-	(1.1)	-
Carrying amounts at 30/06/2024	14.6	767.5	195.5	0.5	6.1	984.2

The breakdown of intangible fixed assets based on their useful life can be analyzed as follows:

Description	Television rights	Concessions, licenses, trademarks and publications	Goodwill	Other intangible fixed assets	Fixed assets under development	Total
Indefinite useful life	-	656.6	195.5	-	-	852.1
Finite useful life	14.6	110.9	-	0.5	6.1	132.1
Carrying amounts at 30/06/2024	14.6	767.5	195.5	0.5	6.1	984.2

Television rights

“Television rights” includes the investments made by La7 S.p.A. in registration rights (with a duration of over 12 months) for the broadcasting of films, series and soaps, as well as investments by the RCS Group in rights for audiovisual works and executive productions broadcast on the satellite channels *Caccia* and *Pesca*.



Concessions, licenses, trademarks and publications

“Concessions, licenses, trademarks and publications” at 30 June 2024 mainly included:

- the fair value of Euro 348.8 million attributed to Italian trademarks and daily newspaper titles with indefinite useful life, and the fair value of Euro 295.2 million attributed to Spanish daily newspaper titles with indefinite useful life. RCS publishes the newspapers *Corriere della Sera* and *La Gazzetta dello Sport* in Italy, and the newspapers *El Mundo*, *Marca* and *Expansion* in Spain;
- the fair value, net of accumulated amortization at 30 June 2024, of Euro 39 million attributed to Italian trademarks and magazine titles with finite useful life, and the fair value of Euro 9.8 million attributed to Spanish magazine titles with finite useful life;
- investments made for the acquisition of television licenses (Vevo Television) and radio licenses (Radio de Aragon) valued with indefinite useful life (Euro 12.6 million);
- the rights to use TV frequencies for digital terrestrial broadcasting systems (Euro 25.2 million) of Cairo Network;
- other intangible assets of Euro 36.9 million, consisting mainly of expenses incurred for the development of websites and new web projects in Italy and Spain, including new RCS Group digital advertising projects and enhancement of Group infrastructures.

Trademarks and titles with indefinite useful life are not subject to amortization and are regularly tested for impairment, while trademarks and titles with finite useful life are subject to the amortization process based on the duration of their useful life (30 years) and, in the presence of impairment indicators, tested for impairment to measure any potential indication of impairment with respect to their recoverable value.

Goodwill

The item, amounting to Euro 195.5 million (Euro 195.5 million at 31 December 2023), consists mainly of goodwill deriving from the business combination of the RCS Group, determined as the residual value of the difference between the cost of the transaction and equity acquired, after all the assets and liabilities under the transaction had been expressed at fair value and allocated to the RCS Group as a whole.

The item also includes goodwill attributable to the cash-generating units of the Cairo Editore publishing segment and the Cairo Communication Group's advertising segment (Euro 7.1 million).

Assets under development

“Assets under development” includes TV rights to be exploited in future years, and costs incurred for development of information technology projects, which are waiting to go into operation.



Impairment

For cash generating units with intangible fixed assets with indefinite useful life, an analysis was carried out at 30 June 2024 to identify any impairment indicators of the Group's intangible assets. Specifically, as explained in the previous section “*Key sources of estimation uncertainty*”, the trend of actual figures of the current year versus the forecasts used in the impairment test at 31 December 2023 were taken into consideration, while interest rate trends were reviewed to assess their impact on the estimated discount rate (WACC) to apply to expected cash flows. The resulting impairment indicators did not require any testing at 30 June 2024.

19. Investments and non-current financial assets

The movement in this item can be analyzed as follows:

Description	Net carrying amount at 31/12/2023	Acquisitions, share capital increases and coverage of losses	Effect of measurement at equity	Effect of fair value measurement	Change in consolidation method and changes	Dividends distributed	Net book value at 30/06/2024
Total investments in associates and joint ventures	25.5	-	-	-	-	-	25.5
Total other equity instruments	5.0	-	-	(0.1)	-	-	4.9
Total investments	30.5	-	-	(0.1)	-	-	30.4

Investments in associates and joint ventures, amounting to Euro 30.4 million, are unchanged from 31 December 2023.

The item includes the RCS Group investment in Corporacion Bermont (Euro 24.6 million), a Spanish company that deals with the printing of newspapers, magazines and other publishing products.

Securities and investments that are not controlled, linked or traded, defined as "Other equity instruments" amounted to Euro 4.9 million.

Other non-current assets, amounting to Euro 3.3 million, include mainly security deposits.

20. Deferred tax assets

Deferred tax assets of Euro 86 million at 30 June 2024 (Euro 84 million at 31 December 2023) refer to the recognition of deferred tax assets on the temporary differences between the carrying amounts of recognized assets and liabilities and the amounts recognized for tax purposes, as well as to tax loss carryforwards. This item refers mainly to RCS MediaGroup S.p.A..

At 30 June 2024, the recoverability assumptions developed at 31 December 2023 were confirmed.



21. Working capital

Details on this item can be analyzed as follows:

Description	30/06/2024	31/12/2023	Change
Inventory	20.6	21.4	(0.8)
Trade receivables	284.3	259.5	24.8
Receivables from parents, associates and affiliates	1.5	1.2	0.3
Sundry receivables and other current assets	82.6	88.7	(6.1)
Payables to suppliers	(277.9)	(278.1)	0.2
Payables to parents, associates and affiliates	(8.0)	(11.7)	3.7
Tax payables	(31.5)	(24.2)	(7.3)
Sundry payables and other current liabilities	(104.7)	(103.9)	(0.8)
Total	(33.1)	(47.1)	14.0

Inventory of Euro 20.6 million includes Euro 12.4 million for paper inventory and the rest for work in progress on next editions, La7 inventory relating to television programmes produced, whose episodes had not yet been aired at 30 June 2024, and books and promotional products of the RCS Group.

Trade receivables amounted to Euro 284.3 million (Euro 259.5 million at 31 December 2023). Trade receivables are shown net of the allowance for impairment of Euro 36.9 million (Euro 39.4 million at 31 December 2023). The allowance for impairment was determined taking account of both specific collection risks and a general risk of non-collectability based on the ordinary trend of company operations, in compliance with IFRS 9.

Receivables from and payables to parents, associates and affiliates, amounting to Euro 1.5 million and Euro 8 million, refer mainly to:

- receivables from equity-accounted investees of m-Dis for Euro 0.1 million;
- receivables from the affiliate Torino Football Club S.p.A. (Euro 1.3 million)
- payables to a number of Bermont Group associates (Euro 7.4 million), active in the printing of newspapers, magazines and other publishing products in Spain;
- payables to equity-accounted investees of m-Dis for Euro 0.3 million;
- payables to the affiliate Torino Football Club S.p.A. (Euro 0.2 million) mainly for amounts accrued under the advertising concession contract signed with CairoRCS Media S.p.A..



Sundry receivables and other current assets, which include mainly tax receivables, inclusive of advance payments and prepayments and accrued income, amounted to Euro 82.6 million, decreasing by Euro 6.1 million versus 31 December 2023.

Trade payables amounted to Euro 277.9 million, down by Euro 0.2 million versus 31 December 2023, and refer entirely to the current year.

Sundry payables and other current liabilities, amounting to Euro 104.7 million at 30 June 2024, up by Euro 0.8 million versus 31 December 2023, include mainly payables to employees, payables to social security institutions, advance payments received from clients for subscriptions, and accrued expense and deferred income.

22. Other non-current liabilities

"Other non-current liabilities", amounting to Euro 3.8 million (Euro 3.8 million at 31 December 2023), is attributable to liabilities of Cairo Network and tax payables of the RCS Group.

