



1H 2020 RESULTS

CONFERENCE CALL - August 27th, 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
Total Events	0	80	-80	21	128	-107

Revenues Breakdown



REVENUES BY BUSINESS LINES (M€)

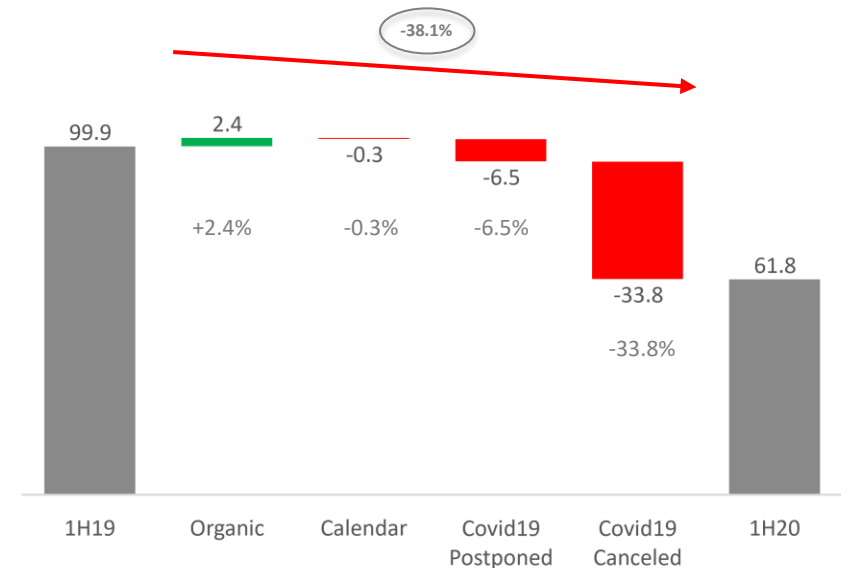
	2Q20				2Q19				Change							
	2Q20	2Q19	change YoY	% change YoY	1H20	1H19	change YoY	% change YoY	Organic		Calendar		COVID19 postponed		COVID19 cancelled	
Organized Events	0.4	7.7	(7.3)	(95.1%)	43.5	53.6	(10.2)	(19.0%)	2.6	4.9%	(0.2)	(0.4%)	(3.4)	(6.4%)	(9.1)	(17.1%)
Hosted Events	0.0	1.7	(1.7)	(100.0%)	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%)
Total Revenues	1.4	32.7	(31.2)	(95.6%)	61.8	99.9	(38.1)	(38.1%)	2.4	2.4%	(0.3)	(0.3%)	(6.5)	(6.5%)	(33.8)	(33.8%)

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 1st 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

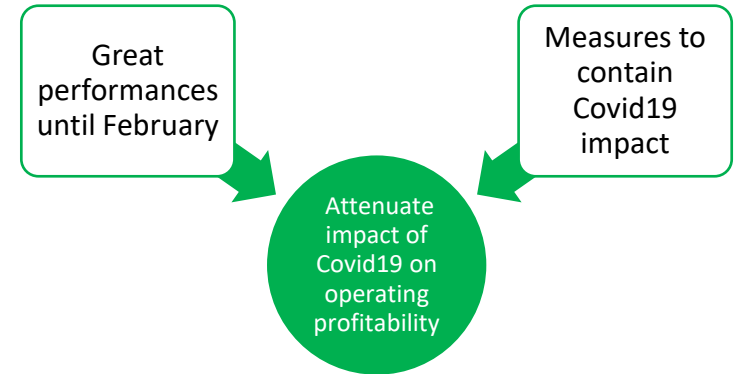
- Staff costs: efficiency and use of Government support (FIS)
- Reduction in fixed costs, (less activities and contracts review)
- Cost structure characterized by a high incidence of variable costs



