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

Il Sole 24 ORE S.p.A.: BoD approves Interim Management Statement at 31 March 2021

First quarter 2021 results improve versus same period of 2020, driven by stronger revenue performance combined with the cost containment actions, despite the persisting impacts from the Covid-19 health emergency

Consolidated highlights of the 24 ORE Group:

- **Negative EBITDA of € 0.5 million (negative € 1.6 million at 31 March 2020)**
- **Negative EBIT of € 4.5 million (negative € 5.6 million at 31 March 2020)**
- **Loss of € 5.7 million (negative € 5.9 million at 31 March 2020)**

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

- **Negative EBITDA of € 0.5 million (negative € 1.6 million at 31 March 2020)**
- **Negative EBIT of € 4.2 million (negative € 5.6 million at 31 March 2020)**
- **Loss of € 5.3 million (negative € 6.0 million at 31 March 2020)**

Negative net financial position of € 55.0 million versus a negative € 50.9 million at 31 December 2020, due mainly to cash flows from investing activities

Consolidated equity of € 29.8 million versus € 35.3 million at 31 December 2020

Milan, 14 May 2021 - Today, the meeting of the Board of Directors of Il Sole 24 ORE S.p.A., chaired by Edoardo Garrone, approved the Interim Management Statement at 31 March 2021 of the 24 ORE Group.

Financial highlights of the 24 ORE Group

The 24 ORE Group closed first quarter 2021 with a negative EBITDA of € 0.5 million, a negative EBIT of € 4.5 million and a net loss of € 5.7 million. Consolidated equity amounted to € 29.8 million, € 5.6 million lower than consolidated equity of € 35.3 million at 31 December 2020.

The key financial figures of the Group at 31 March 2021, drawn from the consolidated financial statements are as follows:

MAIN CONSOLIDATED FIGURES OF THE 24 ORE GROUP		
Amounts in € millions	1Q 2021	1Q 2020
Revenue	44.1	43.3
Gross operating profit (EBITDA)	(0.5)	(1.6)
Operating profit (loss) (EBIT)	(4.5)	(5.6)
Pre-tax profit (loss)	(5.3)	(6.0)
Profit (loss) of the period	(5.7)	(5.9)
	31.03.2021	31.12.2020
Non-current assets	145.5	146.7
Current assets	126.7	127.7
Total assets	**272.2**	**274.4**
Equity attributable to owners of the parent	29.8	35.3
Equity attributable to non-controlling interests	-	-
Total equity	**29.8**	**35.3**
Non-current liabilities	111.6	112.9
Current liabilities	130.8	126.1
Total liabilities	**242.4**	**239.1**
Total equity and liabilities	**272.2**	**274.4**

Market environment

Since the second half of February 2020, the market has been affected by the Covid-19 health emergency and the extraordinary measures adopted by the authorities involved to contain the virus. The impacts on the publishing market have regarded in particular advertising across all media, physical events and cultural activities. As a result, publishers have had to rapidly reshuffle their publishing plans, even rescheduling the initiatives where possible. Radio too has greatly suffered the health emergency.

ADS figures of the main national newspapers show a -4.1% drop in total circulation of print+digital copies for the period January-March 2021 versus the same period of 2020. The trend is attributable to the -11.3% decline in circulation of the print version, partly offset by the +19.8% increase in digital circulation (*ADS January-March 2021*).

The latest radio audience figures available for the second half of 2020 indicate a total of 33,689,000 listeners on average day, down versus 2019 (-3.4% versus the second half, *RadioTER 2019-2020*). Full-year 2020 figures are unavailable due to the momentary interruption of surveys by research institutes as a result of the Covid-19 pandemic.

The relevant market for the Group's advertising sales closed the first three months of 2021 down by -10.1% (net of local newspaper advertising), caused by the ongoing Covid-19 health emergency: newspapers ended at -5.5% (net of local), magazines at -32.2%, radio at -17.0% and the Internet at +6.4% *(Nielsen - January-March 2021*). Starting from March 2020, the health emergency has caused a significant slowdown in communication plans by businesses, which have had to adapt their strategies to the new needs and expectations of consumers, and has affected the professional publishing market too.

