



#SAFE BUSINESS BY IEG



## 2021 1H RESULTS

CONFERENCE CALL - Aug 30<sup>th</sup>, 2021

**ITALIAN  
EXHIBITION  
GROUP**  
Providing the future

KEY FINANCIALS (M€)	2Q21	2Q20	1H21	1H20
Revenues	4.6	1.4	7.0	61.8
EBITDA	-6.9	-7.7	-14.1	15.6
% EBITDA margin	< (100%)	< (100%)	< (100%)	25.3%
EBIT	-13.2	-15.3	-24.6	3.4
% EBIT margin	< (100%)	< (100%)	< (100%)	5.5%
Net Income	-14.4	-2.5	-26.2	9.4
% Net Income margin	< (100%)	< (100%)	< (100%)	15.1%
Minority Interests	-0.6	-1.0	-1.2	-0.4
Parent Company	-13.8	-1.5	-25.0	9.8

	2Q21	2Q20	1H21	1H20
Organized Events	2	0	5	8
Hosted Events	1	0	2	1
Congress Events	2	0	6	12
Other Events	1	0	1	0
<b>Total Events</b>	<b>6</b>	<b>0</b>	<b>14</b>	<b>21</b>

	30/6/21	31/3/21	31/12/20	30/6/20
NFP	148.2	141.5	129.1	104.8
"Monetary" NFP (*)	115.3	107.3	93.3	65.8

\*NFP without debts from IFRS16, Put Options, MTM/Fair value Interest Rate Swap

### IFRS16 Leases Impact

EBITDA	2.3
EBIT	0.6
Net Results	0.3
NFP	-22.7

**Please note:**  
the percentage changes in this document are calculated on  
€/1000 amounts, even when they are shown in €/million

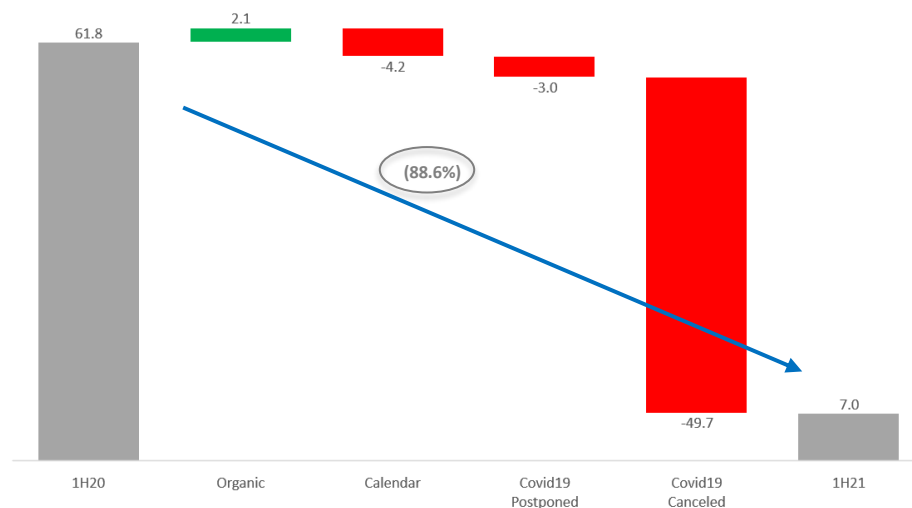
## REVENUES BY BUSINESS LINES (M€)

