

PRESS RELEASE

**PUBLISHING COMPANY IL FATTO S.P.A.:**

**The Board of Directors approves the consolidated half-year financial report as at 30 June 2024**

*Key economic indicators on the rise*

*Key consolidated results as of 30 June 2024*

- **Revenues at Euro 15,455 thousand**, up from Euro **14,507 thousand** as of 30 June 2023
- **EBITDA increased to Euro 1,417 thousand** compared to Euro **1,205 thousand** as of 30 June 2023
- **EBITDA Margin of 7.86%**, up from 7.03% as of 30 June 2023
- **The net result for the period**, substantially in line with that as of 30 June 2023, was affected by extraordinary items: **loss of Euro 1,135 thousand**, Euro 1,117 thousand as of 30 June 2023
- **Net Financial Indebtedness of Euro 3,387 thousand**, Euro 3,117 thousand as of 31 December 2023

**Rome, 30 September 2024** - The Board of Directors of Società Editoriale Il Fatto S.p.A. (the "**Company**" or "**SEIF**") *media content provider* and publisher of various editorial and multimedia products, a company whose shares are traded at Euronext Growth Milan, a multilateral system organised and managed by Borsa Italiana S.p.A. and at Euronext Growth Paris, met today and approved the consolidated half-yearly financial report as at 30 June 2024, voluntarily subject to limited audit.

**Cinzia Monteverdi, President and CEO** of SEIF, said: *"The results we have achieved are the fruit of digital consolidation, technological innovation and the expansion of the community. The growth of the main economic indicators recorded in the first half of 2024 confirms the effectiveness of the Group's industrial plan, with a particular focus on publishing and the growth of digital subscriptions, which confirm the solidity of the Il Fatto Quotidiano brand. In the second half of the year, the path outlined with the objective of a substantial recovery of margins continues with acceleration."*

**Key consolidated results as of 30 June 2024**

The following figures and results represent the consolidated data of the group formed by SEIF and its wholly-owned subsidiary Loft Produzioni S.r.l. ("**Loft**" and collectively "**Group**"), a company to which the entire business unit dedicated to the production of audio-video content, primarily television, was contributed in December 2022.

(in Euro thousands)	Period			
	30.06.2024	% revenues on V.o.P.	30.06.2023	% revenues on V.o.P.
A) Production value				
1) revenues from sales and services	15,455	85.69%	14,508	84.71%
2) Changes in inventories of work in progress, semi-finished and finished products	46	0.26%	(35)	-0.21%
4) Increases in fixed assets for internal work	2,354	13.05%	2,115	12.35%
5) other revenues	181	1.00%	539	3.15%
<b>Total (A) Production value</b>	<b>18,036</b>	<b>100%</b>	<b>17,126</b>	<b>100%</b>

Production value shows an increase of Euro 910 thousand or more than 5%, all of which can be attributed to revenues from sales and services.

The main items included in Production value underwent the following percentage changes: **(i)** revenues from sales and services of €15,455 thousand increased by 6.5%; **(ii)** change in inventories of work in progress, semi-finished and finished products of €46 thousand increased due to higher book inventories due to the increase in production and sales volumes; **(iii)** increases in fixed assets for internal work of €2,354 thousand, up 11.3% compared to the same period of the previous year. The portion referring to television content was €1,842 thousand, while €512 thousand refer to investments in the development of the technological infrastructure of the Company's various media and mainly the updating of the *ilfattoquotidiano.it* website, the construction of the new Millennium website and WEB 3.0 developments; **(vi)** Other revenues of €181 thousand showed a decrease of €359 thousand.

An analysis of revenues from sales and services by segment shows the following:

A.1 Revenues from sales and services	Value as of 30.06.2024	% of revenue	Value as of 30.06.2023	% of revenue	variations	var %
Publishing sector	12,200	78.94%	11,242	77.49%	958	8.53%
Media content sector	1,878	12.15%	1,694	11.68%	184	10.90%
Advertising sector	1,377	8.91%	1,572	10.84%	-195	-12.41%
<b>Total</b>	<b>15,455</b>	<b>100.00%</b>	<b>14,508</b>	<b>100.00%</b>	<b>947</b>	<b>6.53%</b>

**Publishing sector:** revenues from the publishing sector grew by a total of 8.53%. Despite the difficulties of the traditional publishing market, particularly of products in the printed version, there was a substantial break-even in revenues from sales of the daily newspaper at newsstands (-3%) and a significant growth in revenues from books, which exceeded 92%, continuing a positive performance that began in 2023. The total revenues from products in the digital version, mainly consisting of subscriptions, recorded a significant increase of around 16%, thus higher than in the previous year.