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

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

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

Consolidated results at 31 March 2021

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

The key financial figures (net of non-recurring expense and income) of the Group at 31 March 2021 are shown below:

MAIN CONSOLIDATED FIGURES OF THE 24 ORE GROUP NET OF NON RECURRING CHARGES		
Amounts in € millions	1Q 2021	1Q 2020
Revenue	44.1	43.3
EBITDA net of non recurring income	(0.5)	(1.6)
EBIT net of non recurring income	(4.2)	(5.6)
Pre-tax profit (loss) net of non recurring income	(5.0)	(6.0)
Net profit (loss) net of non recurring income	(5.3)	(6.0)
	31.03.2021	31.12.2020
Equity	29.8	35.3
Net financial position	(55.0)	(50.9)

Revenue trend

In first quarter 2021, the 24 ORE Group, while still negatively affected by the Covid-19 health emergency that had started in March 2020, achieved **consolidated revenue** of € 44.1 million versus € 43.3 million in first quarter 2020, up by € 0.8 million (+1.8%). Specifically, publishing revenue grew by € 0.7 million (+2.8% from € 24.4 to € 25.1 million), driven by the growth of revenue from digital subscriptions to the Daily, the website *www.ilsole24ore.com,* Tax & Legal products, from add-ons to books, which offset the decline in revenue from subscriptions to the print newspaper and the sale of magazines. Advertising revenue was in line with the first quarter of the prior year and amounted to € 16.5 million, while other revenue was up by € 0.1 million (+3.3% from € 2.4 to € 2.5 million), despite the drop in revenue from the Culture area, offset by the development of new initiatives in the Tax & Legal area. Revenue from the Tax & Legal area was on the rise versus first quarter 2020.

The Covid-19 health emergency impacted negatively on sales made on an ongoing basis to the business sectors that have suffered the effects of the lockdown and the restrictive measures still in progress (such as for trains and airplanes) and of block sales specifically for events. On the other hand, the digital version of the Daily saw a sharp rise in the number of new subscriptions, with an increase in circulation versus the pre-Covid-19 period.

In first quarter 2021, the *ilsole24ore.com* portal recorded a daily average of 1.6 million unique browsers, down by 21.5% versus the average for the same period of 2020 (*Webtrekk*).

The result is a combination of an overall positive trend: 1.6, 1.5 and 1.8 million browsers in the first three months of 2021, respectively +46.0%; +12.5% and -53.2% versus the same month of the prior year; with regard to March however, the data are not directly comparable since March 2020 witnessed an all-time high of 3.77 million average daily unique browsers, +281.4% versus the same period of the prior year, due to the explosion of the Covid-19 emergency and its impact on traffic to the site. The same trend was also experienced by videos, with average monthly views in first quarter down by 14.2% versus the 2020 figure, although with an overall positive trend versus the record figures of March 2020. Growing indicators on social media.

Main trends in consolidated revenue:

- circulation revenue from the Daily (print+digital) amounted to € 11.1 million, down by € 0.4 million (-3.3%) versus first quarter 2020. Circulation revenue from the print Daily amounted to € 6.3 million, down by € 1.1 million (14.6%) versus first quarter 2020. Circulation revenue from the digital Daily amounted to € 4.8 million, up by € 0.7 million (+17.4%) versus the same period of the prior year;
- Group advertising revenue amounted to € 16.5 million, in line with first quarter 2020. The result was achieved thanks to the authority and high quality of the content, which allowed Il Sole 24 ORE to contain the negative effects of the pandemic better than the market, thanks also to the launch of the Daily's new format on 16 March 2021. Group advertising revenue outperformed the relevant market, down by -10.1% *(Nielsen - January-March 2021*). From March 2020 onwards, the spread of Covid-19 inevitably affected the performance of the advertising market and, as a result, System's sales.
  The spread of Covid-19 led to the imposed suspension of the physical events of the subsidiary Il Sole 24 ORE Eventi S.r.l.. In order to alleviate the impact on business performance, Management focused promptly on converting the initiatives to digital by revamping the offering and launching new event formats. These activities produced a 60.2% increase versus the same period of the prior year;
- revenue from e-publishing in the Tax & Legal area amounted to € 9.2 million, up by € 0.6 million (+6.9%) versus first quarter 2020, leveraging on the renewed product portfolio in prior years and despite the impact of the Covid-19 health emergency;
- revenue from the Culture area amounted to € 0.3 million, down by € 0.7 million (-66.7%) versus first quarter 2020, hit heavily by the Covid-19 emergency and the closure of all museums and exhibition venues during the lockdown period.

The circulation (print+digital) of Il Sole 24 Ore for the period January-March 2021 totaled 146,488 average daily copies (+3.0% versus the same period of 2020). Specifically, the average daily print circulation declared to ADS for the period January-March 2021 was 58,974 copies (-11.9% versus the same period of 2020). Digital circulation declared to ADS was 87,514 average daily copies (+16.3% versus January-March 2020). Newsstand sales in the months from January to March 2021 fell by 6.4% versus the same period of the prior year, with the market down in the same channel by 9.8% (*ADS, newsstand sales*).