23. Post-employment benefits

This item reflects the accruals made for all employees at the reporting date on the basis of the projected unit credit method, using actuarial valuations.

The composition and movements of this item is broken down as follows:

Description	30/06/2024	31/12/2023	Change
Opening balance	41.8	44.3	(2.5)
Allocations	0.6	0.7	(0.1)
Interest expense	0.5	1.5	(1.0)
Profit (loss) from actuarial valuations	(0.9)	(0.4)	(0.5)
Utilizations/other changes	(2.2)	(4.3)	2.1
Closing balance	39.8	41.8	(2.0)



24. Provisions for risks and charges and deferred tax liabilities

Provisions for risks and charges

Movements in the period are shown below:

Description	31/12/2023	Net allocations	Utilizations	Other changes	30/06/2024
Provision for agents' termination benefits	3.3	0.2		(0.5)	3.0
Provision for legal disputes	9.8	1.3	(0.5)	(1.2)	9.4
Provisions for personnel	10.0		(0.6)	0.3	9.7
Other provisions for risks and charges	19.1	0.7	(0.2)	0.4	20.0
Grand total	42.2	2.2	(1.3)	(1.0)	42.1

"Provisions for risks and charges" amounted to Euro 42.1 million, Euro 18.9 million of which referring to the non-current portion.

The "Provision for agents' termination benefits" represents the amount to be paid to agents as prescribed by law and the applicable collective contracts, subject to actuarial valuations.

The "Provision for legal disputes", amounting to Euro 9.4 million, was allocated for potential liabilities deriving from ongoing disputes with third parties, and refers to both civil proceedings and libel suits related to articles published in the Group's titles.

"Provisions for personnel", amounting to Euro 9.7 million, includes potential liabilities linked to personnel management and the termination of employment relationships and leased staff contracts, and relates to the RCS Group (Euro 6 million) and to La7 (Euro 3.7 million).

"Other provisions for risks and charges" refers mainly to potential liabilities attributable to the RCS Group (Euro 19.4 million).

Deferred tax liabilities

Deferred tax liabilities, amounting to Euro 163.9 million at 30 June 2024, increased by Euro 0.5 million versus 31 December 2023 and refer almost entirely to the business combination of the RCS Group.



25. Net financial position

The trend of the net financial debt of the Group can be analyzed as follows:

Net financial position (€ millions)	30/06/2024	31/12/2023	Changes
Cash and cash equivalents	57.7	58.1	(0.4)
Other current financial assets and financial receivables	0.4	0.9	(0.5)
Current financial assets (liabilities) from derivative instruments	0.1	0.2	(0.1)
Current financial payables and payables to banks	(27.8)	(23.6)	(4.2)
Current net financial position (net financial debt)	30.3	35.6	(5.3)
Non-current financial payables	(46.1)	(40.4)	(5.7)
Non-current financial assets (liabilities) from derivative instruments	-	-	-
Non-current net financial position (net financial debt)	(46.1)	(40.4)	(5.7)
Net financial position (net financial debt)	(15.8)	(4.8)	(11.0)
Liabilities from leases (pursuant to IFRS 16)	(154.8)	(145.4)	(9.4)
Total net financial position (net financial debt)	(170.6)	(150.2)	(20.4)

Consolidated net financial debt at 30 June 2024 stood at approximately Euro 15.8 million (Euro 4.8 million at end 2023). The change versus end 2023 is explained mostly by the outlays for dividends of Euro 36 million and for technical expenditure and non-recurring expense totaling Euro 18.7 million, partly offset by the positive contribution from typical operations. Working capital is affected not only by seasonal performance, but also by the timing of the collection of tax receivables provided for the publishing industry (at 30 June 2024, Euro 34.6 million residual receivables also related to the years 2021, 2022 and 2023), as already explained in the 2023 Annual Report.

Below are details of the Total Net Financial Position as set out in the "Guidance on disclosure requirements under the Prospectus Regulation" published by ESMA on 4 March 2021 under document "ESMA32-382-1138" and taken up by CONSOB in communication 5/21 of 29 April 2021. This item includes financial liabilities from short-term and/or long-term leases and non-remunerated debt, which have a significant implicit or explicit financing component (e.g. trade payables with a maturity of more than 12 months), and any other non-interest-bearing loans.



Net financial debt (€ millions)	30/06/2024	31/12/2023	Changes
A Cash funds	57.7	58.1	(0.4)
B Cash and cash equivalents	-	-	-
C Other current financial assets	0.5	1.1	(0.6)
D Liquidity (A+B+C)	58.2	59.2	(1.0)
E Current financial debt	(52.3)	(49.0)	(3.3)
<i>of which current liabilities from lease contracts</i>	<i>(28.8)</i>	<i>(25.4)</i>	<i>(3.4)</i>
F Current portion of non-current financial debt	(4.3)	-	(4.3)
G Current financial debt (E+F)	(56.6)	(49.0)	(7.6)
H Net current financial debt (liquidity) (G - D)	1.6	10.2	(8.6)
I Non-current financial debt	(172.1)	(160.4)	(11.7)
<i>of which non-current liabilities from lease contracts</i>	<i>(126.0)</i>	<i>(120.0)</i>	<i>(6.0)</i>
J Debt instruments	-	-	-
K Trade payables and other non-current payables	-	-	-
L Non-current financial debt (I+J+K)	(172.1)	(160.4)	(11.7)
M Total financial debt (liquidity) (H+L)	(170.6)	(150.2)	(20.4)

RCS financial debt

In October 2022, RCS concluded a new amortizing loan agreement with BPER of Euro 30 million and a revolving credit line of Euro 20 million. The Euro 30 million line, with original maturity on 31 December 2027, following the standstill for adverse climate events, was postponed to 30 June 2028 and has a constant six-month payment schedule of Euro 4.3 million starting on 31 December 2024.

Both lines carry an interest rate equal to the sum of the six-month Euribor and a variable margin depending on the leverage ratio (debt/EBITDA), which is assessed annually. The Revolving Credit Line for a total of Euro 20 million (undrawn at 30 June 2024) matures on 12 October 2026. These two lines have a single covenant, based on a maximum Leverage Ratio threshold (debt/EBITDA before IFRS 16 and before non-recurring expense/income) of 3.00x.

On 26 July 2023, RCS concluded a new loan agreement with BPM, maturing on 30 June 2028, for a total of Euro 50 million, consisting in an amortizing credit line of Euro 30 million and a revolving credit line of Euro 20 million.

The amortizing line has a disbursement availability (also in several tranches) that has been postponed (with the amending agreement of June 2024) from 30 June 2024 to 31 December 2024; at the time of the first draw down, a constant six-month payment schedule with pre-amortization is established. The first installment payment is scheduled to be made 12 months after the conclusion of the calendar semester in which the first disbursement takes place.

The loan, as a whole, is tied to the Euribor as the benchmark interest rate, with an additional margin. Moreover, there is a potential bonus/malus adjustment to the margin based on the achievement of ESG targets. These targets were finalized in the amending agreement signed in June 2024.



The new loan too envisages a single covenant, which is assessed yearly on 31 December. The covenant is determined by a maximum leverage ratio threshold (debt/EBITDA before IFRS 16 and before non-recurring expense/income, with a maximum limit of Euro 15 million) set at 3.00x. This agreement at 30 June 2024 had not been utilized.