Revenues attributable to the publishing segment are mainly composed of revenues from (i) newsstand sales of the daily newspaper in the amount of €7,123 thousand; (ii) sales of the monthly magazine Millennium in the amount of €155 thousand; (iii) sales of Paper First books in the newsstand and bookstore channel in the amount of €1,462 thousand; and (iv) sales of subscriptions for publishing products and digital content in the amount of €3,457 thousand.

**Media content sector:** media content sector revenues show a total increase of 10.90%. In particular, in the first half of 2024, revenues consisted of (i) exploitation of TV content for Euro 1,191 thousand; (ii) sales

of theatre shows and events for Euro 387 thousand; (iii) TVLOFT App subscriptions for Euro 300 thousand.

*Advertising segment:* advertising revenue amounted to €1,377 thousand, a decrease of approximately 12.41% compared to the period ended 30 June 2023. Revenues for the first half of 2024 essentially consisted of (i) advertising sales on the newspaper in the amount of €251 thousand; (ii) advertising sales on the website in the amount of €1,126 thousand.

<i>(in Euro thousands)</i>	Period			
	30.06.2024	% V.o.P.	30.06.2023	% V.o.P.
Value of Production	18,036	100.00%	17,126	100.00%
EBITDA	1,417	7.86%	1,205	7.03%
EBIT	(1,199)	-6.65%	(1,492)	-8.71%
EBT	(1,443)	-8.00%	(1,550)	-9.05%
Net result	(1,135)	-6.29%	(1,117)	-6.52%

Total Cost of Production, net of non-monetary items, amounted to €16,619,000, an increase of €697,000, or over 4%, compared to the comparison period, mainly due to higher industrial costs for the production of books and theatrical performances, both of which doubled the value of revenues. The cost of raw materials, consisting mainly of paper, decreased by 28% due to an efficiency improvement in the yields of distributed copies and a reduction in the price of raw materials; their incidence on the value of production also decreased compared to 30 June 2023. Costs for services were in line with those of the previous year considering the increase in revenues, recording a slight increase in the incidence on the value of production.

The EBITDA value, equal to 7.86% of the value of production, increased compared to 30 June 2023, from Euro 1,205 thousand (7.03% of the value of production) to Euro 1,417 thousand. It should be noted that EBITDA for the six months ended 30 June 2023 differs from the value in the consolidated half-year financial report for the six months ended 30 June 2023, approved by the Board of Directors on 29 September 2023, as a different reclassification of "Provisions for risks" in item B 12) was made in 2024. At 30 June 2024, for reasons of comparability, the reclassification method was aligned also for 2023 with the consequent allocation in item B 12) of the value of €50 thousand previously reclassified within costs for services, thus changing the value of EBITDA.

In the first half of 2024, the Group's net result for the period was negative and amounted to Euro 1,135 thousand, a slight increase compared to 30 June 2023 (Euro 1,117 thousand) due to some write-downs of financial receivables allocated to financial fixed assets.

Gross investments for the period in Intangible Fixed Assets amounted to €2,589 thousand and were essentially due to: (i) the production of television content for €1,842 thousand; (ii) total investments for digital and technological innovation inherent to WEB 3.0, the online site and the new digital project of the monthly magazine Millennium for €742 thousand. Total amortisation of intangible fixed assets for the period was Euro 2,145 thousand.

Financial fixed assets, which amounted to €715 thousand, showed a decrease of €33 thousand due essentially to: (i) the decrease in the net value of derivative financial instruments receivable, amounting to €2 thousand, stipulated to hedge the risks of interest rate increases on loans granted by Unicredit S.p.A. in 2020 and May 2024; (ii) the net change in other receivables amounting to €31 thousand.

Net Working Capital has a negative value of €5,375,000, as a result of the historicised difference between average collection and payment days related to ordinary operations; it is composed exclusively of assets and liabilities related to ordinary operations. All components forming this value are due within the next financial year. The item shows an increase in negative NWC of €962,000 compared to the previous year. The Group has credit lines to support any temporary need to finance working capital. All financial, tax and social security debts are duly paid.

The value of inventories shows stocks of raw materials (paper) amounting to €30,000 and stocks of books amounting to €178,000.

Consolidated Shareholders' Equity showed a negative balance of Euro 3,218 thousand, Euro -2,082 thousand as of 31 December 2023, and included the loss for the period amounting to Euro 1,135 thousand. The total value of the equity items is affected by the elimination of intragroup items and the consequent elimination of the values relative to the contribution of the Loft Produzioni business unit.

