



## 1H 2020 RESULTS

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CONFERENCE CALL - August 27<sup>th</sup>, 2020

**ITALIAN  
EXHIBITION  
GROUP**  
Providing the future



KEY FINANCIALS (M€)	2Q20	2Q19	% change	1H20	1H19	% change
Revenues	1.4	32.7	-95.6%	61.8	99.9	-38.1%
EBITDA	-7.7	1.4	-656.6%	15.6	26.7	-41.5%
% EBITDA margin	-541.7%	4.3%		25.3%	26.7%	
EBIT	-15.3	-3.2	373.3%	3.4	17.8	-80.8%
% EBIT margin	-1072.0%	-9.9%		5.5%	17.8%	
Net Income	-2.5	-2.4	5.7%	9.4	10.8	-13.1%
% Net Income margin	-174.5%	-7.2%		15.1%	10.8%	
Minority Interests	-1.0	0.4	-335.6%	-0.4	1.1	-138.2%
Parent Company	-1.5	-2.8	-44.9%	9.8	9.7	1.2%

	30/6/20	31/3/19	31/12/19	30/6/19
NFP	104.8	107.6	104.5	120.2
"Monetary" NFP (*)	65.8	55.9	53.2	66.5

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

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

### IFRS16 Leases Impact

EBITDA	2.0
EBIT	0.1
Net Result	-0.1
NFP	27.6

### NUMBER OF EVENTS

	2Q20	2Q19	change	1H20	1H19	change
Organized Events	0	7	-7	8	20	-12
Hosted Events	0	6	-6	1	9	-8
Congress Events	0	65	-65	12	97	-85
Other Events	0	2	-2	0	2	-2
<b>Total Events</b>	<b>0</b>	<b>80</b>	<b>-80</b>	<b>21</b>	<b>128</b>	<b>-107</b>

### Revenues Breakdown



## REVENUES BY BUSINESS LINES (M€)

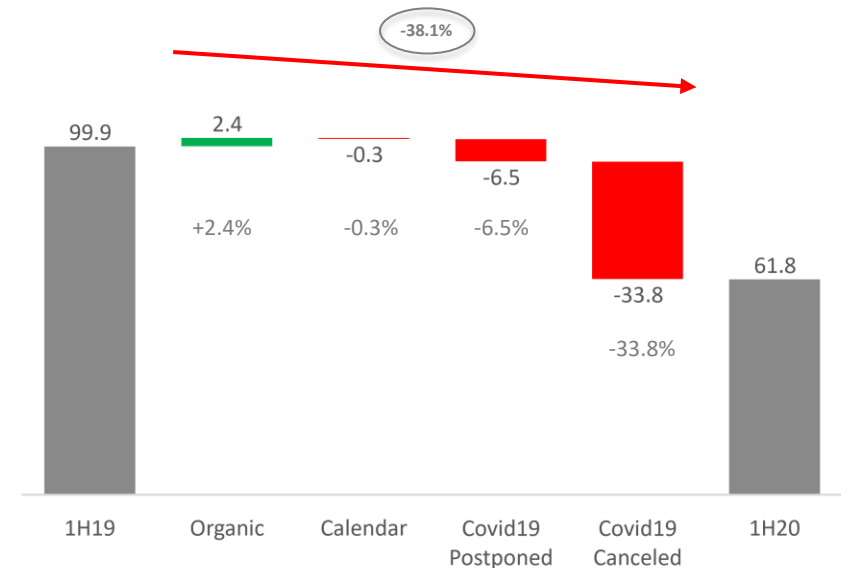
	2020				2019				Change							
	2Q20	2Q19	change YoY	% change YoY	1H20	1H19	change YoY	% change YoY	Organic		Calendar		COVID19 postponed		COVID19 cancelled	
Organized Events	0.4	7.7	(7.3)	(95.1%)	43.5	53.6	(10.2)	(19.0%)	2.6	4.9%	(0.2)	(0.4%)	(3.4)	(6.4%)	(9.1)	(17.1%)
Hosted Events	0.0	1.7	(1.7)	(100.0%)	0.0	1.8	(1.8)	(99.0%)	(0.1)	(7.5%)	(0.1)	(4.0%)	(0.9)	(48.0%)	(0.7)	(39.5%)
Congress Events	0.1	5.1	(5.0)	(97.5%)	0.9	7.6	(6.7)	(88.4%)	0.0	0.0%	0.0	0.0%	0.0	0.0%	(6.7)	(88.4%)
Food, Stand Fitting and Cleaning	0.5	17.0	(16.5)	(97.3%)	16.5	35.2	(18.7)	(53.2%)	0.2	0.7%	0.0	0.0%	(1.9)	(5.3%)	(17.1)	(48.6%)
Publishing, Sport Events and Other	0.5	1.2	(0.7)	(60.6%)	1.0	1.7	(0.7)	(39.8%)	(0.3)	(15.8%)	0.0	0.0%	(0.3)	(16.9%)	(0.1)	(7.1%)
<b>Total Revenues</b>	<b>1.4</b>	<b>32.7</b>	<b>(31.2)</b>	<b>(95.6%)</b>	<b>61.8</b>	<b>99.9</b>	<b>(38.1)</b>	<b>(38.1%)</b>	<b>2.4</b>	<b>2.4%</b>	<b>(0.3)</b>	<b>(0.3%)</b>	<b>(6.5)</b>	<b>(6.5%)</b>	<b>(33.8)</b>	<b>(33.8%)</b>