The Group asked an independent third party to render an opinion on the effective application of the appropriate procedures adopted in the calculation of the *Total Paid For Circulation* ("TPFC", i.e. total number of Il Sole 24 ORE daily fee-based sales on all markets through print and digital channels) at 31 March 2021; following the audit, the independent third party issued an unqualified Report of Assurance (ISAE 3000 - Limited assurance) on 3 May 2021.

Based on these procedures, the average *Total Paid For Circulation* for the period January-March 2021 was 168,691 thousand copies (+5.5% versus the same period of 2020), including all multiple digital copies sold, but not declarable as circulated for ADS purposes, therefore not included in the relating declaration.

Margins trend

EBITDA in first quarter 2021 came to € -0.5 million versus € -1.6 million in the same period of the prior year. The change in EBITDA, amounting to a positive € 1.1 million, is explained mainly by the growth in revenue of € 0.8 million (+1.8%), lower operating income of € 0.7 million and a reduction in costs totaling € 1 million.

Personnel expense, amounting to € 20.6 million, decreased by € 0.7 million (-3.1%) versus € 21.2 million in first quarter 2020. The average headcount, amounting to 849 units, decreased by 49 units (regarding mainly graphic designers and printers) versus 898 units in the prior year. The reduction in personnel expense is attributable mainly to the decrease in average headcount versus first quarter 2020, following the early retirement of printers and graphic designers, in accordance with the provisions of Budget Law no. 160/2019, and the reorganization-related redundancies. Additionally, in order to reduce the effects of the Covid-19 health emergency on the business performance, the Group resorted to the work support measures provided by law. With particular regard to printers and graphic designers, the ordinary wage subsidies treatment has been in effect since 18 January 2021 for "Covid-19" reasons for the maximum period allowed by law; regarding journalists, agreements were signed on the use of the redundancy fund in derogation for "Covid-19" reasons, with different starting dates for the various titles and expiring on 30 June 2021. Additionally, as from 15 March 2021, following the termination of printing activities at the Group's printing facilities, an agreement was reached with the trade unions on the management of surplus printers and graphic designers through “soft” options including the redundancy fund, relocation to new printers and staff leaving incentives.

Service costs, totaling € 20.5 million, were down by € 0.1 million (-0.2%) versus first quarter 2020, thanks to the measures to contain operating costs and to various business dynamics, resulting in lower costs for conferences and exhibitions (€ -0.4 million) following the suspension of the exhibition activities of the subsidiary 24 ORE Cultura S.r.l. due to the health emergency, lower commissions and other sales expenses (€ -0.2 million), lower costs for administrative services (€ -0.2 million) and lower costs for other consultancy (€ -0.2 million). Conversely, printing costs (€ +0.2 million), promotional and marketing expenses (€ +0.5 million), sundry production costs (€ +0.2 million), IT and software services (€ +0.1 million) and general services (€ +0.2 million) were all up versus first quarter 2020.

EBIT in first quarter 2021 came to € -4.5 million, improving by € 1.0 million versus € -5.6 million in first quarter 2020. Amortization and depreciation amounted to € 3.7 million versus € 4.0 million in first quarter 2020. During the period, intangible assets were written down for a total of € 0.4 million, relating to advancements to software no longer in use. Net of non-recurring expense and income, the negative EBIT of € -4.2 million improved by € 1.4 million versus € -5.6 million of the same period of the prior year.

The **result before tax** came to € -5.3 million versus € -6.0 million at 31 March 2020. The result was affected by net financial expense of € 0.8 million (€ -0.5 million in first quarter 2020).

In first quarter 2021, **income tax** incorporates the reversal of deferred tax assets on taxed temporary differences of € 0.3 million.

The **loss attributable to the owners of the parent** came to € -5.7 million, improving versus € -5.9 million in the same period of 2020. The loss attributable to the owners of the parent, net of non-recurring expense and income, amounted to € -5.3 million, improving versus the net loss of € -6.0 million in first quarter 2020.

Statement of Financial Position

The **net financial position** stands at € -55.0 million at 31 March 2021 versus € -50.9 million at 31 December 2020, deteriorating by € 4.1 million. The change in the net financial position relates mainly to cash flows from investing activities.

Non-current financial debt includes bank payables from the signing on 20 July 2020 of a medium/long-term SACE-backed loan pursuant to Decree Law no. 23 of 8 April 2020, the so-called "Liquidity Decree", with a nominal value of € 37.5 million and a duration of 6 years, and financial payables deriving from the present value of lease payments for headquarters, transmission systems and cars totaling € 37.4 million (€ 37.9 million at 31 December 2020) in application of IFRS 16.

