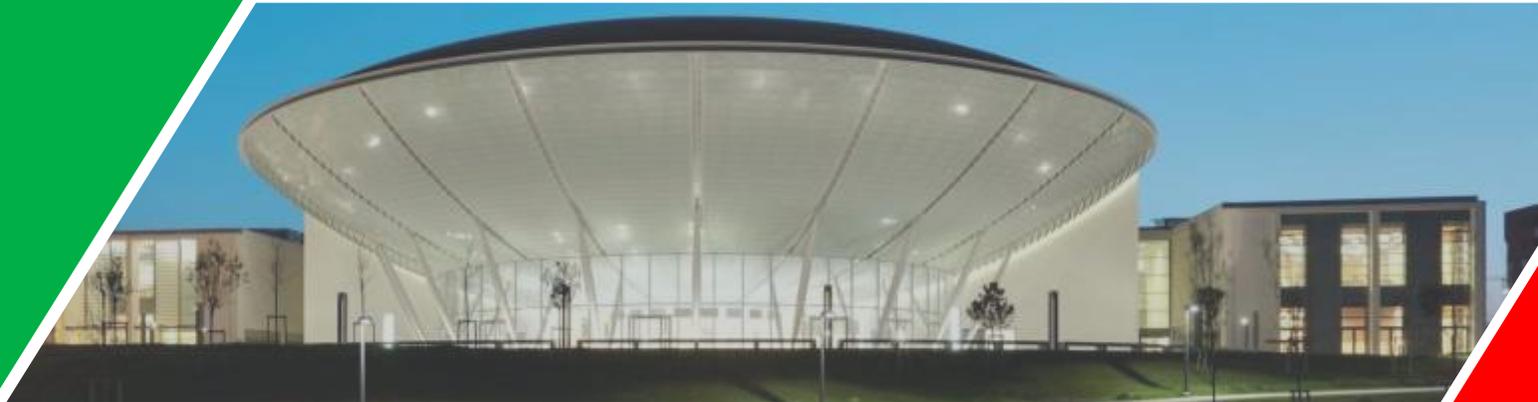


# COMMUNITY CATALYST

*The future of Exhibition Industry*

July 19<sup>th</sup>, 2022



STRATEGIC PLAN 2022-2027

# Strategic Plan 2022 - 2027

- I IEG at a glance & recent performances
- II Market Overview
- III IEG's Ambition and Strategic Assumptions
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# The Exhibition Industry

## ONE INDUSTRY, TWO DIFFERENT JOBS

### EVENT ORGANIZERS

#### THE OWNERS OF THE SHOWS

They make all decisions about the Event (where, when, format, contents, prices, audience ...)

They can move the show or geoclone it.

They have all the relationship with exhibitors, visitors, stakeholders ... (the Industry Community)

They have access to all digital transactions and information being generated by the community before, during and after the event

Revenues from spaces sold to exhibitors, services, advertising, sponsorship, ticketing, seminars, digital content.