Development

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

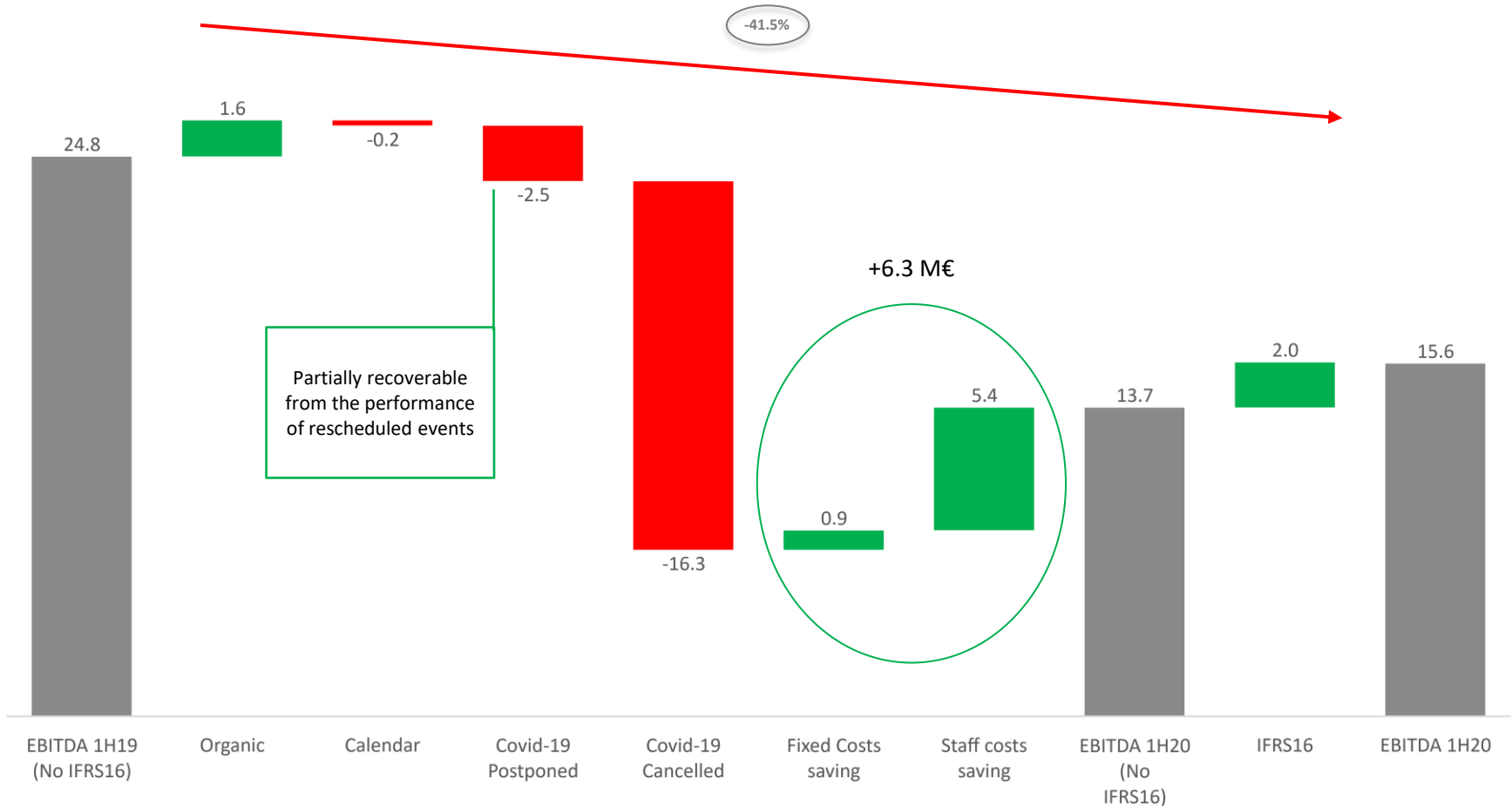
Income Statement (M€)	2Q20	2Q19	% change	1H20	1H19	% change
Revenues	1.4	32.7	-95.6%	61.8	99.9	-38.1%
Operating costs	(5.3)	(22.2)	-76.3%	(33.7)	(55.1)	-38.9%
Value Added	(3.8)	10.5	-136.6%	28.2	44.8	-37.2%
<i>% Value Added margin</i>	-268.2%	32.0%		45.5%	44.9%	
Staff costs	(3.9)	(9.1)	-56.9%	(12.5)	(18.1)	-30.9%
EBITDA	(7.7)	1.4	-656.6%	15.6	26.7	-41.5%
<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%
EBIT	(15.3)	(3.2)	+373.3%	3.4	17.8	-80.8%
<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%
Profit before Tax	(6.6)	(4.2)	+57.0%	10.8	15.2	-29.0%
<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%	
Net income	(2.5)	(2.4)	+5.7%	9.4	10.8	-13.1%
<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%
Parent Company	(1.5)	(2.8)	-44.9%	9.8	9.7	+1.2%