The Group's current net financial position stands at a positive € 25.7 million versus a positive € 30.9 million at 31 December 2020. Current financial receivables include € 16.0 million from Education Acquisitions Limited referring to the present value of the deferred component of the sale of the investment in Business School24 S.p.A., and current financial receivables under IFRS 16 for € 0.1 million. Current financial payables from the present value of lease payments under IFRS 16 amounted to € 2.8 million.

Equity amounted to € 29.8 million, or € 5.6 million lower than € 35.3 million at 31 December 2020, due to the result for first quarter 2021 of € -5.7 million, and the actuarial assessment of post-employment benefits, which had a positive impact of € 0.1 million.

Business outlook

The opening months of 2021 confirm the lingering weak market conditions and general uncertainty of the Italian economy, which affect the performance of advertising sales in particular. The Covid-19 health emergency and the extraordinary containment measures adopted by the authorities have resulted in a deterioration of the general conditions of the global economy, the extent and duration of which are still currently hard to predict.

Starting from April 2021, Italy saw an initial easing of anti-Covid restrictions. This may lead to a small rebound in GDP in second quarter 2021, after the slight contraction seen in first quarter 2021 (-0.4%; *Centro Studi Confindustria - Congiuntura Flash 30 April 2021*).

Owing to the health emergency, publishing and the advertising market in particular are marked by a general uncertainty over the ongoing effects of the Covid-19 pandemic and the possible resulting restrictive measures enforced by the competent authorities.

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

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

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

GRUPPO 24 ORE

Consolidated financial statements at 31 March 2021

CONSOLIDATED STATEMENT OF FINANCIAL POSITION		
Amounts in € millions	31.03.2021	31.12.2020
ASSETS		
Non-current assets		
Property. plant and equipment	59.7	59.6
Goodwill	22.0	22.0
Intangible assets	39.9	40.9
Non-current financial assets	0.7	0.7
Other non-current assets	0.9	0.8
Deferred tax assets	22.3	22.6
Total	**145.5**	**146.7**
Current assets		
Inventories	1.7	1.9
Trade receivables	58.6	58.9
Altri crediti	6.1	5.2
Other current financial assets	16.1	16.0
Other current assets	7.8	4.8
Cash and cash equivalents	36.3	40.9
Total	**126.7**	**127.7**
Assets held for sale	-	-
TOTAL ASSETS	**272.2**	**274.4**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT.)		
Amounts in € millions	31.03.2021	31.12.2020
EQUITY AND LIABILITIES		
Equity		
Equity attributable to owners of the parent		
Share capital	0.6	0.6
Equity reserves	19.5	19.5
Post-employment benefits Reserve - IAS adjustment	(4.7)	(4.8)
Retained earnings	20.1	21.1
Profit (loss) attributable to owners of the parent	(5.7)	(1.0)
Total equity	**29.8**	**35.3**
Non-current liabilities		
Non-current financial liabilities	80.7	81.8
Employee benefit obligations	15.7	15.8
Deferred tax liabilities	5.6	5.6
Provisions for risks and charges	9.5	9.6
Other non-current liabilities	0.1	0.1
Total	**111.6**	**112.9**
Current liabilities		
Bank overdrafts and loans - due within one year	17.6	17.2
Other financial liabilietes	9.0	8.8
Trade payables	83.7	79.1
Other current liabilities	0.4	0.4
Other payables	20.0	20.6
Total	**130.8**	**126.1**
Liabilities held for sale	-	-
Total liabilities	**242.4**	**239.1**
TOTAL EQUITY AND LIABILITIES	**272.2**	**274.4**

GRUPPO 24 ORE

CONSOLIDATED INCOME STATEMENT

Amounts in € millions	1Q 2021	1Q 2020
1) Continuing operations		
Revenue	**44.1**	**43.3**
Other operating income	0.4	1.1
Personnel expenses	(20.6)	(21.2)
Change in inventories	(0.2)	(1.0)
Purchase of raw materials and consumables	(0.9)	(0.5)
Services	(20.5)	(20.6)
Use of third party assets	(1.6)	(1.0)
Other operating costs	(0.6)	(0.9)
Provisions	(0.1)	(0.2)
Provisions for bad debts	(0.4)	(0.6)
Gross operating profit	**(0.5)**	**(1.6)**
Amortisation of intangible assets	(1.6)	(1.3)
Depreciation of property, plant and equipment	(2.1)	(2.7)
Impairment losses on property, plant and equipment and intangible assets	(0.4)	0.0
Net gains on disposal of non-current assets	0.0	(0.0)
Operating profit	**(4.5)**	**(5.6)**
Financial income	0.2	0.2
Financial expenses	(1.0)	(0.7)
Total Financial income (expenses)	**(0.8)**	**(0.5)**
Other income from investment assests and liabilities	-	0.1
Net profit (loss) before tax	**(5.3)**	**(6.0)**
Income tax	(0.3)	0.0
Net profit (loss) from continuing operations	**(5.7)**	**(5.9)**
2) Discontinued operations		
Profit (loss) from discontinued operations	**-**	**-**
Profit (loss)	**(5.7)**	**(5.9)**
Profit (loss) attributable to minorities	**-**	**-**
Profit (loss) attributable to the shareholders of the parent company	**(5.7)**	**(5.9)**