**THIS IS THE RICHEST PART OF THE EXHIBITION BUSINESS**

### IEG MANAGES VENUES...



**...BUT MOSTLY WE ARE  
EVENT ORGANIZERS**

### VENUE MANAGERS

#### THE EXPO CENTRE MANAGERS

They rent the venue to organizers

They provide a certain kind of services to the organizers

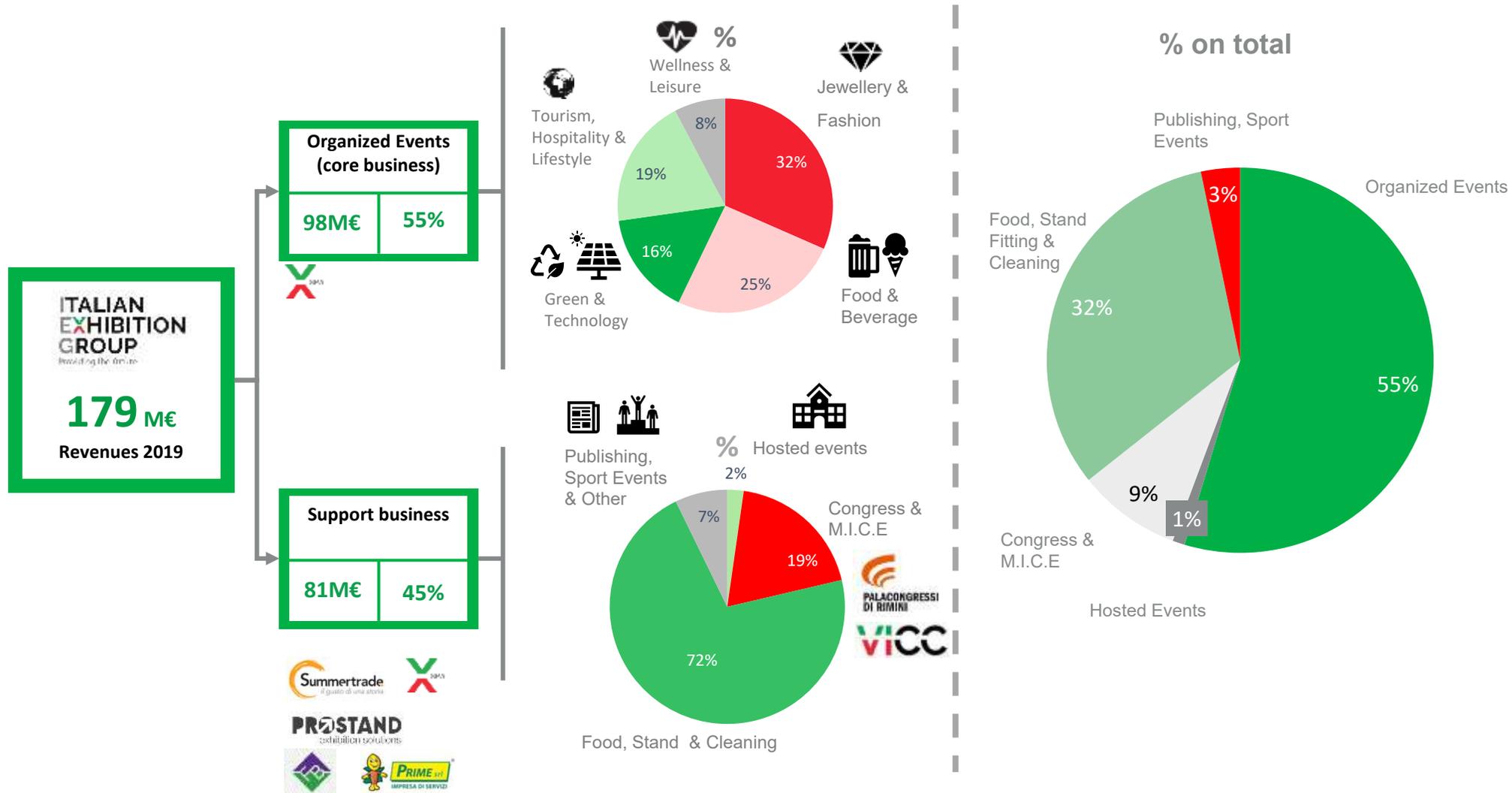
They have access to some digital transactions and information being generated by the community during the show.

Revenues from rental and services to the organizers, from services to visitors (es. food), general advertising .