	2Q21	2Q20	change YoY	% change YoY	1H21	1H20	change YoY	% change YoY	Change							
									Organic		Calendar		COVID19 postponed		COVID19 cancelled	
Organized Events	0.7	0.4	0.4	97.7%	1.4	43.5	(42.1)	(96.8%)	0.2	0.6%	(3.8)	(8.7%)	(2.6)	(5.9%)	(36.0)	(82.8%)
Hosted Events	0.8	0.0	0.8	n.a.	0.8	0.0	0.8	>100%	0.8	>100%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Congress Events	0.1	0.1	(0.0)	(12.0%)	0.3	0.9	(0.6)	(64.5%)	0.0	0.0%	0.0	0.0%	0.0	0.0%	(0.6)	(64.5%)
Food, Stand Fitting and Cleaning	2.0	0.5	1.6	>100%	3.0	16.5	(13.4)	(81.5%)	0.9	5.2%	(0.7)	(4.3%)	(0.4)	(2.3%)	(13.2)	(80.1%)
Publishing, Sport Events and Other	0.9	0.5	0.4	94.9%	1.5	1.0	0.5	47.2%	0.2	23.4%	0.2	23.9%	0.0	0.0%	0.0	0.0%
<b>Total Revenues</b>	<b>4.6</b>	<b>1.4</b>	<b>3.1</b>	<b>&gt;100%</b>	<b>7.0</b>	<b>61.8</b>	<b>(54.8)</b>	<b>(88.6%)</b>	<b>2.1</b>	<b>3.5%</b>	<b>(4.2)</b>	<b>(6.8%)</b>	<b>(3.0)</b>	<b>(4.8%)</b>	<b>(49.7)</b>	<b>(80.4%)</b>

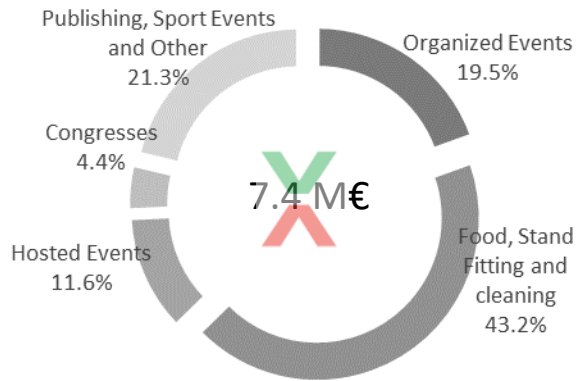
## CHANGE REASONS YoY

- **Organic, +3.5%:** First edition of Dubai Muscle Classic in Dubai, organized by HBG. Hospitality of Volleyball Nations League in May-June.
- ❌ **Calendar, -6.8%:** Abitech (triennial) regularly expected in 2022. Ginnastica in Festa (sports event) regularly took place in June (last year in December 2020).
- ❌ **Covid Postponed, -4.8%:** events scheduled in H2 (Tgold, Pescara) due to regulatory restrictions on the conduct of trade fairs.
- ❌ **Covid cancelled, -80.4%:** events held in respect of legislation during the whole quarter only in digital format (Sigep Exp, Beer&Food Attraction, BBTech Expo) or cancelled (VicenzaOro January, Hit Show).

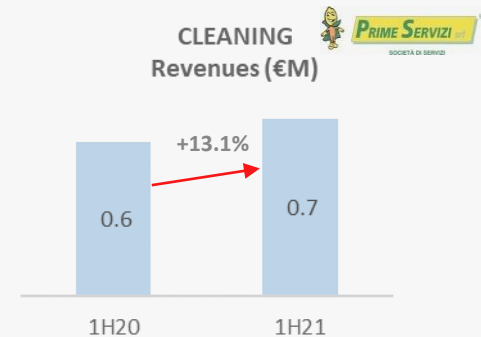
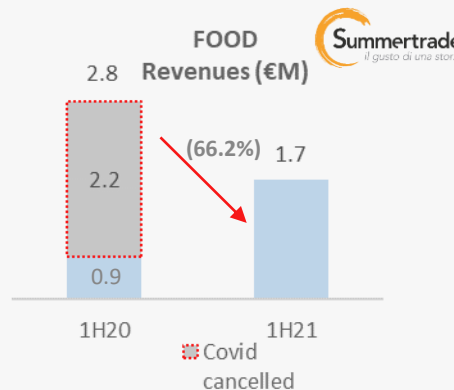
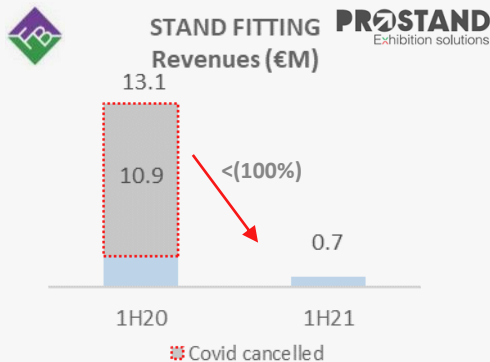
## CHANGE YoY IN REVENUES (M€)



## Revenues Breakdown



Due to freezing of exhibition activities, Services became the main business line in term of revenues, despite having suffered from restrictions. Our service companies are working to diversify their service portfolio (management of new refreshment points for Summertrade, new contracts at tenders for Prostand).