CONSOLIDATED STATEMENT OF CASH FLOWS

Amounts in € millions	1Q 2021	1Q 2020
Items of the statement of cash flows		
Pre-tax profit (loss) from continuing operations attributable to owners of the parent [a]	(5.3)	(6.0)
Adjustments for [b]	**5.0**	**4.6**
Amortization	3.7	4.0
(Gains) loss	(0.0)	0.0
Profit (loss) attributable to non-controlling interests	-	(0.1)
Increase (decrease) in provisions for risks and charges	0.1	0.1
Increase (decrease) in employee benefits	0.0	0.1
Impairment of tangible and intangible assets	0.4	-
Financial income (expenses)	0.8	0.5
Changes in net working capital [c]	**0.2**	**3.9**
Increase (decrease) in inventories	0.2	1.0
Increase (decrease) in trade receivables	0.3	(1.7)
Increase (decrease) in trade payables	4.6	10.8
Other changes in net working capital	(4.9)	(6.2)
Total cash flow used in operating activities [d=a+b+c]	**(0.1)**	**2.5**
Cash flow from investing activities [e]	**(3.1)**	**(1.3)**
Investments in intangible assets and property plant and equipment	(3.1)	(1.8)
Fees collected from sale of minority investments	-	0.1
Guarantee deposits paid	(0.0)	-
Other changes in investing activities	0.1	0.3
Cash flow from investing activities [e]	**(1.4)**	**(1.4)**
Net financial interest paid	(0.7)	(0.5)
Repayment of medium/long term bank loans	(0.2)	(0.2)
Changes in short-term bank loans	0.4	1.4
Change in other financial receivables and payables	(0.6)	(0.2)
Other changes in financial assets and liabilities	-	0.0
Change in payables form IFRS16	(0.3)	(2.0)
Cash flow absorbed during of the yearg=d+e+f]	**(4.6)**	**(0.3)**
Opening cash and cash equivalents at the beginning of the period	**40.2**	**15.1**
Closing cash and cash equivalents at the end of the periodo	**35.6**	**14.9**
Increase(decrease) for the period	**(4.6)**	**(0.3)**

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

Updated at 31 March 2021

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

The statement of net financial position incorporates the ESMA guidance on Disclosure Requirements under the "Prospectus Regulation" of 4 March 2021 (ESMA 32-382-1138) and CONSOB Warning Notice no. 5/21 of 29 April 2021. The application of the new statement did not result in any change to the previous one.

NET DEBT OF THE 24 ORE GROUP		
in thousands of euro	31.03.2021	31.12.2020
A. Cash in hand	45	47
B. Other cash and cash equivalents (bank and post office accounts)	36,229	40,842
C. Securities held for trading	16,102	16,004
D. Liquidity (A) + (B) + (C)	**52,376**	**56,893**
E. Current bank loans and borrowings	(16,943)	(16,545)
F. Current portion of amounts due to banks	(9,701)	(9,445)
G. Current debt (E) + (F)	**(26,644)**	**(25,991)**
H. Net current debt (G) + (D)	**25,732**	**30,902**
I. Non-current bank loans and borrowings	(80,711)	(81,799)
J. Bonds issued	-	-
K Trade payables and other non-current borrowings	-	-
L. Non-current debt (I) + (J) + (K)	**(80,711)**	**(81,799)**
M. Net financial position (H) + (L)	**(54,978)**	**(50,897)**

The **net financial position** stands at € -55.0 million at 31 March 2021 versus € -50.9 million at 31 December 2020, deteriorating by € 4.1 million. The change in the net financial position relates mainly to cash flows from investing activities.

Non-current financial debt includes bank payables from the signing on 20 July 2020 of a medium/long-term SACE-backed loan pursuant to Decree Law no. 23 of 8 April 2020, the so-called "Liquidity Decree", with a nominal value of € 37.5 million and a duration of 6 years, and financial payables deriving from the present value of lease payments for headquarters, transmission systems and cars totaling € 37.4 million (€ 37.9 million at 31 December 2020) in application of IFRS 16.