Unicredit loans

On 3 August 2021, Cairo Editore S.p.A. concluded a loan agreement with Unicredit for a total amount of Euro 10 million backed by a guarantee issued by EIB (European Investment Bank). The loan matures on 31 August 2024 and provides, inter alia, for:

- compulsory early repayment, statements, obligations, withdrawal and relating materiality threshold clauses,
- financial covenants in the Group's consolidated financial statements: debt cover (net financial position/EBITDA) of less than or equal to 2.5 and leverage (net financial position/equity) of less than or equal to 1,
- a repayment plan in 3 installments of Euro 3.3 million after the 18-month amortization period.
- early repayment in the event of a change of control of Cairo Communication.

At 30 June 2024, the loan has a remaining balance of Euro 3.3 million.

An interest rate cap with a limit rate of -0.25% is in place to hedge the debt exposure; the benchmark for the variable rate is the six-month Euribor.

Credit Agricole loan

On 29 May 2023, Cairo Communication concluded a revolving loan agreement with Crédit Agricole for a total amount of Euro 20 million with a term of 36 months. At 30 June 2024, Euro 10 million of the loan line was drawn down.

The revolving credit line provides, inter alia, for:

- a) compulsory early repayment, statements, obligations, withdrawal and relating materiality threshold clauses;
- b) financial covenants at the level of the consolidated group financial statements to be recognized on a six-month basis. Specifically, a gearing ratio (debt/equity) no higher than 1.0x and a leverage ratio (debt/EBITDA) no higher than 3.0x;
- c) early redemption in the event of a change of control of Cairo Communication.

26. Net change in financial payables and other financial assets reported in the statement of cash flows

Changes in financial payables and other financial assets are shown below. The table reconciles the cash flows shown in the statement of cash flows with the total changes recorded, for the period under review, in the consolidated statement of financial position.



Description	31/12/2023	Cash flow	Non-monetary changes			30/06/2024
			Net increases leases	Fair value derivatives	Other changes	
Financial payables	57.7	6.8	-	-	(0.1)	64.3
Current financial receivables	(0.9)	0.5	-	-	-	(0.4)
Derivatives	(0.2)	-	-	0.1	-	(0.1)
Net change in financial payables and other (financial assets)	56.5	7.3	-	0.1	(0.1)	63.7
Cash	58.1	(0.4)	-	-	-	57.7
Current payables to banks	(6.3)	(3.6)	-	-	-	(9.9)
Cash and cash equivalents	51.8	(4.0)	-	-	-	47.8
Net financial debt (liquidity)	4.8	11.2	-	0.1	(0.1)	15.8
Liabilities from leased assets	145.4	(10.4)	19.7	-	-	154.8

As required by IFRS, current bank loans and overdrafts form part of the change in cash and cash equivalents.

27. Consolidated equity

At 30 June 2024, consolidated equity attributable to the owners of the parent stood at Euro 547.2 million, including profit for the year (Euro 548.4 million at 31 December 2023).

The share capital of Cairo Communication S.p.A., Euro 6,990 thousand at 30 June 2024, is made up of no. 134,416,598 ordinary shares.

Equity attributable to the owners of the parent decreased by Euro 1.2 million versus 31 December 2023, due mainly to the Group's share of the total net result for the period (a profit of Euro 20.3 million) and the distribution of dividends (Euro -21.5 million)

As was also the case at 31 December 2023, at 30 June 2024, Cairo Communication's market capitalization was lower than the value of the Group's consolidated equity.

The Shareholders' Meeting held by Cairo Communication on 8 May 2024 approved the distribution of a dividend of Euro 0.16 per share, gross of tax, with ex-dividend date on 27 May 2024, for a total of approximately Euro 21.5 million.

In 2024, as part of the share buy-back plans, no treasury shares were sold or purchased. At 30 June 2024, Cairo Communication held a total of no. 779 treasury shares, or 0.001% of the share capital, subject to Article 2357-ter of the Italian Civil Code.

Capital and reserves attributable to non-controlling interests at 30 June 2024 amounted to Euro 345.8 million, decreasing by Euro 1.1 million versus 31 December 2023, due mainly to the result for the period attributable to non-controlling interests, offset by the distribution of dividends to non-controlling interests.

28. Other information

In 2014, the subsidiary Cairo Network took part in the tender procedure opened by the Ministry of Economic Development for the assignment of rights to use TV frequencies for digital terrestrial



broadcasting systems, submitting its binding bid and winning the rights to use a lot of frequencies (“mux”) for a period of 20 years.

In January 2015, Cairo Network and EI Towers S.p.A. (“EIT”) entered into the agreements for the realization and subsequent long-term technical management in full service mode (hospitality, service and maintenance, use of broadcasting infrastructure, etc.) of the Mux. The agreements, as reviewed in March 2018, which contain better terms overall for Cairo Network, mainly include, inter alia:

- a transitional phase, completed on 31 December 2017, witnessing the realization and start-up of the mux, and an operational phase of the mux lasting 17 years (from 2018 to 2034);
- the right to free withdrawal of Cairo Network starting from 1 January 2025;
- guaranteed coverage of at least 94% of the population, in line with national muxes with greater coverage;
- consideration to EIT:
 - o during the implementation phase of the network (2015-2017), amounting to a total of Euro 11.5 million for the full three-year period;
 - o at full performance (starting from 2018), amounting to Euro 16 million per year,these amounts include compensation for the availability of the transmitters;
- an annual consideration from EIT to Cairo Network, starting from 2018, ranging between Euro 0 up to Euro 6 million in the 2018-2022 period, reduced to Euro 5.5 million in the 2023-2027 period and to Euro 5 million from 2028 until expiry, in the event that the available bandwidth on the mux is not fully used by Cairo Network, under the conventionally agreed rules.

In the 2018 Budget Law (Law no. 205 of 2017, as subsequently supplemented and amended by Law no. 145 of 2019), Article 1, paragraph 1026 et seq. introduced specific provisions for terrestrial TV operators to release 694-790 MHz frequencies (“700 band” – corresponding to channels 49-60) to telephone operators and for the consequent reorganization of the user rights of existing television operators over the remaining television spectrum (“refarming”).

In implementation of the above law, AGCOM and MISE adopted the consequent measures, as a result of which in 2019 Cairo Network was assigned a right of use with no frequency specification, equal to half of a mux.

Subsequently, at the end of the procedure for consideration called, the Ministry of Economic Development, through its decision dated 2 July 2021, announced that Cairo Network had been awarded a right of use with no frequency specification, equal to half of a newly-planned national multiplex. Cairo Network paid half of the amount offered in the tender (subject to a reservation) and asked for the residual amount to be paid in installments (in three annual installments). On 6 August 2021, MISE, as a result of the combination of the two rights of use with no frequency specification, then announced the provision for the assignment of the right of use of the frequencies for the purposes of operating the national network of



the PNAF called "National network no. 10" until 2032 (two years less than the duration of the right originally acquired in 2014).

Cairo Network was heard in the context of the various proceedings, and took part in the relating public consultations, pointing out the legal and technical arguments for the exclusion of the Company from the application of the Budget Law (and, specifically, from the procedure for the conversion of the original right of use and the assignment of newly-planned rights of use), also attaching supporting documentation. Cairo Network then also challenged the resolutions and provisions of AGCOM and MISE, implementing the Budget Law, filing appeals with the Latium Regional Administrative Court, Rome, and subsequent additional grounds (g.r. no. 6740/2018, no. 7017/18, no. 440/2021 and no. 6040/2021), in which the same arguments raised with the public authorities and further illegalities of the contested measures were also raised with the administrative judge.