## CHANGE REASONS

*No events in 2Q20 due to Government restriction's*

- **Organic, +2.4%:** great performances of January's and February's Organized Events, especially Sigep, VO January and Beer&Food Attraction.
- ❌ **Calendar, -0.3%:** a minor organized event have been moved to Autumn; biennial impact on hosted events.
- ❌ **Covid19 - postponed events, -6.5%:** impact due to changes in the scheduling of some events and conferences from 1<sup>st</sup> half to Autumn 2020. Effects on catering and stand fitting arise from the relocation of both IEG's and other organizers' events.
- ❌ **Covid19 – cancelled events, -33.8%:** impact due to the cancellation of events planned in 2020 that could not be relocated to other periods in the same year

## CHANGE YoY IN REVENUES (M€)





## Health and Safety

- Smart Working for all employees
- Distribution of PPE (Personal Protection Equipment) and serological tests on a voluntary basis
- #safebusiness project and GABC STAR™ standard adoption



## Financial security

- Focus on credit collection and disbursement planning
- No dividend distribution
- Blocking of non-fundamental investments
- Deferment of mortgage payments and taxes



## Economics

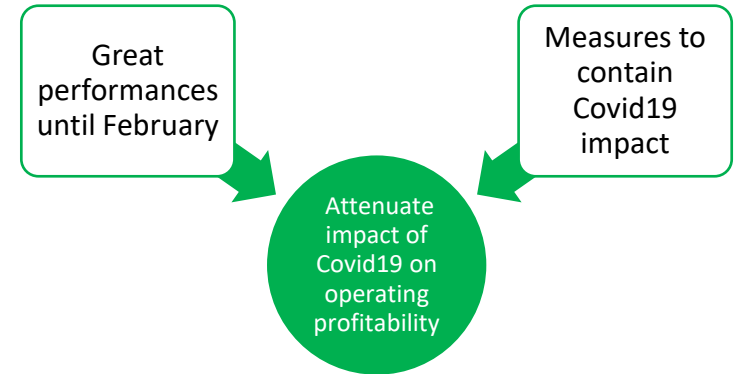
- Staff costs: efficiency and use of Government support (FIS)
- Reduction in fixed costs, (less activities and contracts review)
- Cost structure characterized by a high incidence of variable costs



## Development

- Rescheduling of cancelled events
- Loan agreement for expansions of Rimini Expo Center
- Prosecution in M&A activities