The Group's current net financial position stands at a positive € 25.7 million versus a positive € 30.9 million at 31 December 2020. Current financial receivables include € 16.0 million from Education Acquisitions Limited referring to the present value of the deferred component of the sale of the investment in Business School24 S.p.A., and current financial receivables under IFRS 16 for € 0.1 million. Current financial payables from the present value of lease payments under IFRS 16 amounted to € 2.8 million.

Net financial position of the Parent Company

The statement of net financial position incorporates the ESMA guidance on Disclosure Requirements under the "Prospectus Regulation" of 4 March 2021 (ESMA 32-382-1138) and CONSOB Warning Notice no. 5/21 of 29 April 2021. The application of the new statement did not result in any change to the previous one.

POSIZIONE FINANZARIA NETTA DE IL SOLE 24 ORE S.p.A.		
in thousands of euro	31.03.2021	31.12.2020
A. Cash in hand	30	29
B. Other cash and cash equivalents (bank and post office accounts)	32,594	36,595
C. Securities held for trading	15,996	16,328
D. Liquidity (A) + (B) + (C)	**48,620**	**52,951**
E. Current bank loans and borrowings	(16,943)	(16,545)
F. Current portion of amounts due to banks	(10,943)	(9,780)
G. Current debt (E) + (F)	**(27,886)**	**(26,325)**
H. Net current debt (G) + (D)	**20,734**	**26,626**
I. Non-current bank loans and borrowings	(79,676)	(80,713)
J. Bonds issued	-	-
K Trade payables and other non-current borrowings	-	-
L. Non-current debt (I) + (J) + (K)	**(79,676)**	**(80,713)**
M. Net financial position (H) + (L)	**(58,942)**	**(54,087)**

The **net financial position** stands at € -58.9 million at 31 March 2021 versus € -54.1 million at 31 December 2020, deteriorating by € 4.9 million. The change in the net financial position relates mainly to cash flows from investing activities.

Non-current financial debt includes bank payables from the signing on 20 July 2020 of a medium/long-term SACE-backed loan pursuant to Decree Law no. 23 of 8 April 2020, the so-called "Liquidity Decree", with a nominal value of € 37.5 million and a duration of 6 years, and financial payables deriving from the present value of lease payments for headquarters, transmission systems and cars totaling € 36.3 million (€ 36.8 million at 31 December 2020) in application of IFRS 16.

The Group's current net financial position stands at a positive € 20.7 million versus a positive € 26.6 million at 31 December 2020. Current financial receivables include € 16.0 million from Education Acquisitions Limited referring to the present value of the deferred component of the sale of the investment in Business School24 S.p.A.. Current financial payables from the present value of lease payments under IFRS 16 amounted to € 2.7 million.

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

Amounts due by the 24 ORE Group split up by nature at 31 March 2021

AMOUNTS DUE FROM THE 24 ORE GROUP									
	Dues split up by days overdue								
in thousands of euro	0-30	31-60	61-90	91-120	121-150	151-180	181-210	By more than 210 days	Total due
Loans and borrowings	-	-	-	-	-	-	-	-	-
Trade payables	244	135	983	117	14	115	1	758	2,367
Social security institutions	-	-	-	-	-	-	-	-	-
Payables to employees	-	-	-	-	-	-	-	-	-
Tax liabilities	-	-	-	-	-	-	-	-	-
	244	**135**	**983**	**117**	**14**	**115**	**1**	**758**	**2,367**

Amounts due by Il Sole 24 ORE S.p.A. split up by nature at 31 March 2021

AMOUNTS DUE FROM IL SOLE 24 ORE SPA									
	Dues split up by days overdue								
in thousands of euro	0-30	31-60	61-90	91-120	121-150	151-180	181-210	By more than 210 days	Total due
Debiti finanziari	-	-	-	-	-	-	-	-	-
Debiti commerciali	248	116	983	116	12	115	1	588	2,180
Debiti previdenziali	-	-	-	-	-	-	-	-	-
Debiti verso dipendenti	-	-	-	-	-	-	-	-	-
Debiti tributari	-	-	-	-	-	-	-	-	-
	248	**116**	**983**	**116**	**12**	**115**	**1**	**588**	**2,180**

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

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

Regarding action by creditors. mention should be made that the reminders received fall into the ordinary administrative activities. At the date of the Interim Management Statement at 31 March 2021 there is no evidence of further payment orders served referring to the above amounts due; no suspended delivery has been made such as to affect normal business operations.