## Health and Safety

- Smart Working for all employees
- Distribution of PPE (Personal Protection Equipment) and vaccinations on a voluntary basis
- Green pass necessary both for employees involved in the organisation of events, exhibitors and visitors
- Make space available for vaccination campaign
- #safebusiness project and GABC STAR™ standard adoption



## Financial security

- Focus on credit collection and disbursement planning
- Blocking of non-fundamental investments
- State guarantee for Summertrade covering 90% of a new Loan obtained (3M€, of which cashed for 1,5M€)
- New loan agreements subscribed by Prostand of 3,5 M€



## Economics

- Staff costs: efficiency and use of Government support («FIS») until 2021 December.
- Hard monitoring of fixed costs: closing of Prostand operational hub in Santorso.



## Development

- Improvement of Digital Strategy through Swapcard Platform (Sigeep Exp, We Are, congresses). Increased use of social channel with webinar and talks.
- New M&A activities: Agreement with Informa Market for realization of new event in Dubai in Jewellery in 2022.  
Joint Venture with Hannover Fairs Mexico for Active & Sports Expo

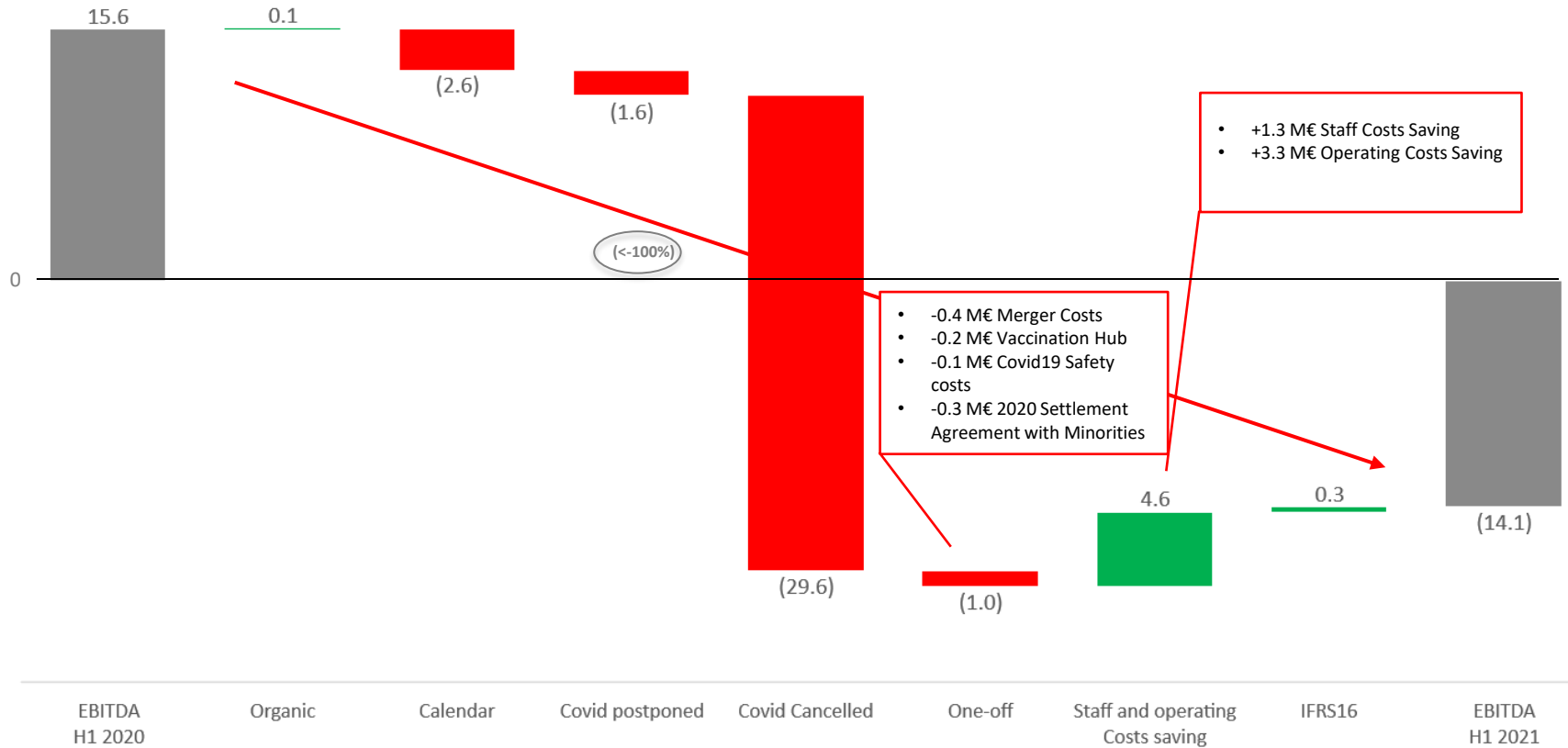
Income Statement (M€)	2Q21	2Q20	% change	1H21	1H20	% change
Revenues	4.6	1.4	>100%	7.0	61.8	-88.6%
Operating costs	(5.4)	(5.3)	+2.3%	(10.4)	(33.7)	-69.2%
<b>Value Added</b>	<b>(0.8)</b>	<b>(3.8)</b>	<b>-78.8%</b>	<b>(3.3)</b>	<b>28.2</b>	<b>&lt;(100%)</b>
<i>% Value Added margin</i>	-17.8%	<(100%)		-47.4%	45.5%	
Staff costs	(6.0)	(3.9)	+54.5%	(10.7)	(12.5)	-14.2%
<b>EBITDA</b>	<b>(6.9)</b>	<b>(7.7)</b>	<b>-11.5%</b>	<b>(14.1)</b>	<b>15.6</b>	<b>&lt;(100%)</b>
<i>% Ebitda Margin</i>	<(100%)	<(100%)		<(100%)	25.3%	