**THIS IS THE EXHIBITION BUSINESS MOST CONNECTED TO LOCAL COMMUNITIES**

# Pre-Covid Group Revenues' breakdown

A diversified Portfolio – Focus on Organized Events



# Pre-Covid Group revenues' breakdown

## A history of growth stopped by Covid-19 pandemic

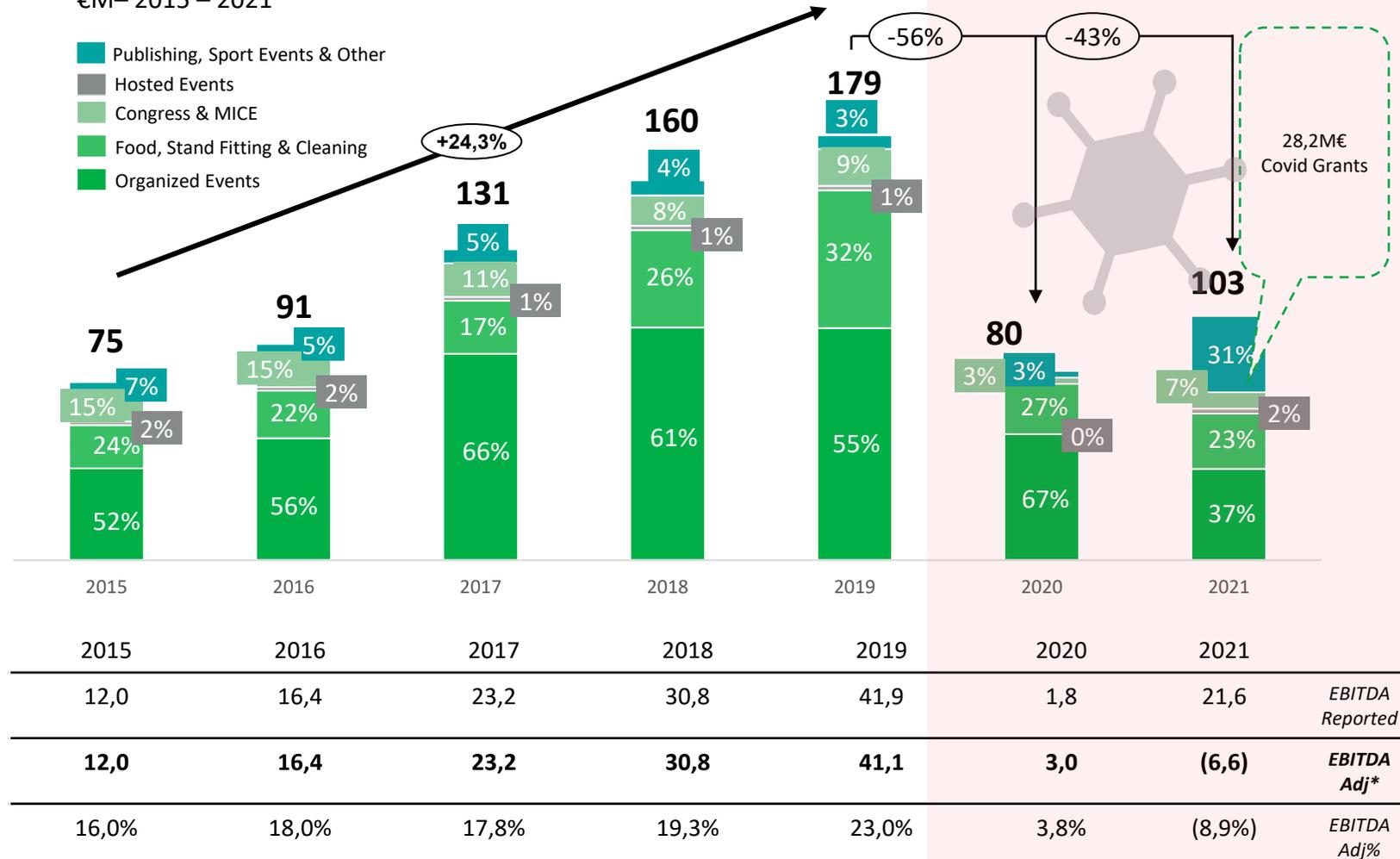
From **2015 to 2019** revenues **grew** with a CAGR of **24,3%** as effects both of organic growth and M&A.

In **2020** the revenues **decreased by 56%** compared to 2019, mainly due to **Covid-19 pandemic**, which caused really strenght restrictions that brought to the cancellation of most of the events scheduled.

**2021** have been impacted by Covid-19 pandemic **heavier than 2020** because of the different timing of the pandemic's restrictions related to IEG's exhibition calendar.

**Revenues Breakdown by Business Line**  
€M– 2015 – 2021

- Publishing, Sport Events & Other
- Hosted Events
- Congress & MICE
- Food, Stand Fitting & Cleaning
- Organized Events