As for the Group's Net Financial Indebtedness, it amounted to Euro 3,388 thousand, slightly worsening compared to Euro 3,117 thousand as of 31 December 2023, mainly due to a reduction in advertising revenues, as specified above. This essentially consists of: (i) Current financial receivables for €597 thousand and (ii) Current financial payables for €2,089 thousand repayable in the 12 months following year-end. Net current financial debt decreased to €1,492 thousand from €2,043 thousand at 31 December 2023. The portion of bank loans due 'beyond the year' was Euro 1,896 thousand. This amount refers to instalments repayable starting from July 2025 of loans granted by Unicredit S.p.A. and loans granted by Intesa San Paolo.

### **Significant events during the period**

In the first half of 2024, the Group continued the production activities of all products on a regular basis while maintaining the entire organisational structure. Two School of Fact training courses were successfully delivered as planned in the strategic programme. The Parent Company continued to invest in technological innovation, particularly in the development of the WEB 3.0 project, in the use of artificial intelligence for publishing activities - to which a working group was dedicated - and in the development of the technological infrastructure to support the various digital media channels, in order to further increase the volume of digital revenues.

### **Significant events occurring after the end of the period**

The business performance shows a positive trend in digital subscriptions to the Group's publishing products, which continue to perform consistently better than 2023 and indicate a growing appreciation on the part of an increasingly broad audience. Newsstand sales of copies of the daily newspaper also held steady at the levels of the first half of 2024.

Advertising sales, from June onwards, also recorded a significant recovery every month compared to the trend of the first five months of the year, reaching levels in line with the 2024 budget.

The new format of the monthly magazine Millennium was launched at SEIF's annual party in early September. The new format of the printed product and the entirely dedicated website, accessible through subscriptions, have been on sale since 14 September, while for the first time the monthly magazine has been distributed through bookshops and Amazon since 20 September.

The course 'Sustainability, Food and Conflict' will start on 10 October, thus implementing the School of Fact's training programme.

With regard to the media content sector, a contract has already been signed for 31 episodes until May

2025. Production of the format *Accordi & Disaccordi* aired on Channel 9 started again on 28 September. From October, a second series of the format *La Confessione* will be produced for broadcast on RAI 3. The production and distribution of theatre shows continues, with the possibility of expanding the projects on the bill with other actors in addition to the SEIF group talent.

### **Foreseeable development of operations**

The above suggests a better second half of 2024 than 2023.

The Group's operating performance has not yet fully achieved the objectives set out in the 2024-2026 Plan approved by the Board of Directors on 30 November 2023: i) with reference to LOFT, the variance is substantially related to a shift between the first and second half of 2024 or the first half of 2025 of some productions due to the slowdown in negotiations due to programming and scheduling requirements and the related allocation of broadcasters' budgets, and ii) with reference to SEIF, the delay is mainly related to the newborn Training initiative being developed. Overall, the variance amounts to a negative difference of 10% of the Group's Value of Production with respect to the 2024-2026 Plan, which is estimated to be largely recovered by the end of the year.

Therefore, in view of the performance in the first months of 2024 and the consolidation in the second half of the year, the regularity of operating cash flows, the almost completed implementation of the investment programmes in relation to the two pillars of the strategic revolution envisaged in the plan, and the availability of usable credit lines, the regular management of production and commercial activities is expected.

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The Consolidated Half-Yearly Financial Report as at 30 June 2024 will be made available to the public at the Company's registered office, on the Company's website [www.seif-spa.it](http://www.seif-spa.it) (Investor Relations section) and on the website [www.borsaitaliana.it](http://www.borsaitaliana.it), Share/Documents section, within the terms provided for by the regulations in force.

For the dissemination of regulated information, SEIF uses the IINFOSDIR dissemination system ([www.1info.it](http://www.1info.it)), managed by Computershare S.p.A. with registered office in Milan, Via Lorenzo Mascheroni no. 19 and authorised by CONSOB.

This press release is available in the Investor Relations/Press Releases section of the website [www.seif-spa.it](http://www.seif-spa.it) and at [www.1info.it](http://www.1info.it).

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**SOCIETÀ EDITORIALE IL FATTO S.P.A. (SEIF)** is an *independent media company*, founded in Rome in 2009 and led by Cinzia Monteverdi, President and CEO. The company is the publisher of several editorial and multimedia products, including *Il Fatto Quotidiano*, a newspaper founded by Antonio Padellaro and directed by Marco Travaglio, the news website [ilfattoquotidiano.it](http://ilfattoquotidiano.it) and the monthly magazine *FQ Millennium*, directed by Peter Gomez, and the publishing house *Paper First*, directed by Marco Travaglio. Recently SEIF undertook a diversification process to become more and more an all-round *media content provider*, launching a digital and *data-driven* product development strategy and TV production with its subsidiary *Loft produzioni Srl*.

