



## **COFINA, SGPS, S.A.**

Head Office: Rua Manuel Pinto de Azevedo, 818 – Porto  
Fiscal Number 502 293 225  
Share Capital: 25,641,459 Euro

### **Financial Information - 2022 (unaudited)**

This document is a translation of a document originally issued in Portuguese, prepared using accounting policies consistent with the International Financial Reporting Standards adopted in European Union (IFRS-EU), some of which may not conform or be required by generally accepted accounting principles in other countries. In the event of discrepancies, the Portuguese language version prevails.



## **2022 Financial Information**

The year 2022 was marked by the outbreak of war in Ukraine. In addition to the terrible devastation caused by the invasion of this country, perpetrated by the Russian Federation, this situation led to widespread inflation of variable costs.

Despite this framework, Cofina Group witnessed a recovery in activity compared to 2021, with an impact essentially on the evolution of the advertising market, continuing to invest in the development of new advertising formats, with an increasing focus in the digital aspect and events, through the brands that generally lead in their respective segments.

Internally, the Group maintained its search for efficiency, framed by the prospects for the sector's evolution and the negative effects caused by the war. In this way, the strategies for each brand were dynamically adjusted, considering the most appropriate size and format, cover price, editorial strategy, among others.

In the context of this search for efficiency, and with a view to reorganising an important business support area, the printing of publications, which has been outsourced, the subsidiary Cofina Media, S.A. decided on the dissolution (and liquidation) of its subsidiary Grafedisport – Imprensa e Artes Gráficas, S.A.. The dissolution was deliberated on 1 September 2022 and duly registered in the Commercial Registry Office, the company being in liquidation since then, and the members of the Board of Directors have been appointed its Liquidators.

## 2022 Annual Results

The financial information was prepared in accordance with the recognition and measurement principles of the International Financial Reporting Standards, as adopted by the European Union (IFRS-EU).

	2022	2021	Var (%) 2022/2021
<i>(thousand Euro)</i>			
<b>Operational revenues</b>	<b>76,037</b>	<b>75,849</b>	<b>0.2%</b>
Circulation	29,579	32,324	-8.5%
Advertising	28,164	26,812	5.0%
Alternative marketing products and others	18,294	16,713	9.5%
<b>Revenues by segment</b>	<b>76,037</b>	<b>75,849</b>	<b>0.2%</b>
Press	55,760	58,390	-4.5%
Television	20,277	17,459	16.1%
<b>Operational costs</b>	<b>(62,481)</b>	<b>(61,077)</b>	<b>2.3%</b>
<b>Operational EBITDA</b>	<b>13,556</b>	<b>14,772</b>	<b>-8.2%</b>
EBITDA margin	17.8%	19.5%	-1.6 p.p.
Operational EBITDA Press	8,622	9,854	-12.5%
EBITDA margin Press	15.5%	16.9%	-1.4 p.p.
Operational EBITDA Television	4,934	4,918	0.3%
EBITDA margin Television	24.3%	28.2%	-3.8 p.p.
Goodwill impairment and non-recurrent costs	(4,605)	(914)	403.8%
<b>EBITDA</b>	<b>8,951</b>	<b>13,858</b>	<b>-35.4%</b>
Amortizations and depreciations	(3,115)	(3,488)	-10.7%
<b>EBIT</b>	<b>5,836</b>	<b>10,370</b>	<b>-43.7%</b>
EBIT margin	7.7%	13.7%	-6.0 p.p.
Financial results	1,845	(3,194)	157.8%
<b>Profit before income tax</b>	<b>7,681</b>	<b>7,176</b>	<b>7.0%</b>
Income tax	2,770	(2,951)	-193.9%
<b>Consolidated net profit for the period</b>	<b>10,451</b>	<b>4,225</b>	<b>147.4%</b>

Cofina's total revenues amounted to 76.0 million Euro, which corresponds to a 0.2% increase in relation to the previous year. Advertising revenues increased by 5.0% and alternative marketing and other revenues increased by 9.5%, with circulation revenues decreasing by 8.5%.

At 31 December 2022 operational costs were higher than in the previous year, which is explained by the impact of the coverage of the war in Ukraine, as well as generalized price inflation, namely the price of paper, electricity and fuel.

During the period under review, the Group recorded goodwill impairment in the amount of 3.6 million Euro, as well as non-recurrent costs related to the dissolution (and liquidation) of Grafedisport – Imprensa e Artes Gráficas, S.A. - In Liquidation, in the amount of 1 million Euro.

The Group's EBITDA, excluding goodwill impairment and non-recurrent costs, was 13.6 million Euro (-8.2%). Considering the impairment of goodwill and non-recurrent costs, EBITDA amounts to 9.0 million Euro.



Consolidated net profit reached 10.5 million Euro, a 147.4% increase over the previous year. At 31 December 2022, the effect of the reversal of the provision was recognised under the caption Income tax as a result of the favourable outcome of tax proceedings to the Group.