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# Global Exhibition Market

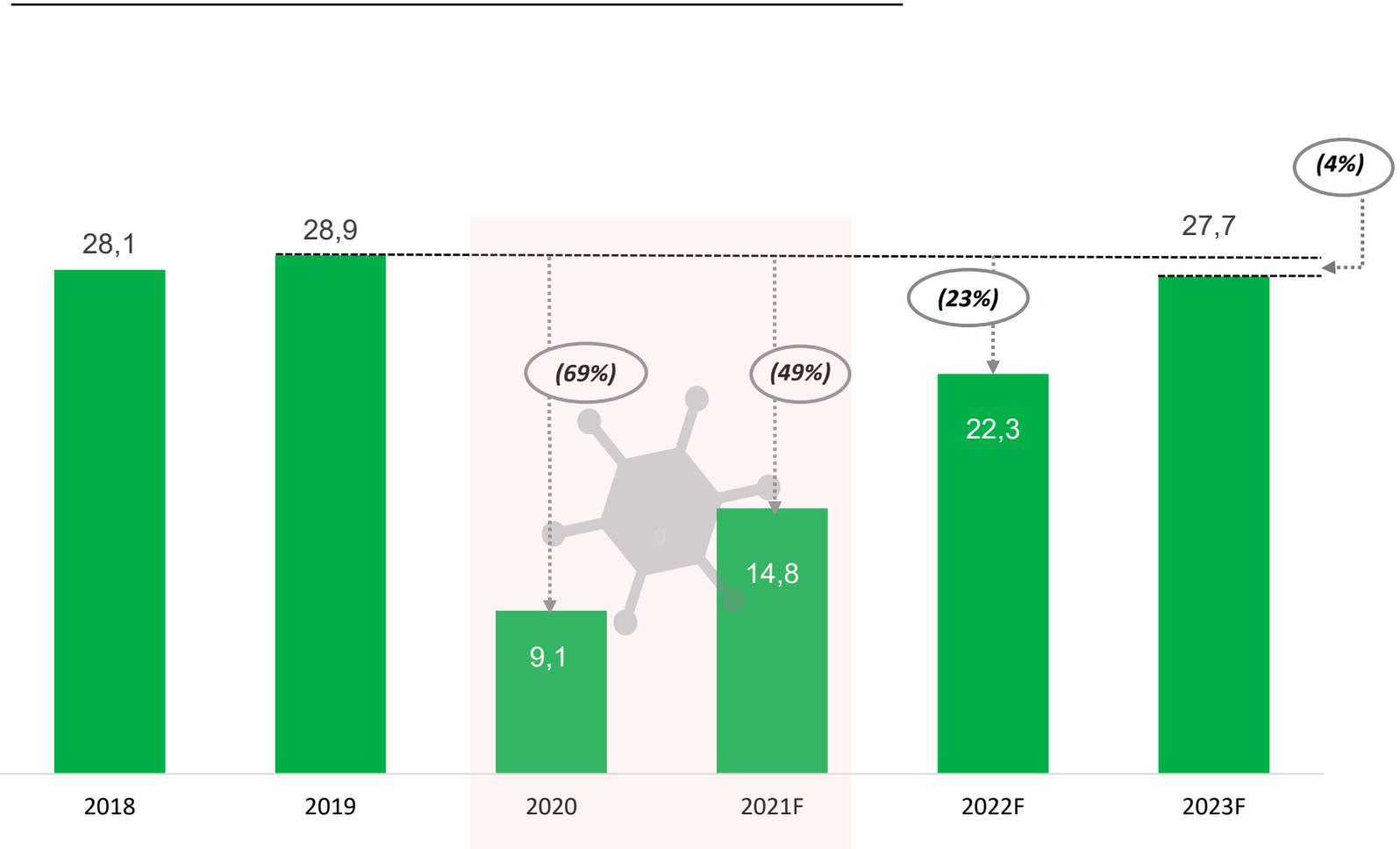
Overall market Forecast 2018-2023 (\$bn)

The Covid pandemic impact on the Exhibition Industry was (and still is) very relevant.

In many major markets, COVID restrictions has prohibited exhibition from taking place in a great part of 2020 and in H1 2021. In many countries (included, China, Italy and Germany) restrictions hit some shows in 1Q 2022.

Revenue loss has been driven both by volume effects (Net Square Meters sold) and weakness in NSM pricing.