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**Attached:**

-Consolidated Profit and Loss Account as at 30/06/2024 vs. Consolidated Profit and Loss Account as at 30/06/2023

-Consolidated Balance Sheet as at 30/06/2024 vs. Consolidated Balance Sheet as at 31/12/2023

-Consolidated Net Financial Debt as at 30/06/2024 vs. Consolidated Net Financial Debt as at 31/12/2023

Consolidated Profit and Loss Account (Euro)	30/06/2024	30/06/2023
Revenues from sales and services	15,455,464	14,507,591
Changes in inventories	46,280	(35,468)
Miscellaneous income	180,560	539,340
<b>Total Revenues</b>	<b>15,682,304</b>	<b>15,011,463</b>
Increases in fixed assets	2,353,663	2,114,811
<b>Value of Production</b>	<b>18,035,967</b>	<b>17,126,274</b>
External Operating Costs	(9,912,591)	(9,396,052)
<b>Added Value</b>	<b>8,123,376</b>	<b>7,730,222</b>
Personnel Costs	(6,413,163)	(6,290,941)
Other operating charges	(293,310)	(234,735)
<b>Gross Operating Margin (EBITDA)</b>	<b>1,416,903</b>	<b>1,204,546</b>
Depreciation and Provisions	(2,615,661)	(2,697,025)
<b>Operating Profit (EBIT)</b>	<b>(1,198,758)</b>	<b>(1,492,479)</b>
Loan charges	(101,497)	-
Result of the financial area	(142,762)	(57,383)
<b>Profit before tax</b>	<b>(1,443,017)</b>	<b>(1,549,862)</b>
income tax	308,329	432,420
<b>Net result</b>	<b>(1,134,688)</b>	<b>(1,117,442)</b>

Consolidated Balance Sheet (Euro)	30/06/2024	31/12/2023
Intangible Fixed Assets	9,311,483	8,867,130
Tangible Fixed Assets	113,922	130,168
Financial Fixed Assets	714,783	747,579
<b>Fixed Capital</b>	<b>10,140,188</b>	<b>9,744,877</b>
Inventories	208,041	152,464
Trade receivables	2,450,177	2,663,394
Other Credits	3,719,098	4,054,633
Accrued income and prepaid expenses	341,514	216,694
<b>Short-term operating activities</b>	<b>6,718,830</b>	<b>7,083,185</b>
Trade payables	(5,742,605)	(5,299,407)
Other debts	(3,870,707)	(3,864,695)
Accrued expenses and deferred income	(2,480,649)	(2,332,192)
<b>Short-term operating liabilities</b>	<b>(12,093,961)</b>	<b>(11,496,294)</b>
<b>Net working capital</b>	<b>(5,375,131)</b>	<b>(4,413,109)</b>
Provisions for risks	(839,412)	(662,143)
Severance pay	(3,756,228)	(3,634,854)
<b>Medium- and long-term liabilities</b>	<b>(4,595,640)</b>	<b>(4,296,997)</b>
<b>INVESTED CAPITAL</b>	<b>169,417</b>	<b>1,034,771</b>
Net assets	(3,218,205)	(2,082,159)
Medium-/long-term financial position	1,895,671	1,073,860
Short-term financial position	1,491,951	2,043,071
<b>EQUITY AND DEBT</b>		
<b>NET FINANCIAL</b>	<b>169,417</b>	<b>1,034,772</b>

Consolidated Net Financial Debt (Euro)	30/06/2024	31/12/2023
A - Cash and cash equivalents	(597,002)	(465,127)
B - Cash Equivalents	-	-
C - Other current financial assets	-	-
<b>D - Liquidity (A+B+C)</b>	<b>(597,002)</b>	<b>(465,127)</b>
E - Current financial debt	498,527	412,566
F - Current part of non-current debt	1,590,426	2,095,632
<b>G - Current financial debt (E+F)</b>	<b>2,088,953</b>	<b>2,508,198</b>
<b>H - Net current financial debt (D-G)</b>	<b>1,491,951</b>	<b>2,043,071</b>
I - Non-current financial debt	1,895,671	1,073,860
J - Debt instruments	-	-
K- Trade and other non-current payables	-	-
<b>L - non-current financial debt (I+J+K)</b>	<b>1,895,671</b>	<b>1,073,860</b>
<b>M - Net financial debt (H-L)</b>	<b>3,387,622</b>	<b>3,116,931</b>