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

RELATED PARTY TRANSACTIONS – CONSOLIDATED AT 31 MARCH 2021								
Company	Trade and other receivables	Loan assets	Trade and other payables	Loans and borrowings	Revenue and operating income	Costs	Financial income	Financial expense
Confederazione Generale dell'Industria Italiana (Confederation of Italian Industry)	50	-	-	-	13	-	-	-
Total Ultimate Parent	**50**	**-**	**-**	**-**	**13**	**-**	**-**	**-**
Key management personnel	-	-	(63)	-	-	(489)	-	-
Board of Directors	-	-	(250)	-	-	(316)	-	-
Board of Statutory Auditors	-	-	(55)	-	-	(55)	-	-
Other related party persons	52	-	(45)	-	53	(30)	-	-
Total other related parties	**52**	**-**	**(413)**	**-**	**53**	**(890)**	**-**	**-**
Total related parties	**102**	**-**	**(413)**	**-**	**66**	**(890)**	**-**	**-**

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

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

Revenue refers mainly to the sale of advertising space in proprietary titles and subscriptions to the Daily.

In accordance with the RPT Regulation, and the Regulation on Related Party Transactions approved by CONSOB resolution 17221/2011, the Company periodically updates the List of Related Parties of the Company. In line with the RPT Regulation and the CONSOB Regulation, on 30 June 2020 the Company identified its direct and indirect Related Parties by means of appropriate statement forms addressed to the "Related Parties" referred to in Annex 1 of the CONSOB Regulation to which the RPT Regulation refers entirely.

At 31 March 2021, the Key management personnel are: Paolo Fietta - General Manager Corporate & CFO; Federico Silvestri - General Manager System 24 and General Manager Radio 24; Karen Sylvie Nahum - General Manager Publishing & Digital; Eraldo Minella - General Manager Professional Services; Romeo Marrocchio - Central Director Personnel and Organization.

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

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

RELATED PARTY TRANSACTIONS - PARENT COMPANY AT 31 MARCH 2021								
Company	Trade and other receivables	Loan assets	Trade and other payables	Loans and borrowings	Revenue and operating income	Costs	Financial income	Financial expense
Confederazione Generale dell'Industria Italiana (Confederation of Italian Industry)	50	-	-	-	13	-	-	-
Total Ultimate Parent	**50**	**-**	**-**	**-**	**13**	**-**	**-**	**-**
24 Ore Cultura S.r.l.	230	-	(40)	(860)	138	(56)	-	-
Il Sole 24 ORE Eventi S.r.l.	413	-	(507)	(584)	132	(493)	2	-
Il Sole 24 ORE UK Ltd	-	-	(273)	-	-	(94)	-	-
Il Sole 24 ORE U.S.A. Inc	-	-	(292)	-	-	(126)	-	-
Total subsidiaries	**643**	**-**	**(1,112)**	**(1,445)**	**269**	**(769)**	**2**	**-**
Key management personnel	-	-	(63)	-	-	(489)	-	-
Board of Directors	-	-	(250)	-	-	(316)		
Board of Statutory Auditors	-	-	(49)	-	-	(49)	-	-
Other related party persons	52	-	(45)	-	53	(30)	-	-
Total other related parties	**52**	**-**	**(408)**	**-**	**53**	**(885)**	**-**	**-**
Total related parties	**745**	**-**	**(1,520)**	**(1,445)**	**336**	**(1,653)**	**2**	**-**

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

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

Trade and other payables refer mainly to:

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

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

Revenue and operating income relate mainly to:

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

- charging of centralized services to Group companies;

Costs refer mainly to:

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

In accordance with the RPT Regulation, and the Regulation on Related Party Transactions approved by CONSOB resolution 17221/2011, the Company periodically updates the List of Related Parties of the Company. In line with the RPT Regulation and the CONSOB Regulation, on 30 June 2020 the Company identified its direct and indirect Related Parties by means of appropriate statement forms addressed to the "Related Parties" referred to in Annex 1 of the CONSOB Regulation to which the RPT Regulation refers entirely.

At 31 March 2021, the Key management personnel are: Paolo Fietta - General Manager Corporate & CFO; Federico Silvestri - General Manager System 24 and General Manager Radio 24; Karen Sylvie Nahum - General Manager Publishing & Digital; Eraldo Minella - General Manager Professional Services; Romeo Marrocchio - Central Director Personnel and Organization.