In 2023, the exhibition market is expected to return to 2019 levels



# The most important players in the Exhibition Industry

● Pure organizers

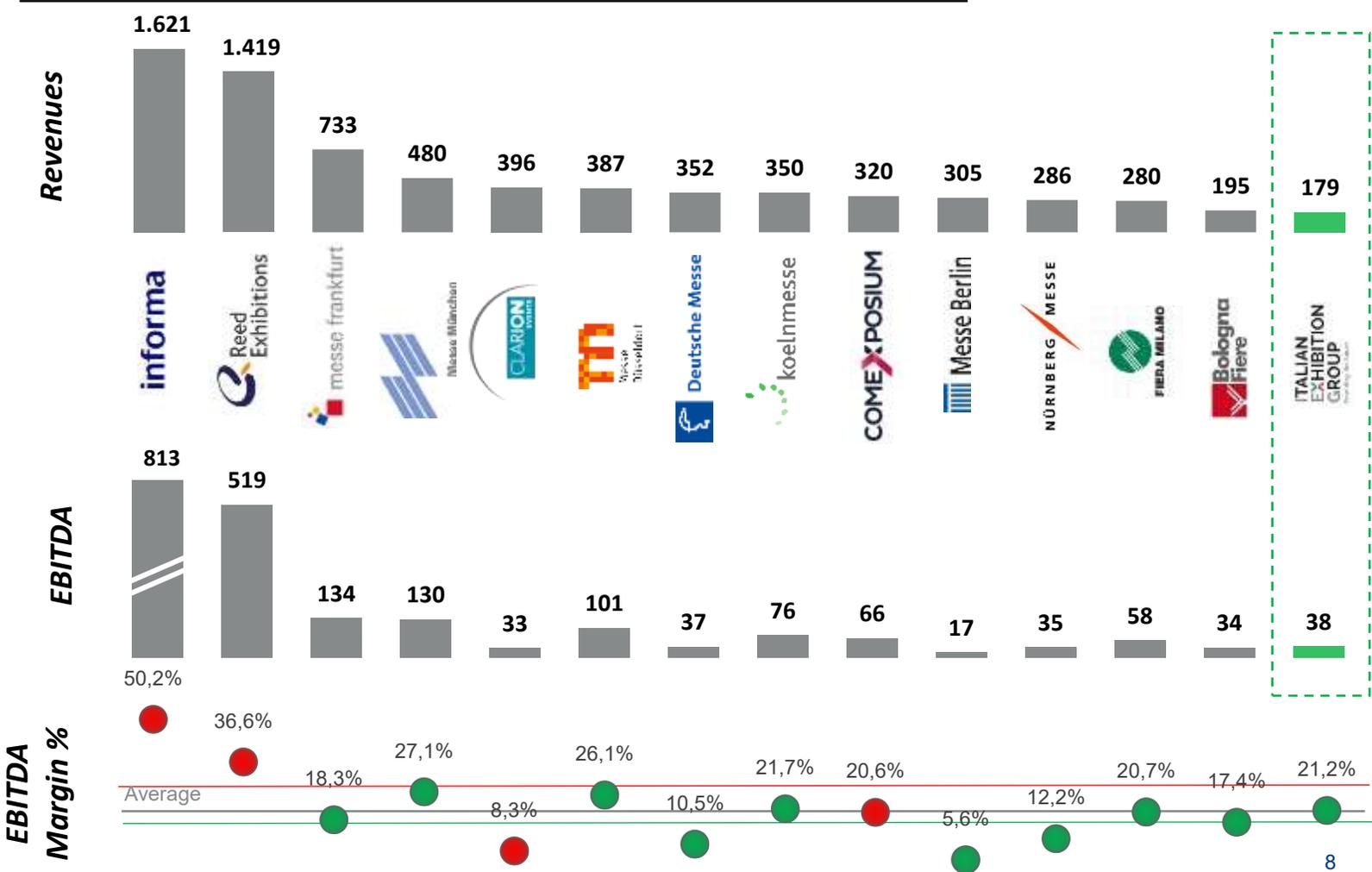
Organizers and venues managers ●

Pure organizers have considerably higher profitability on average than organizers managing venues.

Italian Exhibition Group, the Italian player with the highest relative profitability, ranks above the industry average.