Amortisation	(3.8)	(4.3)	-9.6%	(8.0)	(8.6)	-6.6%
Impairment of assets	(1.3)	(2.6)	-50.9%	(1.3)	(2.6)	-50.9%
Other depreciation & Provision	(1.2)	(0.8)	+61.7%	(1.2)	(1.0)	+16.6%
<b>EBIT</b>	<b>(13.2)</b>	<b>(15.3)</b>	<b>-14.0%</b>	<b>(24.6)</b>	<b>3.4</b>	<b>&lt;(100%)</b>
<i>% Ebit Margin</i>	<(100%)	<(100%)		<(100%)	5.5%	
Equity Investements Results	(0.3)	(0.3)	+9.8%	(0.3)	(0.3)	+9.8%
Financial Results	(0.6)	9.0	<(100%)	(1.0)	7.7	<(100%)
<i>Financial Revenues (Charges)</i>	<i>(0.8)</i>	<i>(0.2)</i>	<i>&gt;100%</i>	<i>(1.3)</i>	<i>(0.9)</i>	<i>+51.7%</i>
<i>Changes in IRS MTM</i>	<i>0.5</i>	<i>0.1</i>	<i>&gt;100%</i>	<i>0.7</i>	<i>(0.1)</i>	<i>&lt;(100%)</i>
<i>IFRS16 Financial Charges</i>	<i>(0.1)</i>	<i>(0.2)</i>	<i>-47.8%</i>	<i>(0.1)</i>	<i>(0.3)</i>	<i>-58.7%</i>
<i>Remesurement of PUT Options debts</i>	<i>0.0</i>	<i>9.3</i>	<i>-99.9%</i>	<i>0.0</i>	<i>9.3</i>	<i>-100.0%</i>
<i>Financial charges on PUT Options</i>	<i>(0.2)</i>	<i>(0.1)</i>	<i>+89.9%</i>	<i>(0.2)</i>	<i>(0.4)</i>	<i>-53.4%</i>
<i>Gain/(Losses) on Foreign Exchange</i>	<i>(0.0)</i>	<i>0.0</i>	<i>-146.1%</i>	<i>(0.1)</i>	<i>0.0</i>	<i>&lt;(100%)</i>
<b>Profit before Tax</b>	<b>(14.1)</b>	<b>(6.6)</b>	<b>&gt;100%</b>	<b>(25.9)</b>	<b>10.8</b>	<b>-339.9%</b>
<i>% PBT Margin</i>	<(100%)	<(100%)		<(100%)	17.5%	
Taxes	(0.3)	4.1	<(100%)	(0.3)	(1.4)	-79.2%
<i>Tax rate</i>	-2.1%	62.2%		-1.2%	13.4%	
<b>Net income</b>	<b>(14.4)</b>	<b>(2.5)</b>	<b>&gt;100%</b>	<b>(26.2)</b>	<b>9.4</b>	<b>&lt;(100%)</b>
<i>% Net Income Margin</i>	<(100%)	<(100%)		<(100%)	15.1%	
<i>of which:</i>						
Minority Interests	(0.6)	(1.0)	-39.8%	(1.2)	(0.4)	>100%
<b>Parent Company</b>	<b>(13.8)</b>	<b>(1.5)</b>	<b>&gt;100%</b>	<b>(25.0)</b>	<b>9.8</b>	<b>&lt;(100%)</b>