The Latium Regional Administrative Court, with judgments issued on 28 January 2021 in the above trials g.r. no. 6740/2018 and no. 7017/2018, rejected the claims for annulment, while not fully addressing the merits of the issues raised by Cairo Network, and the above judgments are subject to an appeal before the Council of State (g.r. no. 4335/2021 and no. 4334/2021), which by Order no. 10415 of 1 December 2023, after the discussion hearings on 28 September 2023, ordered a reference for a preliminary ruling under Article 267 TFEU before the Court of Justice of the European Union C-764/23. The preliminary reference procedure is ongoing, and Cairo has already filed its comments, insisting that the provisions of the 2018 Budget Law and subsequent implementing acts are incompatible with EU law. The Court Clerk's notice of the other parties' comments and the scheduling of the hearing for discussion are still pending. It is anticipated that the decision will be concluded in 2025.

On 8 February 2022, the MISE published the decree on compensatory measures to network operators for the costs incurred in the preparation of transmission facilities to guarantee the T2 transmission standard, which Cairo Network has challenged in an appeal before the Regional Administrative Court, which is pending (g.r. no. 4515/2022).

Lastly, with decree dated 17 April 2023 (published on 10 July 2023), the Ministry of Business and Made in Italy (Mimit) established the fees for digital frequency usage rights for the years 2022-2023. According to the decree, network operators are required to pay an annual amount of Euro 3.8 million for each network. Cairo Network should be exempted from the provisions of the above decree, and, specifically, from paying the fees for the years 2022 and 2023, since the acts of the bidding procedure called in 2014 and concluded with the assignment to Cairo Network of the right of use for a 20-year period, established that: i) upon completion of the refarming of frequencies, Cairo would receive a frequency with similar coverage and duration as the one assigned; ii) payment of the amount of Cairo's bid was also made as a fee for the granting of rights of use of radio frequencies, thus fulfilling its obligation to pay. On 3 August 2023, the Ministry of Enterprise and Made in Italy published a notice announcing that a review of this decree of 17 April 2023 is underway to date.



Additionally, Cairo Network is about to initiate actions, also of a judicial nature (in addition to disputes already filed), in order to obtain compensation for the damages and harm suffered i) for payment requested to regain ownership of a right of use of frequencies that Cairo had already paid for as a result of the 2014 tender procedure, ii) for the different duration of the new right of use, iii) for the loss of business opportunities suffered in recent years as a result of the uncertainty generated by the refarming procedure, and iv) for being discriminated (virtually the only network operator to be so) by the compensatory measures envisaged in the MISE decree of 17 November 2021 and published on 8 February 2022.

To date, the effects of the outcome of the appeals brought before the Regional Administrative Court and the Council of State, also following the interlocutory procedure before the Court of Justice, or of those that may be brought in the future, cannot be predicted with certainty yet.

With regard to the contract for the purchase of RCS Libri S.p.A., commented on in the 2016-2023 annual reports of RCS, and to the earn-out established therein, it should be noted that the required procedures for verifying the existence (or less) of the conditions for payment of the earn-out and, in such case, for its determination, have been put in place and are still in progress, as set out in the sale contract.

The main guarantees given by the Group are listed below:

- guarantees and endorsements given total Euro 27.3 million and include guarantees issued by m-Dis to phone service providers as a guarantee for the correct fulfillment of distribution agreements. The item also includes the guarantees given to the Public Administration and other public bodies for prize contests, concessions and disputes;
- other guarantees amounted to Euro 29.2 million, up by Euro 3.7 million versus 31 December 2023, due to new guarantees issued to the tax authorities for VAT receivables
- commitments amounted to Euro 0.6 million, decreasing by Euro 0.2 million versus 31 December 2023. Euro 0.5 million are commitments entered into with related parties.

It should also be noted that, as part of the transfers or contributions of investments or business units carried out by the RCS Group, the RCS Group granted guarantees, predominantly of a tax, social security and labor nature, which are still active. Such guarantees were issued according to market practices and conditions.

The main operating leases held by the Group refer to property leases, company cars, plant and equipment, electronic devices and publications.

Additionally, the condensed consolidated half-year financial statements at 30 June 2024 do not include any receivables or payables with a residual term exceeding five years.



29. Related party transactions

The following are identified as related parties:

- the direct and indirect parent entities of Cairo Communication S.p.A., their subsidiaries and associates, the direct and indirect controlled entities of Cairo Communication (whose transactions are derecognized in the consolidation process), the associates and affiliates of the Group. The Ultimate Parent of the Group is U.T. Communications S.p.A.;
- directors, statutory auditors and key management personnel and their close family members, and any companies directly or indirectly controlled by them or subject to joint control or significant influence.

Details are provided in the following tables, broken down by balance sheet heading.

Receivables and financial assets (€ millions)	Trade receivables	Receivables from tax consolidation	Other current financial assets
Parents	0.1	-	-
Associates	0.1	-	-
Other affiliates	1.3	-	-
Other related parties	0.4	-	-
Total	1.9	-	-

Payables and financial liabilities (€ millions)	Trade and other payables	Other current financial liabilities	Other non-current financial liabilities
Parents	-	-	-
Associates	7.8	-	-
Other affiliates	0.2	-	-
Other related parties	-	-	-
Total	8.0	-	-

Revenue and costs (€ millions)	Operating revenue	Operating costs	Financial income (expense)
Parents	-	-	-
Associates	0.3	(7.3)	-
Other affiliates	0.1	(2.7)	-
Other related parties	0.4	(0.1)	-
Total	0.8	(10.1)	-



Transactions with associates refer mainly to:

- the associates in the Bermont Group, in respect of which the Group companies that operate in Spain in the printing of newspapers and other publishing products (Unidad Editorial Group) incurred costs of Euro 6.7 million in first half 2024, and hold trade payables of Euro 7.4 million.

Transactions with affiliates refer mainly to:

- the concession contract between CAIRORCS Media S.p.A. and Torino FC S.p.A. (a subsidiary of U.T. Communications) for the sale of advertising space at the Olimpico football pitch and promotional sponsorship packages. This contract resulted in the payment in first half 2024 of Euro 2.6 million to the concession holder against revenue of Euro 3.2 million net of agency discounts. CairoRCS Media earned further commissions of Euro 64 thousand;
- the agreement between Cairo Communication S.p.A. and Torino F.C. for the provision of administrative services such as bookkeeping, which provides for an annual consideration of Euro 100 thousand.

Transactions with "other related parties" refer mainly to commercial dealings with the Della Valle Group, in respect of which Group companies had revenue of Euro 0.4 million and hold trade receivables of Euro 0.4 million.

Transactions in the year with related parties, including with Group companies, were not considered to be atypical or unusual, and were part of the ordinary activities of Group companies. These transactions were carried out on market terms, taking account of the goods and services provided.

In the period from 1 January 2024 to 30 June 2024, for Cairo Communication and its subsidiaries other than those belonging to the RCS Group, the fees for Directors, Statutory Auditors, General Managers and Key Management Personnel amounted to Euro 1.7 million.

In the period from 1 January 2024 to 30 June 2024, RCS paid fees to Directors, Statutory Auditors, General Managers and Key Management Personnel amounting to Euro 3.7 million.

Commitments to key management personnel at 31 December 2023 are explained in the Remuneration Report of Cairo Communication published on the website www.cairocommunication.it and in the Remuneration Report of RCS published on the website www.rcsmediagroup.it, to which reference should be made.

30. Transactions deriving from atypical and/or unusual transactions

Pursuant to CONSOB Communication of 28 July 2006 no. DEM/6064296, it should be noted that, in first half 2024, the Cairo Communication Group did not engage in any atypical and/or unusual transactions as defined by the above Communication.



31. Risk management

Liquidity risk

Liquidity risk may arise from difficulties in obtaining loans to support operations in accordance with the proper timescales, and, if necessary, to repay loans falling due.

The Group resorts mainly to the banking system to raise funds for its financial resources.