The Ebitda Margin of Munich and Dusseldorf Exhibition Companies are the target to aim for

FY 2019, M€



Source: Orbis, Year Financial Report of singles companies. In Pure Organizers, only the exhibition segment was taken into account. Data without IFRS16 effects

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# IEG's Ambition to 2027



## Community Catalyst

Strengthen the leadership in Italy  
in the organization of events  
and become a global player

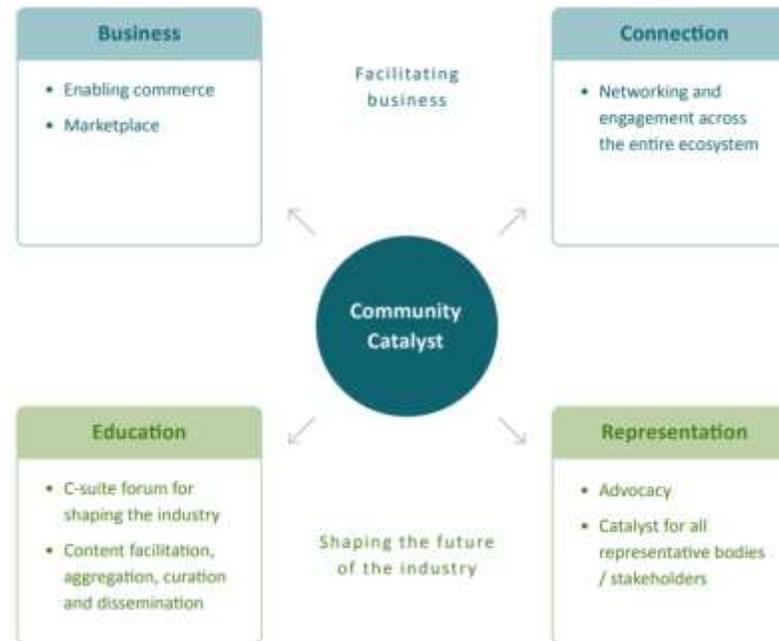
*Return to pre-pandemic levels (back to normal) between 2023-2024 and grow in business volume to reach the profitability of the world's top players in 2027, generating value for all stakeholders*

# Community Catalyst Role

Beyond the function of exhibition organizer, the Community Catalyst occupies a central, shaping role in the ecosystems it serves. Its ambition is dual: facilitating business and shaping the future of the industry.

## 1. Business facilitator.

On the one hand, this is about creating continual business opportunities by connecting buyers and sellers. It's also about gathering a broader set of industry stakeholders for networking, creating engagement and cross-pollination across the industry ecosystem. Both objectives are achieved through in-person events and continuous online channels, enabled by a seamless online to offline customer journey.



## 2. Contribute to the Shaping of the Industry's future.

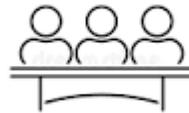
Community Catalysts also champion a long-term vision for the industry they serve. They become active facilitators of change rather than mere passive mirrors. By regularly gathering and engaging senior industry figures, they help shape the evolution of the industry. They are a platform for education, facilitating the curation and dissemination of content. They are also vocal advocates for the industry, connecting with all relevant institutional and government stakeholders. Fundamental to the Community Catalyst ambition is an in-depth understanding and long-term vision of the industries served, underpinned by the seamless recourse to a variety of in-person formats and channels. Community Catalysts are format-agnostic and omnichannel.

# Ecomondo, the Green Technologies Show, is already on its way to becoming a COMMUNITY CATALYST

DIGITAL  
INTERCATION  
DURING THE YEAR



SCIENTIFIC COMMITTEE TO OUTLINE THE  
FUTURE OF THE INDUSTRY



EDUCATION



INTRNATIONAL AND  
NATIONAL NETWORK OF  
EVENTS



# COMMUNITY CATALYST ENABLER

## GROUP FOCUS ON EVENTS ORGANIZATION

### Digitalization and Data Analysis

to connect the communities, share contents and collect data and information



### HR – New Organizational Model

consistent with mission as community catalyst - stronger specialization on industries



### International Platform

The Industry is international: it is a need to be present in more than one country to oversee the community and offer clients internationalization opportunities



### Venues Improvement in Quality and Dimensions

The community's main event is the show. We need venues that can offer adequate services and meet the growing demand for space from exhibitors