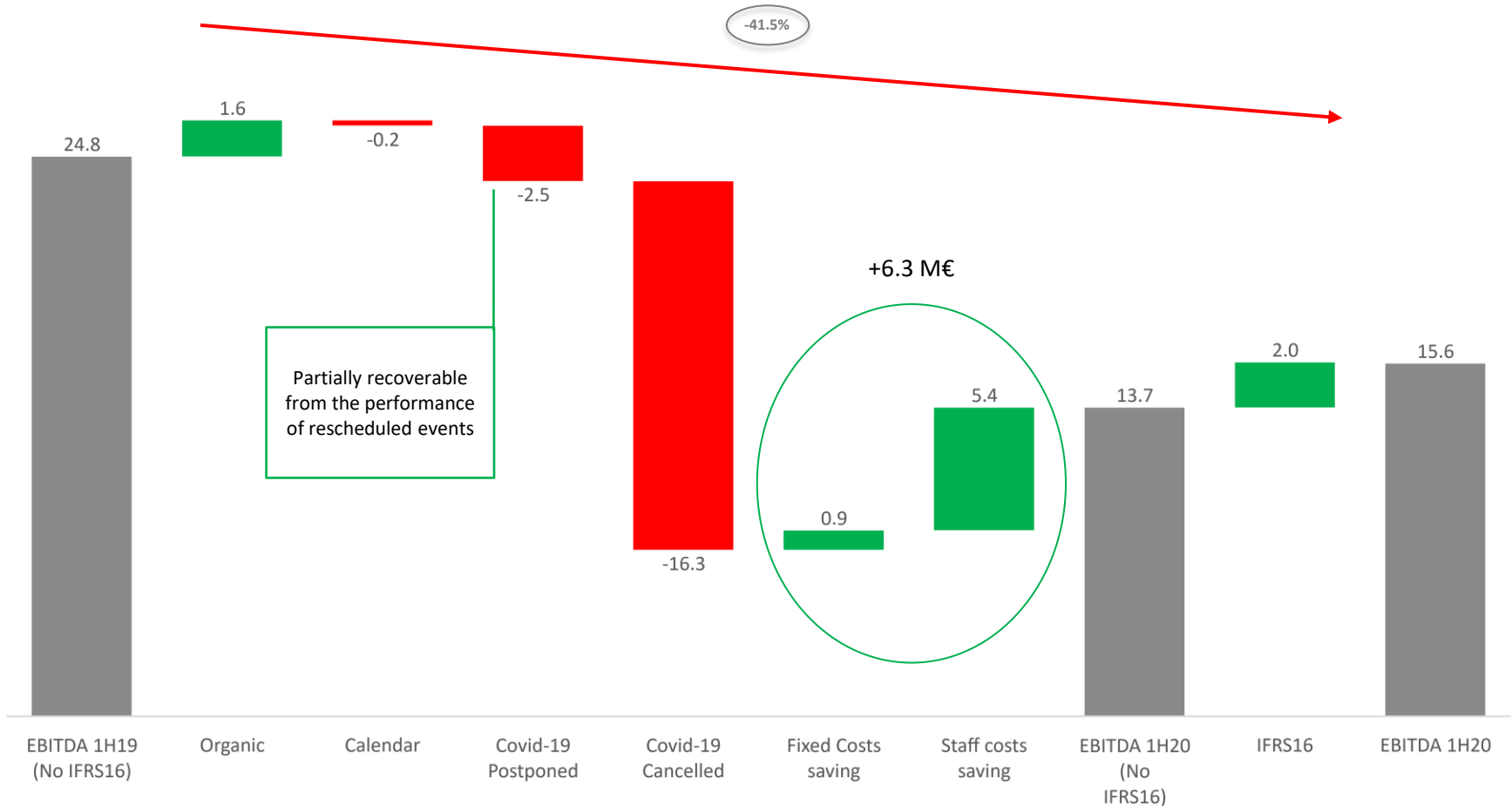
Income Statement (M€)	2Q20	2Q19	% change	1H20	1H19	% change
Revenues	1.4	32.7	-95.6%	61.8	99.9	-38.1%
Operating costs	(5.3)	(22.2)	-76.3%	(33.7)	(55.1)	-38.9%
<b>Value Added</b>	<b>(3.8)</b>	<b>10.5</b>	<b>-136.6%</b>	<b>28.2</b>	<b>44.8</b>	<b>-37.2%</b>
<i>% Value Added margin</i>	-268.2%	32.0%		45.5%	44.9%	
Staff costs	(3.9)	(9.1)	-56.9%	(12.5)	(18.1)	-30.9%
<b>EBITDA</b>	<b>(7.7)</b>	<b>1.4</b>	<b>-656.6%</b>	<b>15.6</b>	<b>26.7</b>	<b>-41.5%</b>
<i>% Ebitda Margin</i>	-541.7%	4.3%		25.3%	26.7%	
Amortisation	(4.3)	(4.1)	+2.9%	(8.6)	(8.1)	+5.5%
Impairment of intagibles assets	(2.6)	0.0	na	(2.6)	0.0	na
Other depreciation & Provision	(0.8)	(0.5)	+52.4%	(1.0)	(0.7)	+41.5%
<b>EBIT</b>	<b>(15.3)</b>	<b>(3.2)</b>	<b>+373.3%</b>	<b>3.4</b>	<b>17.8</b>	<b>-80.8%</b>
<i>% Ebit Margin</i>	-1072.0%	-9.9%		5.5%	17.8%	
Equity Investements Results	(0.3)	0.1	-404.7%	(0.3)	0.1	-404.7%
Financial Results	9.0	(1.1)	-948.4%	7.7	(2.7)	-384.5%
<i>Financial Revenues (Charges)</i>	(0.2)	(0.5)	-48.9%	(0.9)	(1.0)	-10.8%
<i>Changes in IRS MTM</i>	0.1	(0.1)	-198.1%	(0.1)	(0.7)	-88.3%
<i>IFRS16 Financial Charges</i>	(0.2)	(0.2)	-2.2%	(0.3)	(0.3)	-0.9%
<i>Remesuarement of PUT Options debts</i>	9.3	0.0	na	9.3	0.0	na
<i>Financial charges on PUT Options</i>	(0.1)	(0.3)	-68.9%	(0.4)	(0.6)	-33.1%
<i>Gain/(Losses) on Foreign Exchange</i>	0.0	0.0	+176.6%	0.0	(0.0)	-112.3%
<b>Profit before Tax</b>	<b>(6.6)</b>	<b>(4.2)</b>	<b>+57.0%</b>	<b>10.8</b>	<b>15.2</b>	<b>-29.0%</b>
<i>% PBT Margin</i>	-462.1%	-12.9%		17.5%	15.2%	
Taxes	4.1	1.8	+122.4%	(1.4)	(4.5)	-67.6%
<i>Tax rate</i>	62.2%	43.9%		13.4%	29.3%	
<b>Net income</b>	<b>(2.5)</b>	<b>(2.4)</b>	<b>+5.7%</b>	<b>9.4</b>	<b>10.8</b>	<b>-13.1%</b>
<i>% Net Income Margin</i>	-174.5%	-7.2%		15.1%	10.8%	
<i>of which:</i>						
Minority Interests	(1.0)	0.4	-335.6%	(0.4)	1.1	-138.2%
<b>Parent Company</b>	<b>(1.5)</b>	<b>(2.8)</b>	<b>-44.9%</b>	<b>9.8</b>	<b>9.7</b>	<b>+1.2%</b>