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

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

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

On 20 July 2020, the Company sent the lending banks requests to cancel the unused revolving cash facilities, which were confirmed on 23 and 29 July 2020 respectively.
On 20 July 2020, the Company and Monterosa SPV concluded an agreement to extend the maturity of the transaction until December 2026; it should be noted, however, that under the agreement, both parties may conclude operations at the end of each calendar semester.

The maximum total financeable amount is € 50.0 million; at 31 Marche 2021, the credit facility for the securitization of trade receivables with recourse (for a total of € 20.0 million) was utilized for € 16.9 million.

The securitization agreement does not contain financial covenants, but rather impediments to the purchase of the Company's portfolios of receivables which, in the event of failure to remedy, may also result in termination of the agreement. At 31 March 2021, no such impediments to the purchase had arisen, and/or significant events as to determine the termination of the agreement.

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

As for SACE's guarantee under the loan and in accordance with the "Liquidity Decree", the Group has undertaken to:

a) use the Loan to finance: *(i*) investments; *(ii*) working capital; (*iii*) personnel expense; *(iv*) rental or lease costs of business units, exclusively for production plants and business activities located in Italy (excluding the acquisition of equity interests) and: *(i)* maintain most of the production activities in Italy; *(ii)* use the proceeds from the Loan exclusively in accordance with the Purpose set forth in this Agreement;

b) comply with the regulations in force from time to time on combating money laundering, terrorist financing and corruption;

c) not approve or make dividend payouts or share buybacks in 2020 and to ensure that any other company based in Italy that is part of the same group does not approve or make dividend payouts or share buybacks in 2020;

d) manage employment levels through trade-union agreements for the entire life of the loan.

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

The loan is backed by a first-demand SACE guarantee pursuant to the Liquidity Decree, for a maximum of 90% of the loan amount; the cost of the guarantee is 50 bps for the first year, 100 bps for the second and third years, 200 bps from the fourth year. The Company considers the effective interest rate of the loan (interest margin and cost of the SACE guarantee) to be in the market range.

The loan does not require any collateral or compulsory security, but has financial covenants recognized at a consolidated level and calculated without giving effect to IFRS 16. The covenants are structured as follows:

FINANCIAL COVENANTS											
€ millions	31-Dec-20	30-June-21	31-Dec-21	30-June-22	31-Dec-22	30-June-23	31-Dec-23	30-June-24	31-Dec-24	30-June-25	31-Dec-25
EBITDA ≥	n.r.	0.0	8.0								
Minimum E ≥	18.0	18.0	18.0								
Lev Ratio (NFP/EBITDA) ≤				2.75x	2.0x	2.0x	1.50x	1.50x	1.50x	1.50x	1.50x
Gearing Ratio (NFP/E) ≤				2.5x	2.0x	1.5x	1.0x	1.0x	1.0x	1.0x	1.0x

(*) amounts to be calculated on a rolling 12-month basis

The agreement, in addition to the typical clauses for this type of loan, includes a: negative pledge, *pari passu*, cross-default and change of control and specific provisions that provide for mandatory partial early repayment on occurrence of certain events.

The breach of even a single covenant implies that all amounts for which the Company has been declared forfeited will be immediately due and payable and the loan will be immediately cancelled. However, changes to the loan agreement may be requested from the lenders, or the lenders may waive their right to early withdrawal if failure to meet a covenant should occur.

On 22 July 2020, the loan was paid out in full to the Company for a total of € 37.5 million.

Compliance at 31 December 2020 with the covenant is confirmed: Equity net of IFRS 16 adjustments amounting to € 34.5 million, above the covenant minimum of € 18.0 million.

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

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

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

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

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

16 March 2021 saw the launch of the new format of the Daily Newspaper, The initiative represents the most tangible innovation in a broader plan to enhance the value of content

(including audio/video/podcast content) and to continue to renew the offering from a multi-format and multi-platform viewpoint, made possible thanks to the "*digital first*" strategy. Additionally, the new format of Il Sole 24 ORE and related initiatives represent an opportunity to bolster circulation and pursue the engagement of traditional and new relevant targets.

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

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

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

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

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

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

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

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

First quarter 2021 continued, however, to be impacted by the Covid-19 health emergency and by a general economic slowdown and great uncertainty in terms of duration of the crisis and potential effects on business.

The exhibition activities of the Culture Area are affected in particular, with a further postponement to the second quarter of 2021 of the events already postponed to end 2020.

Consolidated revenue in first quarter 2021 was therefore lower than expected, attributable in particular to the Culture area and to the slower recovery in advertising sales.

In terms of EBITDA and EBIT however, first quarter 2021 remained in line with the plan, due to both the different trend of activities and to the actions taken to contain direct and operating costs.

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

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

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

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

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

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

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

For further information:

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