### Governance, Ethics, Sustainability

A community catalyst must be reliable and virtuous model for the entire industry



# IEG AMBITION TO 2027

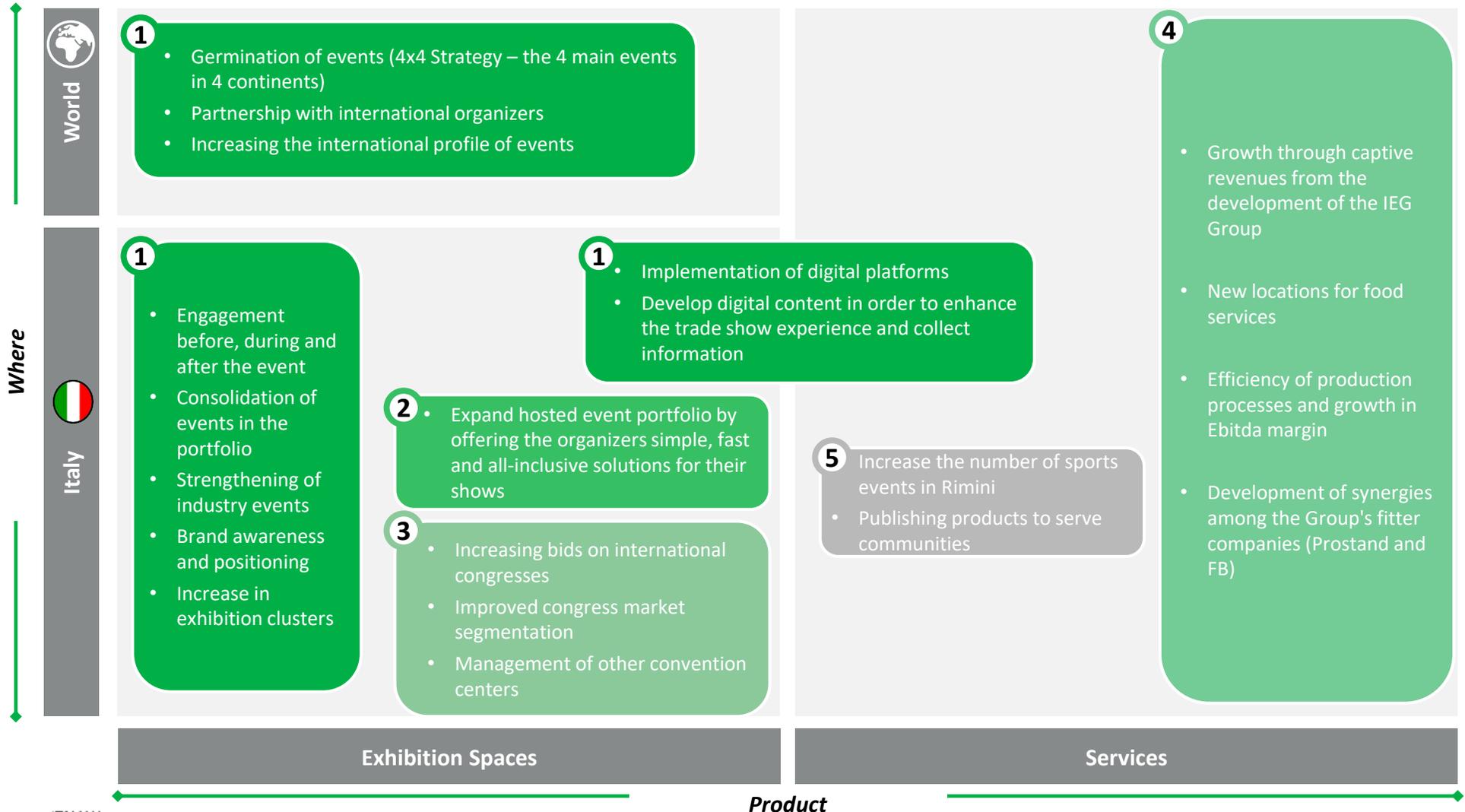
	2019	2021*	2023F	2027F
<b>Totale:</b>	<b>179 M€</b>	<b>74 M€</b>	<b>182 M€</b>	<b>267 M€</b>
<b>1 Organized Events</b>	<b>98 M€</b>	<b>38 M€</b>	<b>109 M€</b> 8M€ abroad	<b>165 M€</b> 16M€ abroad
<b>2 Hosted Events</b>	<b>2 M€</b>	<b>2 M€</b>	<b>3 M€</b>	<b>4 M€</b>
<b>3 Congress Events and MICE</b>	<b>15 M€</b>	<b>7 M€</b>	<b>14 M€</b>	<b>21 M€</b>
<b>4 Services (Food, Stand Fitting and Cleaning)</b>	<b>58 M€</b>	<b>23 M€</b>	<b>53 M€</b>	<b>72 M€</b>
<b>5 Publishing, Sport Events and Other</b>	<b>6 M€</b>	<b>4 M€</b>	<b>3 M€</b>	<b>5 M€</b>