At 30 June 2024, the Group has undrawn lines of credit that allow flexibility in managing operational requirements.

In October 2022, RCS concluded a new amortizing loan agreement of Euro 30 million and a revolving credit line of Euro 20 million. The line of Euro 30 million matures on 30 June 2028. At 30 June 2024, the line had not been used.

Additionally, on 26 July 2023, RCS concluded a new loan agreement with Banco BPM, maturing on 30 June 2028, for a total of Euro 50 million, split up into an amortizing credit line of Euro 30 million and a revolving credit line of Euro 20 million. The loan, also given the possibility of utilization (also in several tranches) until 31 December 2024 of the amortizing line, increases the Group's ability and flexibility in managing its financial requirements.

On 29 May 2023, Cairo Communication concluded a revolving loan agreement with Crédit Agricole for a total amount of Euro 20 million with a term of 36 months. At 30 June 2024, Euro 10 million of the loan line was drawn down.

Interest rate risk

Interest rate risk consists of potential and higher financial expense stemming from an unfavorable and unexpected change in interest rates. Specifically, the Group's exposure to such risk relates in particular to the floating rate net financial liabilities held by the RCS Group.

The Group uses derivatives to manage interest rate risk exposure when deemed necessary. At 30 June 2024, there were no hedging transactions in place for the RCS Group.

With regard to Cairo Communication and its subsidiaries other than those belonging to the RCS Group, which have a positive net financial position of Euro 28 million, the portion of financial debt contractually covered with Interest Rate Caps is 25%.

Currency risk

Currency risk can be defined as the set of negative effects on balance sheet assets or liabilities arising from changes in exchange rates. Despite its international presence, the Group did not record significant exposure to currency risk, given that the Euro is the functional currency of the main Group business areas. Exposure to currency risk is limited to certain minor commercial and financial positions relating to RCS, RCS Sport and Events and La7.



Credit risk

Credit risk can be defined as the possibility of incurring a financial loss due to the counterparty's failure to fulfil its contractual obligations.

The Group is exposed to credit risk, in relation mainly to trade receivables and, specifically, to advertising sales. This risk is, however, mitigated by the fact that exposure is spread over a large number of customers and that monitoring and control procedures are in place to counter the risk.

The credit risk relating to the sale of copies of publishing products by m-dis Distribuzione Media S.p.A. and its subsidiaries refers mainly to credit positions with individual local distributors. The transactions carried out are generally settled within a short period of time and through collection of periodic advance payments; however, the decline in newsstand settlements and the virtual absence of market access barriers may lead to changes in the current distribution chain, with a concentration of players and greater credit risk.

Price risk

The Group is not exposed to significant price risks from financial instruments that fall within the scope of application of IAS 39.

Fair value of financial instruments

IFRS 7 requires financial instruments recognized in the statement of financial position at fair value to be classified on the basis of a three-level fair value hierarchy. The levels of the hierarchy are as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3: Inputs for the asset or liability which are not based on observable market data.

Assets and liabilities were classified according to the fair value hierarchy at 30 June 2024 and 31 December 2023 as follows:

Hierarchy of fair value measurement for categories of financial instruments at 30/06/2024	Level 1	Level 2	Level 3	Total
FINANCIAL ASSETS				
Financial assets at fair value through profit or loss				
Hedging derivatives		0.1		0.1
Financial assets at fair value through other comprehensive income				
Other equity instruments	0.2		4.7	4.9
TOTAL	0.2	0.1	4.7	5.0
FINANCIAL LIABILITIES				
Financial liabilities at fair value through other comprehensive income				
Hedging derivatives				
TOTAL				



Hierarchy of fair value measurement for categories of financial instruments at 31/12/2023	Level 1	Level 2	Level 3	Total
FINANCIAL ASSETS				
Financial assets at fair value through profit or loss				
Hedging derivatives		0.2		0.2
Financial assets at fair value through other comprehensive income				
Other equity instruments	0.2		4.8	5.0
TOTAL	0.2	0.2	4.8	5.2
FINANCIAL LIABILITIES				
Financial liabilities at fair value through other comprehensive income				
Hedging derivatives				
TOTAL				

For the Board of Directors
Chairman Urbano Cairo



List of Group investments at 30 June 2024

Companies consolidated with the full method:

Company	Registered office	Share capital at 30/06/2024	Currency	Investing company	% Direct interest	% Consolid.	Business segment	Consolidation method
Cairo Communication S.p.A.	Milan	6,989,663	Euro				Advertising	Full
Cairo Editore S.p.A.	Milan	1,043,256	Euro	Cairo Communication S.p.A.	99.95	99.95	Publishing	Full
La7 S.p.A.	Rome	1,020,000	Euro	Cairo Communication S.p.A.	100.00	100.00	TV publishing	Full
CairoRCS Media S.p.A.	Milan	100,000	Euro	Cairo Communication S.p.A. RCS MediaGroup S.p.A.	51.00 49.00	80.25	Advertising	Full
Cairo Network S.r.l.	Milan	5,500,000	Euro	Cairo Communication S.p.A.	100.00	100.00	Network operator	Full
Cairo Publishing S.r.l.	Milan	10,000	Euro	Cairo Communication S.p.A.	100.00	100.00	Publishing	Full
Il Trovatore S.r.l.	Milan	25,000	Euro	Cairo Communication S.p.A.	80.00	80.00	Internet	Full
Edizioni Anabasi S.r.l.	Milan	10,200	Euro	Cairo Editore S.p.A.	100.00	99.95	Publishing	Full
RCS MediaGroup S.p.A.	Milan	270,000,000	Euro	Cairo Communication S.p.A.	59.69	59.69	Publishing	Full
MyBeautyBox S.r.l.	Milan	10,000	Euro	RCS MediaGroup S.p.A.	90.00	53.72	Multimedia	Full
Blei S.r.l. in liquidation	Milan	1,548,000	Euro	RCS MediaGroup S.p.A.	100.00	59.69	Advertising	Full
RCS Produzioni S.p.A.	Milan	1,000,000	Euro	RCS MediaGroup S.p.A.	100.00	59.69	Print media	Full
RCS Produzioni Milano S.p.A.	Milan	1,000,000	Euro	RCS MediaGroup S.p.A.	100.00	59.69	Print media	Full
RCS Produzioni Padova S.p.A.	Milan	500,000	Euro	RCS MediaGroup S.p.A.	100.00	59.69	Print media	Full
Digital Factory S.r.l.	Milan	500,000	Euro	RCS MediaGroup S.p.A.	100.00	59.69	Television	Full
Sfera Service S.r.l.	Milan	52,000	Euro	RCS MediaGroup S.p.A.	100.00	59.69	Services	Full
Trovolavoro S.r.l.	Milan	674,410	Euro	RCS MediaGroup S.p.A.	100.00	59.69	Advertising	Full
M-Dis Distribuzione Media S.p.A.	Milan	6,392,727	Euro	RCS MediaGroup S.p.A.	100.00	59.69	Distribution	Full
MDM Milano Distribuzione Media S.r.l.	Milan	611,765	Euro	M-Dis Distribuzione Media S.p.A.	56.00	33.43	Distribution	Full
Pieroni Distribuzione S.r.l.	Milan	750,000	Euro	M-Dis Distribuzione Media S.p.A.	51.00	30.44	Distribution	Full
TO-dis S.r.l.	Milan	10,000	Euro	M-Dis Distribuzione Media S.p.A.	100.00	59.69	Distribution	Full
Consorzio Milano Marathon S.r.l.	Milan	20,000	Euro	RCS Sport S.p.A.	100.00	59.69	Services	Full
RCS Sport S.p.A.	Milan	100,000	Euro	RCS MediaGroup S.p.A.	100.00	59.69	Services	Full
RCS Sports & Events S.r.l.	Milan	10,000	Euro	RCS MediaGroup S.p.A.	100.00	59.69	Advertising	Full
Società Sportiva Dilettantistica RCS Active Team a r.l.	Milan	10,000	Euro	RCS Sport S.p.A.	100.00	59.69	Services	Full