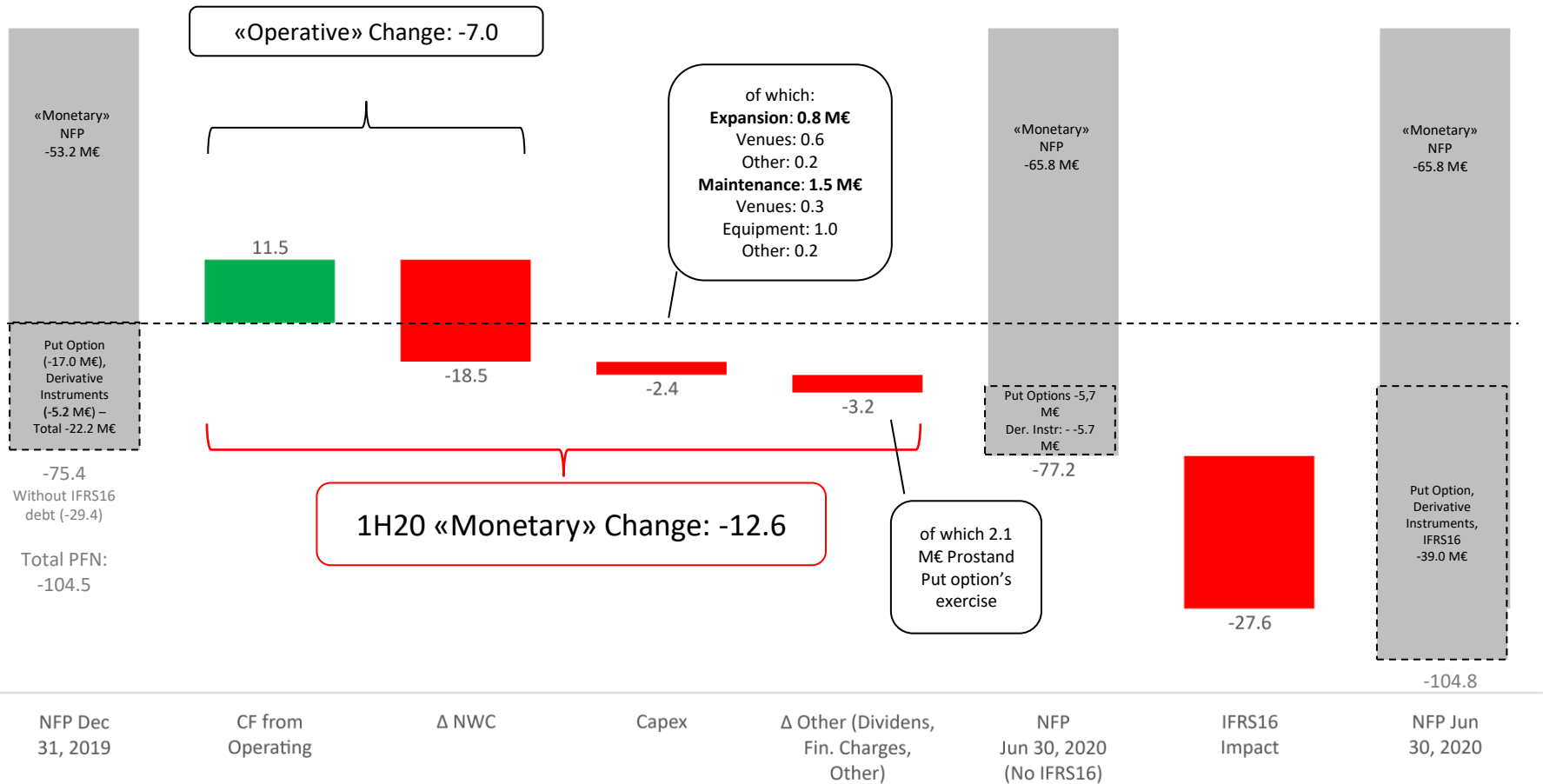
The results have been impacted by the following non-recurring items:

- Impairment of intangible assets (-2.6 M€)
- Remesuarement of Put Options debts (9.3 M€)

Impact of Covid-19 on 1H EBITDA limited by Management activities on fixed costs and by high variability on operating costs



# Net Financial Position (M€)



## Business restart

- Congress activities in August (1<sup>st</sup> Event on August 18<sup>th</sup>);
- Organized Event in September (1<sup>st</sup> Event: VOICE, 12-14 sept., - the first hybrid, digital and phisycal, event in Italy). 12 Organized Events are scheduled from September to December
- Signs of recovery also from Food, Stand fitting and Cleanings.

## COVID-19 Impact

- 11 organized events, 1 hosted event (Macfrut), 66 congresses and 2 sport events cancelled. Estimated impact on 2020's revenues: -60 M€;
- Impacts on revenues and margins of scheduled event are to be expected (uncertainty and limited international mobility);
- The Group will continue to:
  - cooperate with costumers and partners to organize the scheduled exhibitions and congress in the best and safe way;
  - improve plans to protect safety and health of stakeholders;
  - control financial and economic impacts of the crisis;
  - focus on protecting company liquidity to be ready to seize opportunities in next months (cash and available credit lines not less than 62) .

## Further Actions & Development

- Improvement of Digital Strategy with a new experienced Digital manager (from August 24<sup>th</sup>);
- Establishment of a dedicate team to support customers in applying for non-refundable grants to participate in our Events (Interministerial Decree of 7 September 2016 amended by the Interministerial Decree 11 June 2020 published in the Official Journal in July)
- M&A activities:
  - Binding agreement for 100% purchase of HBG Events FZ LLC (UAE) for fitness and sport events;
  - Project for a Merger of IEG and Bologna Fiere Group;



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