The results have been impacted by the following non-recurring items:

- Revenues: 0.3M€ of utilities refunds for vaccinations (0.3 M€ ly about a settlement agreement with minorities)
- Operating Costs: -0.4M€ of merger Project and -0.5 M€ of costs related to vaccinations; 0,1 M€ Covid19 Safety Costs
- Impairment of assets for -1.4M€ (-2.6M€ ly)
- Depreciation of Vicenza Holding Receivable for -1.1M€
- -0.2M€ Provision for personnel redundancy incentives
- Financial results: penalty for non-use of Rimini venue expansion loan (-0.2M€) (+9.3M€ ly for remesurement of Put option debts)

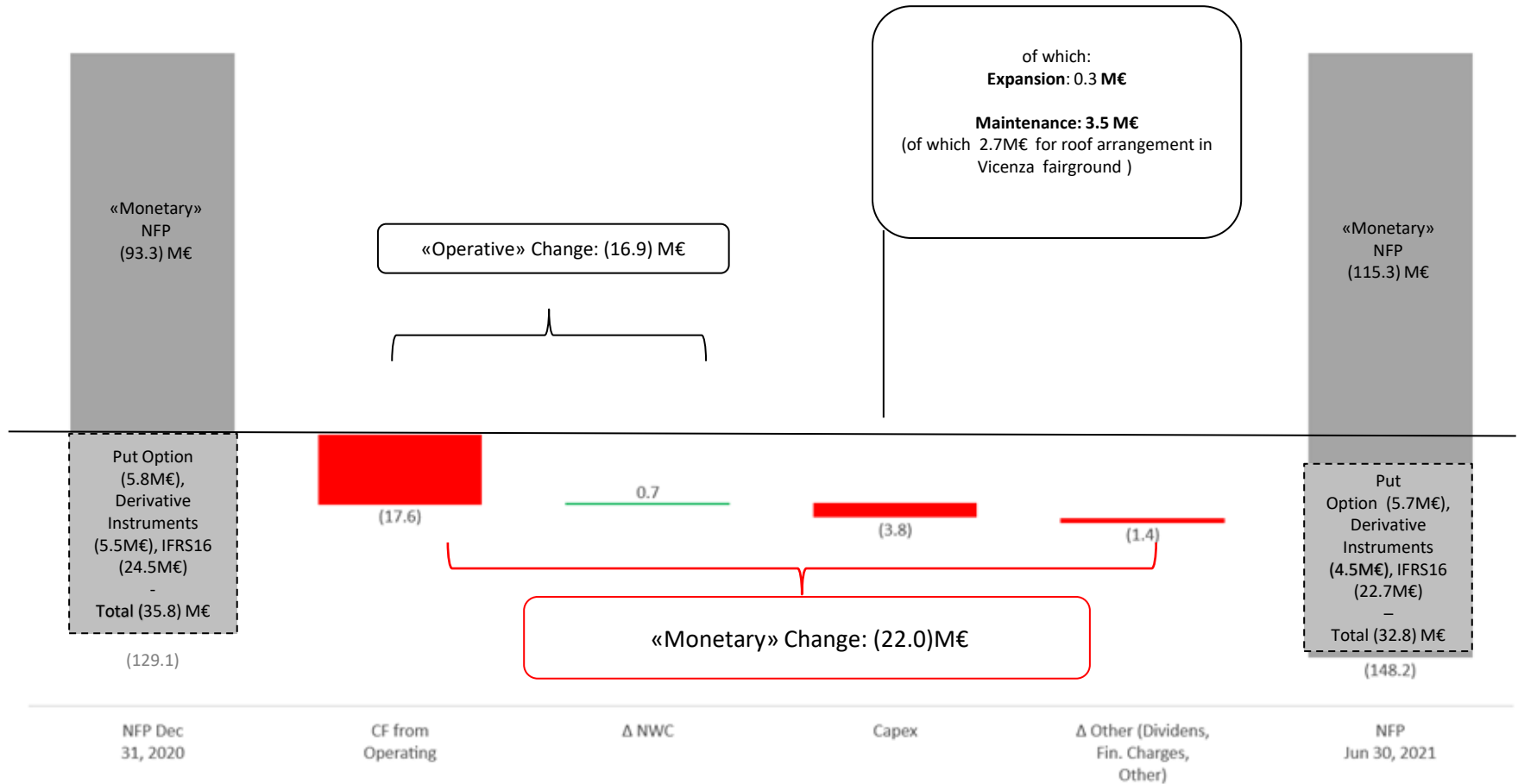


**-0.5M€ (vs +0.3 ly) negative impact on EBITDA**  
**-3.4M€ (vs +7.1 €M ly) negative impact on Net Income**





# Net Financial Position (M€)





**2H21  
Outlook**



- The Council of Ministers extended the state of emergency to Dec 31th, 2021, anyway allowed fairs and congresses to restart, respectively from June, 15<sup>th</sup> and July, 1<sup>st</sup>. However, the surge of “Delta variant”, the different methods adopted by authorities to regulate international mobility and to boost vaccination campaign, cause uncertainty especially about the organization of international exhibitions.

- Obtaining of a new loan from Simest for 10M€ (of which 0.6M non- repayable) -cashed on August 27th.
- Obtaining of a non-repayable grant for 9.8M€ from Simest, for covering of fixed costs from march to december 2020- cashed on August 27th.
- Exceeding «De Minimis» constraint and new opportunity for further grants (new restorations made available from Minister of Tourism both for IEG and Prostand)
- Ongoing renegotiation of loan (covered by SACE guarantee) maturities (50M€)
- Banks consent to a waiver and reclassification of a short debt to a long-term debt (15M€)



- Working on 4x4 Strategy to develop our business lines in the world
- Agreement with SIMEST for the acquisition of a minority stake in the subsidiary HBG Events to support the new project in return for an upfront fee and a cost-related remuneration.

### 2H21 Outlook

3Q	4Q

Very busy calendar in the second half with:

- **Postponement of trade fairs**, usually positioned in the first half, which couldn't take place before due to the restrictive measures (Tgold, Koinè, Pescara, Mondomotori, Rimini Wellness);
- **New events**: Fieravicola, Superfaces, Abilmente Autunno Milano, Fimast;
- **Confirmation of 49 congresses**, 8 of which repositioned from the first half (ANMCO, SIDP, IRC, SNEP, Web Marketing Festival).

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