Company	Registered office	Share capital at 30/06/2024	Currency	Investing company	% Direct interest	% Consolid.	Business segment	Consolidation method
In Viaggio Doveclub S.r.l.	Milan	50,000	Euro	RCS MediaGroup S.p.A.	100.00	59.69	Services	Full
Emozione S.r.l.	Milan	10,000	Euro	Ecomozione 5D S.L.	100.00	41.78	Services	Full
RCS Innovation S.r.l.	Milan	10,000	Euro	RCS MediaGroup S.p.A.	100.00	59.69	Services	Full
Canal Mundo Radio Cataluna S.L. (in liquidation)	Barcelona	3,010	Euro	Unidad Editorial S.A.	99.99	59.68	Radio	Full
Corporación Radiofónica Información y Deporte S.L.U.	Madrid	900,120	Euro	Unedisa Comunicaciones S.L.U.	100.00	59.68	Radio	Full
Ediciones Cónica S.A.	Madrid	432,720	Euro	Unidad Editorial S.A.	99.40	59.33	Publishing	Full
Ediservicios Madrid 2000 S.L.U.	Madrid	601,000	Euro	Unidad Editorial Revistas S.L.U.	100.00	59.68	Publishing	Full
Unidad Editorial Ediciones Locales, S.L.	Valencia	1,732,345	Euro	Unidad Editorial S.A. Unidad Editorial Información General S.L.U.	87.23 11.22	58.76	Publishing	Full
La Esfera de los Libros S.L.	Madrid	48,000	Euro	Unidad Editorial S.A.	75.00	44.76	Publishing	Full
Unidad Liberal Radio S.L.	Madrid	10,000	Euro	Unidad Editorial S.A.	55.00	32.83	Multimedia	Full
Unidad de Medios Digitales S.L. (in liquidation)	Madrid	3,000	Euro	Unidad Editorial S.A.	50.00	29.84	Advertising	Full
Unedisa Comunicaciones S.L.U.	Madrid	610,000	Euro	Unidad Editorial S.A.	100.00	59.68	Multimedia	Full
Unedisa Telecomunicaciones S.L.U.	Madrid	1,100,000	Euro	Unidad Editorial S.A.	100.00	59.68	Multimedia	Full
Unedisa Telecomunicaciones de Levante S.L. (in liquidation)	Valencia	3,010	Euro	Unedisa Telecomunicaciones S.L.U.	51.16	30.53	Multimedia	Full
Unidad Editorial S.A.	Madrid	125,896,898	Euro	RCS MediaGroup S.p.A.	99.99	59.68	Publishing	Full
Unidad Editorial Información Deportiva S.L.U.	Madrid	4,423,043	Euro	Unidad Editorial S.A.	100.00	59.68	Multimedia	Full
Unidad Editorial Información Económica S.L.U.	Madrid	102,120	Euro	Unidad Editorial S.A.	100.00	59.68	Publishing	Full
Unidad Editorial Formación S.L.U.	Madrid	1,693,000	Euro	Unedisa Telecomunicaciones S.L.U.	100.00	59.68	Television	Full
Unidad Editorial Información General S.L.U.	Madrid	102,120	Euro	Unidad Editorial S.A.	100.00	59.68	Publishing	Full
Unidad Editorial Revistas S.L.U.	Madrid	1,195,920	Euro	Unidad Editorial S.A.	100.00	59.68	Publishing	Full
Unidad Editorial Sports&Events S.L.U. (in liquidation)	Madrid	6,000	Euro	Unidad Editorial S.A.	100.00	59.68	Publishing	Full
Unidad Editorial USA Inc.	Miami	1,000	USD	Unidad Editorial S.A.	100.00	59.68	Publishing	Full
Veo Television S.A.	Madrid	769,824	Euro	Unidad Editorial S.A.	100.00	59.68	Television	Full
Sfera Editores Espana S.L.	Barcelona	174,000	Euro	RCS MediaGroup S.p.A.	100.00	59.69	Publishing	Full
Sfera Editores Mexico S.A.	Colonia Anzures	11,285,000	MXN	RCS MediaGroup S.p.A. Sfera Service S.r.l.	99.999 0.001	59.69	Publishing/Services	Full
Sfera France SAS	Paris	240,000	Euro	Sfera Editores Espana S.L.	66.70	39.81	Publishing	Full
Ecomozione 5D S.L.	Barcelona	100,000	Euro	Sfera Editores Espana S.L.	70.00	41.78	Publishing	Full
Hotelyo S.A. in liquidation	Chiasso	100,000	CHF	RCS MediaGroup S.p.A.	100.00	59.69	Digital	Full
RCS Sports and Events DMCC	Dubai	20,077	Euro	RCS Sports & Events S.r.l.	100.00	59.69	Services	Full



Companies consolidated at equity:

Company	Registered office	Share capital at 30/06/2024	Currency	Investing company	% Direct interest	Business segment	Consolidation method
Quibee S.r.l.	Turin	15,873	Euro	RCS MediaGroup S.p.A.	37.00	Digital	Equity
Consorzio C.S.E.D.I.	Milan	103,291	Euro	M-Dis Distribuzione Media S.p.A.	20.00	Distribution	Equity
				Pieron Distribuzione S.r.l.	10.00	Distribution	Equity
GD Media Service S.r.l.	Milan	789,474	Euro	M-Dis Distribuzione Media S.p.A.	29.00	Distribution	Equity
Corporacion Bermont S.L.	Madrid	21,003,100	Euro	Unidad Editorial S.A.	37.00	Print media	Equity
Bermont Catalonia S.A.	Barcelona	60,101	Euro	Corporacion Bermont S.L.	100.00	Print media	Equity
Bermont Impresion S.L.	Madrid	321,850	Euro	Corporacion Bermont S.L.	100.00	Print media	Equity
Calprint S.L.	Valladolid	1,856,880	Euro	Corporacion Bermont S.L.	39.58	Print media	Equity
Escuela de Cocina Telva S.L. (in liquidation)	Madrid	61,000	Euro	Ediciones Cónica S.A.	50.00	Training	Equity
Lagar S.A.	Madrid	150,253	Euro	Corporacion Bermont S.L.	60.00	Print media	Equity
				Bermont Impresion S.L.	40.00		
Madrid Deportes y Espectáculos S.A. (in liquidation)	Madrid	600,000	Euro	Unidad Editorial Información Deportiva S.L.U.	30.00	Multimedia	Equity
Newsprint Impresion Digital S.L.	Tenerife	93,000	Euro	TF Print S.A.	50.00	Print media	Equity
Distribuciones Aliadas S.A	Sevilla	60,200	Euro	Recoprint Dos Hermanas S.L.U.	100.00	Print media	Equity
Bermont Packaging S.L.	Madrid	6,010	Euro	Corporacion Bermont S.L.	100.00	Print media	Equity
Omniprint S.A.	Santa Maria del Cami	2,790,000	Euro	Corporacion Bermont S.L.	100.00	Print media	Equity
Radio Salud S.A.	Barcelona	200,782	Euro	Unedisa Comunicaciones S.L.U.	30.00	Radio	Equity
Recoprint Dos Hermanas S.L.U.	Madrid	2,052,330	Euro	Corporacion Bermont S.L.	100.00	Print media	Equity
Recoprint Impresión S.L.U.	Madrid	3,010	Euro	Corporacion Bermont S.L.	100.00	Print media	Equity
Recoprint Pinto S.L.U.	Madrid	3,652,240	Euro	Corporacion Bermont S.L.	100.00	Print media	Equity
Recoprint Rábade S.L.U.	Madrid	1,550,010	Euro	Corporacion Bermont S.L.	100.00	Print media	Equity
Recoprint Sagunto S.L.U.	Madrid	2,281,920	Euro	Corporacion Bermont S.L.	100.00	Print media	Equity
TF Print S.A.	Santa Cruz de Tenerife	1,382,328	Euro	Corporacion Bermont S.L.	75.00	Print media	Equity
				Bermont Impresion S.L.	25.00		
Unidad Liberal Radio Madrid S.L.	Madrid	10,000	Euro	Unidad Editorial S.A.	45.00	Multimedia	Equity
				Libertad Digital S.A.	55.00		
Iniziativa Immobiliare Due S.r.l.	Milan	500,000	Euro	Inimm Due S.à.r.l.	100.00	Real estate	Equity
Inimm Due S.à.r.l.	Luxembourg	240,950	Euro	RCS MediaGroup S.p.A.	20.00	Real estate	Equity