On 31 December 2022, Cofina's nominal net debt was 25.6 million Euro, which corresponds to a 8.3 million Euro decrease, comparatively to the nominal net debt recorded in 31 December 2021, which was 33.9 million Euro.

Free Cash Flow (FCF) (considering the reduction of net debt) yield of 2022 (FCF/market capitalization), based on the stock price as of 31 December 2022, amounted to 33.3%.

### **Prisa Arbitration Request**

The arbitration request brought by Promotora de Informaciones, S.A. ("Prisa") on 15 April 2020, has been running terms since then. There are no major developments to highlight in the 2022 financial year.



## Television Segment

Cofina's Television segment consists of CMTV channel, the only generalist channel operating exclusively in the cable network.

	2022	2021	Var (%) 2022/2021
<i>(thousand Euro)</i>			
<b>Operational revenues Television</b>	<b>20,277</b>	<b>17,459</b>	<b>16.1%</b>
<b>Operational costs Television</b>	<b>(15,343)</b>	<b>(12,541)</b>	<b>22.3%</b>
<b>Operational EBITDA Television</b>	<b>4,934</b>	<b>4,918</b>	<b>0.3%</b>
EBITDA margin Television	24.3%	28.2%	-3.8 p.p.

CMTV total revenues reached 20.3 million Euro, which represents a 16.1% increase.

EBITDA Television recorded was 4.9 million Euro, in line with the previous year.

In 2022, CMTV recorded a daily average share of 4.84%, maintaining its outstanding leadership in cable channels and being the fourth channel most seen in Portugal.

## Press Segment

Cofina's Press segment includes daily newspapers *Correio da Manhã*, *Record* and *Jornal de Negócios*, the magazines *Sábado* and *TV Guia* and the respective websites, as well as the area BOOST (Events, Activation and Publishing).

	2022	2021	Var (%) 2022/2021
<i>(thousand Euro)</i>			
<b>Operational revenues Press</b>	<b>55,760</b>	<b>58,390</b>	<b>-4.5%</b>
Circulation	29,579	32,324	-8.5%
Advertising	16,274	17,534	-7.2%
Alternative marketing products and others	9,907	8,532	16.1%
<b>Operational costs Press</b>	<b>(47,138)</b>	<b>(48,536)</b>	<b>-2.9%</b>
<b>Operational EBITDA Press</b>	<b>8,622</b>	<b>9,854</b>	<b>-12.5%</b>
EBITDA margin Press	15.5%	16.9%	-1.4 p.p.

During 2022, total revenues of Press segment were 55.8 million Euro, representing a 4.5% decrease over the previous year. Circulation revenues recorded an 8.5% decrease and advertising revenues decreased 7.2%. Revenues from alternative marketing products and others recorded a 16.1% increase.

Operational costs were 47.1 million Euro, recording a decrease of 2.9% over the previous year, and the EBITDA of this segment recorded a 12.5% decrease, amounting to 8.6 million Euro.



### **Future Perspectives**

Despite the uncertainties presented by the international conjuncture, Cofina has managed to continue to show positive results and growth in the advertising market, asserting itself more and more in this market, and this growth is the result of its investment in the development of new formats and in maximizing the potential of the various brands and segments.

In view of the enormous challenges, both of the global economy and of the media sector in particular, the management of Cofina Group will continue to be particularly attentive to the signals and evolution of the market in order to be able to identify in the most agile and efficient way possible all forms of reaction so that the decisions to be taken represent a balance between economic interests, on the one hand, and the growing concerns for sustainability, on the other, which are today, more than ever, at the center of Cofina Group's concerns.

Oporto, March 23, 2023



## Glossary

**Consolidated net profit:** Profit before income tax - Income tax

**EBIT:** EBITDA + Amortizations and depreciations

**EBIT margin:** EBIT / Operational revenues

**EBITDA:** Operational EBITDA – Goodwill impairment and non-recurrent costs

**EBITDA margin:** Operational EBITDA / Operational revenues

**EBITDA margin Press:** Operational EBITDA Press / Operational revenues Press

**EBITDA margin Television:** Operational EBITDA Television / Operational revenues Television

**Financial results:** Results related to associated companies and joint ventures - Financial expenses + Financial income

**Nominal net debt:** Other loans (nominal values) + Bank loans (nominal values) – Cash and cash equivalents

**Operational costs:** Cost of sales + External supplies and services + Payroll expenses + Provisions and impairment losses (excluding Goodwill impairment and non-recurrent costs) + Other expenses

**Operational costs Press:** Operational costs from the Press segment

**Operational costs Television:** Operational costs from the Television segment

**Operational EBITDA:** Operational revenues – Operational costs

**Operational EBITDA Press:** Operational revenues Press – Operational costs Press

**Operational EBITDA Television:** Operational revenues Television – Operational costs Television

**Operational revenues:** Sales + Services rendered + Other income

**Operational revenues Press:** Operational revenues from the Press segment

**Operational revenues Television:** Operational revenues from the Television segment

**Other operational revenues:** Alternative marketing products and others + Transmission fees and others

**Profit before income tax:** EBIT – Financial results