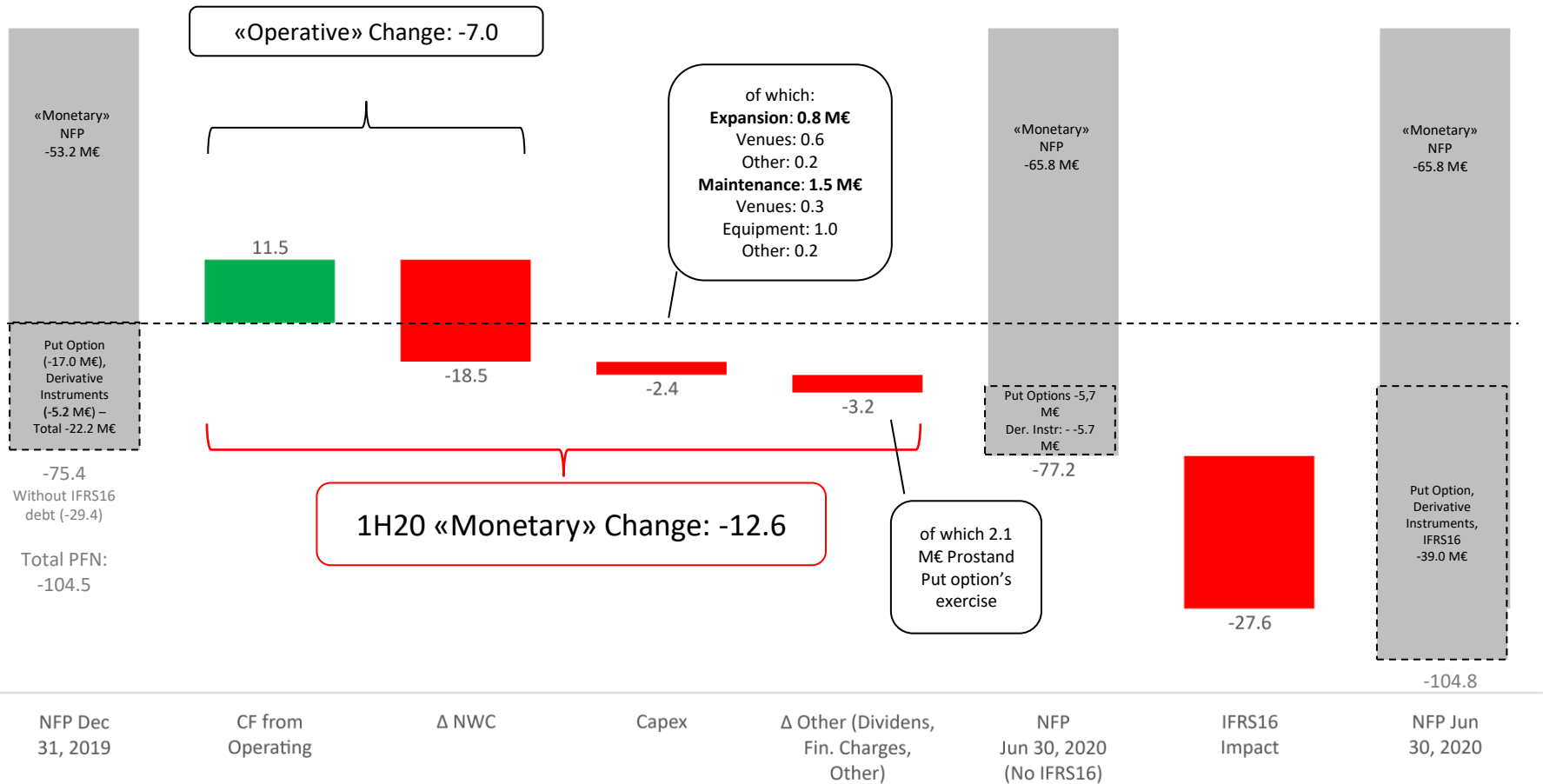
The results have been impacted by the following non-recurring items:

- 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 (1st Event on August 18th);
- Organized Event in September (1st 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 24th);
- 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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