Investments in other companies:

Company	Registered office	Share capital at 30/06/2024	Currency	Investing company	% Direct interest	Business segment	Consolidation method
Auditel S.r.l.	Milan	300,000	Euro	La7 S.p.A.	3.33	Television	Cost
Ansa Società Cooperativa	Rome	10,619,256	Euro	RCS MediaGroup S.p.A.	3.73	Publishing	Cost
Cefriel S.c.a.r.l.	Milan	1,173,393	Euro	RCS MediaGroup S.p.A.	4.93	Research	Cost
Consorzio Edicola Italiana	Milan	60,000	Euro	RCS MediaGroup S.p.A.	16.67	Digital	Cost
Consuledit S.c.a.r.l. in liquidation	Milan	20,000	Euro	RCS MediaGroup S.p.A.	19.55	Publishing	Cost
H-Farm S.p.A.	Roncade (TV)	20,015,693	Euro	RCS MediaGroup S.p.A.	0.34	Services	Cost
Immobiliare Editori Giornali S.r.l.	Rome	830,462	Euro	RCS MediaGroup S.p.A.	7.49	Publishing	Cost
ItaliaCamp S.r.l.	Rome	10,000	Euro	RCS MediaGroup S.p.A.	2.91	Services	Cost
Mperience S.r.l.	Rome	31,856	Euro	RCS MediaGroup S.p.A.	1.68	Digital	Cost
Fantaking Interactive S.r.l.	Brescia	10,000	Euro	RCS MediaGroup S.p.A.	15.00	Digital	Cost
Premium Publisher Network (Consortium)	Milan	19,426	Euro	RCS MediaGroup S.p.A.	20.51	Advertising	Cost
Giorgio Giorgi S.r.l.	Calenzano (FI)	1,000,000	Euro	M-Dis Distribuzione Media S.p.A.	5.00	Distribution	Cost
Zest S.p.A.	Rome	42,336,808	Euro	RCS MediaGroup S.p.A.	0.17	Financial Services	Cost
Cronos Producciones Multimedia S.L.U.	Madrid	3,010	Euro	Libertad Digital Television S.A.	100.00	Publishing	Cost
Ábside Media S.L.	Madrid	19,414,992	Euro	Unidad Editorial S.A.	0.02	Multimedia	Cost
Digicat Sis S.L.	Barcelona	3,200	Euro	Radio Salud S.A.	25.00	Radio	Cost
Libertad Digital S.A.	Madrid	4,763,260	Euro	Unidad Editorial S.A.	1.16	Multimedia	Cost
Libertad Digital Publicidad y Marketing S.L.U.	Madrid	3,010	Euro	Libertad Digital S.A.	100.00	Advertising	Cost
Libertad Digital Television S.A.	Madrid	775,800	Euro	Libertad Digital S.A.	99.66	Television	Cost
Medios de Azahar S.A.	Castellon	825,500	Euro	Unidad Editorial Ediciones Locales, S.L.	6.12	Services	Cost
Palacio del Hielo S.A.	Madrid	185,742	Euro	Unidad Editorial S.A.	8.53	Multimedia	Cost
Buddyfit S.r.l.	Genoa	29,816	Euro	RCS MediaGroup S.p.A. Cairo Communication S.p.A.	5.00 2.00	Multimedia	Cost
Wouzee Media S:L	Madrid	14,075	Euro	Unidad Editorial S.A.	10.00	Multimedia	Cost
Yoodeal Ltd	Ash Aldershot	150,000	GBP	RCS MediaGroup S.p.A.	2.00	Digital	Cost



Related party transactions

Parents (€ millions)	Trade receivables	Other receivables and current assets	Receivables from tax consolidation	Other current financial assets
U.T. Communication S.p.A.	0.1	-	-	-
Total	0.1	-	-	-

Associates (€ millions)	Trade receivables	Other receivables and current assets	Receivables from tax consolidation	Other current financial assets
GD Media Service S.r.l.	0.1	-	-	-
Total	0.1	-	-	-

Associates Equity transactions (€ millions)	Trade payables	Other payables and current liabilities	Payables from tax consolidation	Other current financial liabilities
GD Media Service S.r.l.	0.3	-	-	-
Bermont Impresion S.L. (Bermont Group)	3.4	-	-	-
Recoprint Dos Hermanas S.L.U. (Bermont Group)	0.9	-	-	-
Recoprint Sagunto S.L.U. (Bermont Group)	0.9	-	-	-
Omniprint S.A. (Bermont Group)	0.3	-	-	-
Bermont Catalonia S.A. (Bermont Group)	0.6	-	-	-
TF Print S.A. (Bermont Group)	0.5	-	-	-
Recoprint Ràbade S.L.U. (Bermont Group)	0.7	-	-	-
Radio Salud S.A.	0.1	-	-	-
Total	7.8	-	-	-

Companies subject to the control of parents (€ millions)	Trade receivables	Other receivables and current assets	Receivables from tax consolidation	Other current financial assets
Torino FC S.p.A.	1.3	-	-	-
Total	1.3	-	-	-

Companies subject to the control of parents (€ millions)	Trade payables	Other payables and current liabilities	Payables from tax consolidation	Other current financial liabilities
Torino FC S.p.A.	0.2	-	-	-
Total	0.2	-	-	-

Other related parties (€ millions)	Trade receivables	Other receivables and current assets	Receivables from tax consolidation	Other current financial assets
Della Valle Group companies	0.4	-	-	-
Total	0.4	-	-	-



Associates (€ millions)	Operating revenue	Operating costs	Financial income	Financial expense
GD Media Service S.r.l.	0.2	(0.3)		
Bermont Impresion S.L. (Bermont Group)	-	(2.9)		
Recoprint Dos Hermanas S.L.U. (Bermont Group)	-	(0.9)		
Recoprint Sagunto S.L.U. (Bermont Group)	-	(0.7)		
Omniprint S.A. (Bermont Group)	-	(0.4)		
Bermont Catalonia S.A. (Bermont Group)	-	(0.7)		
TF Print S.A. (Bermont Group)	-	(0.5)		
Recoprint Ràbade S.L.U. (Bermont Group)	-	(0.6)		
Radio Salud S.A.	0.1	(0.3)		
Total	0.3	(7.3)		

Companies subject to the control of parents (€ millions)	Operating revenue	Operating costs	Financial income	Financial expense
Torino FC S.p.A.	0.1	(2.7)	-	-
Total	0.1	(2.7)	-	-

Other related parties (€ millions)	Operating revenue	Operating costs	Financial income	Financial expense
Della Valle Group companies	0.4	-	-	-
Supplementary Pension Fund for Senior Managers (-	(0.1)	-	-
Total	0.4	(0.1)	-	-



**INCOME STATEMENT AND STATEMENT
OF FINANCIAL POSITION PURSUANT TO
CONSOB RESOLUTION NO. 15519 OF 27
JULY 2006**



**CONSOLIDATED INCOME STATEMENT PURSUANT TO CONSOB RESOLUTION no. 15519
OF 27 JULY 2006**

€ millions

	Half year ended 30/06/2024	of which related parties (*)	% of total	Half year ended 30/06/2023	of which related parties (*)	% of total
Net revenue	541.9	0.8	0.1%	548.0	0.7	0.1%
Other revenue and income	23.8	-	-	22.2	-	-
- of which non-recurring	-	-	-	0.6	-	-
Change in inventory of finished products	0.8	-	-	0.9	-	-
Raw and ancillary materials and consumables	(48.1)	-	-	(59.5)	-	-
Cost of services	(237.1)	(10.1)	4.3%	(241.3)	(11.6)	4.8%
- of which non-recurring	-	-	-	-	-	-
Use of third-party assets	(16.5)	-	-	(15.9)	-	-
Personnel expense	(164.9)	-	-	(165.7)	-	-
- of which non-recurring	(1.0)	-	-	(1.2)	-	-
Amortization, depreciation, provisions and write-downs	(39.4)	-	-	(39.1)	-	-
- of which non-recurring	-	-	-	-	-	-
Other operating costs	(9.5)	-	-	(8.5)	-	-
- of which non-recurring	-	-	-	-	-	-
EBIT	51.1			41.1		
Other gains (losses) from financial assets/liabilities	0.0	-	-	0.0	-	-
- of which non-recurring	-	-	-	-	-	-
Net financial income (expense)	(6.2)	-	-	(6.1)	-	-
- of which non-recurring	-	-	-	-	-	-
Profit (loss) before tax	44.9			35.1		
Income tax for the year	(11.2)	-	-	(7.2)	-	-
- of which non-recurring	-	-	-	-	-	-
Profit (loss) from continuing operations	33.7			27.9		
Profit (loss) from discontinued operations	-	-	-	-	-	-
Profit (loss) for the year	33.7			27.9		

(*) Related party transactions are analyzed in Note 29



CONSOLIDATED STATEMENT OF FINANCIAL POSITION PURSUANT TO CONSOB RESOLUTION no. 15519 OF 27 JULY 2006

€ millions						
Assets	30 June 2024	of which related parties (*)	% of total	31 December 2023	of which related parties (*)	% of total
Property, investment property, plant and equipment	104.3			107.1		
Rights of use on leased assets	138.1			130.4		
Intangible assets	984.2			987.3		
Investments	30.4			30.5		
Non-current financial receivables and financial assets recognized for derivatives	-			-		
Other non-current assets	3.3			4.5		
Deferred tax assets	86.0			84.0		
Total non-current assets	1,346.3			1,343.8		
Inventory	20.6			21.4		
Trade receivables	284.3	0.4	0.1%	259.5	0.1	0.0%
Receivables from parents, associates and affiliates	1.5	1.5	99.6%	1.2	1.2	100.0%
Sundry receivables and other current assets	82.6			88.7		
Other current financial assets	0.5			1.1		
Cash and cash equivalents	57.7			58.1		
Total current assets	447.2			430.0		
Total assets	1,793.5			1,773.8		
Equity and liabilities	30 June 2024	of which related parties (*)	% of total	31 December 2023	of which related parties (*)	% of total
Share capital	7.0			7.0		
Share premium reserve	224.2			224.2		
Prior-years' earnings (losses)	295.7			278.8		
Profit for the year	20.3			38.4		
Equity attributable to the owners of the parent	547.2			548.4		
Share capital and reserves attributable to non-controlling interests	345.8			346.9		
Total equity	893.0			895.3		
Payables and non-current financial liabilities	46.1			40.4		
Non-current liabilities from leases	126.0			120.0		
Post-employment benefits	39.8			41.8		
Provisions for non-current risks and charges	18.9			21.5		
Deferred tax liabilities	163.9			163.4		
Other non-current liabilities	3.8			3.8		
Total non-current liabilities	398.5			390.9		
Payables and current financial liabilities	27.8			23.6		
Current liabilities from leases	28.8			25.4		
Payables to suppliers	277.9			278.1		
Payables to parents, associates and affiliates	8.0	8.0	100.0%	11.7	11.7	100.0%
Tax payables	31.5			24.2		
Current portion of provisions for risks and charges	23.2			20.7		
Sundry payables and other current liabilities	104.7			103.9		
Total current liabilities	502.0			487.6		
Total liabilities	900.5			878.5		
Total equity and liabilities	1,793.5			1,773.8		

(*) Related party transactions are analyzed in Note 29



Certification of the condensed consolidated half-year financial statements pursuant to Article 81-ter of CONSOB Regulation no. 11971 of 14 May 1999 as subsequently amended and supplemented

1. The undersigned Urbano Roberto Cairo, as Chairman of the Board of Directors, and Marco Pompignoli, as Financial Reporting Manager of Cairo Communication S.p.A., also in accordance with Article 154 bis, paragraphs 3 and 4 of Legislative Decree no. 58 of 24 February 1998, certify:

- the adequacy of the characteristics of the Company and
- the effective application of administrative and accounting procedures for the preparation of the condensed consolidated financial statements for the first half of 2024.

2. We also certify that:

2.1 the condensed consolidated half-year financial statements at 30 June 2024:

- a) were prepared in compliance with International Financial Reporting Standards endorsed by the European Union, pursuant to EEC Regulation no. 1606/2002 of the European Parliament and Council, of 19 July 2002;
- b) are consistent with the accounting records and books of the Company;
- c) give a true and fair view of the balance sheet, income statement and financial position of the Issuer and of the companies included in the scope of consolidation as a whole.

2.2 The Interim Report on Operations at 30 June 2024 contains a reliable analysis of all the significant events that have taken place in the first half of the year and their effect on the condensed consolidated half-year financial statements, together with a description of the main risks and uncertainties expected in the second half of the year. The Interim Report on Operations at 30 June 2024 also contains a reliable analysis of information on the main transactions with related parties.

Milan, 2 August 2024

For the Board of Directors

Chairman
(Urbano Roberto Cairo)

Financial Reporting Manager
(Marco Pompignoli)

REPORT ON REVIEW OF THE HALF-YEARLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of
Cairo Communication S.p.A.

Introduction

We have reviewed the accompanying half-yearly condensed consolidated financial statements, which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of cash flow and the consolidated statement of changes in equity and the related notes of Cairo Communication S.p.A. and subsidiaries (the “Cairo Group”) as of June 30, 2024. The Directors are responsible for the preparation of the half-yearly condensed consolidated financial statements in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on the half-yearly condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the criteria recommended by the Italian Regulatory Commission for Companies and the Stock Exchange (“CONSOB”) for the review of the half-yearly financial statements under Resolution n° 10867 of July 31, 1997. A review of half-yearly 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying half-yearly condensed consolidated financial statements of the Cairo Group as of June 30, 2024 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union.

DELOITTE & TOUCHE S.p.A.

Signed by
Giacomo Bellia
Partner

Milan, Italy
August 5, 2024

*This report has been translated into the English language solely for the convenience of international readers.
Accordingly, only the original text in Italian language is authoritative.*