ITALIAN  
EXHIBITION  
GROUP  
Providing the future

**267 M€**

Back to Normal in 2023 - development and growth from 2024

# Strategic Actions (for each line of business)



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# A massive investment plan to support the strategy



## MAINTENANCE

5,5 million a year (on average) of maintenance capex

**32,9 M€**



## EXPANSION

- Digital Transformation
- Expansion and quality standards for fashion shows in Vicenza's venue.
- Acquisition of strategic areas near Rimini expo centre
- Rimini's expo centre expansion to meet Sigeo's and Ecomondondo growth *(more details in Annex)*

**91,3 M€**



## M&A

This Strategic Plan considers only M&A projects that have been completed or are in an advanced state of negotiation.

**10,7 M€**

**134,9 M€**

100%



Done deal: 5,1 M€  
My Plant & Garden  
leg Brasil



80%



High chance:  
North America,  
Mexico, Canada



# A conservative and balanced investment timeline

## Uncertainty over the near future

Energy shock, war in Ukraine, shortage of raw materials makes the future very uncertain.

## Go no-go decisions only in 2023 and 2025

Decisions for expansion investment in Vicenza are to be taken in 2023 summer, with higher visibility on the international situation and confirmations on trends of jewellery shows. Investment on Rimini Expo Centre will be evaluated in summer 2025.

## Temporary Pavillions in Rimini

To support Ecomondo and SIGEP expansion, temporary pavillions will be rented in Rimini starting from 2025 autumn. Negative impact on P&L but more stability in financial position.



Decision



Start



End



Digital



Vicenza Venue Expansion



Rimini Venue Expansion



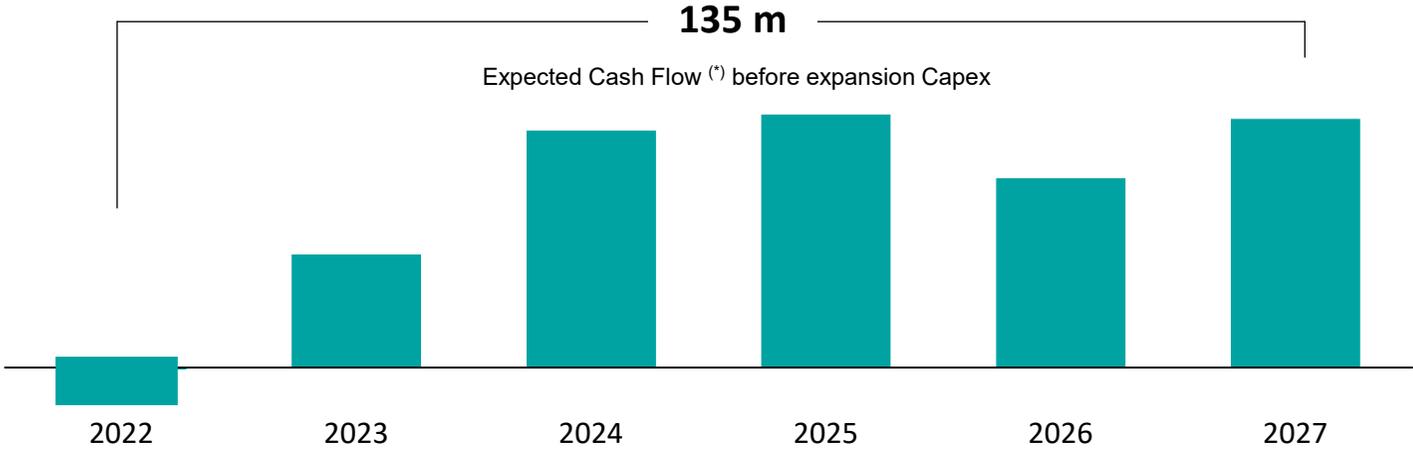
Strategic Areas



# Expansion & Investments plan financing

## 1° Group Cash Generation

The company Cash Flow will support the investment plan. The investment program is cautiously planned to reach the highest level of NFP at the end of FY 2022



## 2° Convertible Bond Hypotesis

To strengthen IEG's capital structure, the hypothesis of a convertible bond is being evaluated (along with others). This solution could provide the company with additional resources for M&A and development operations.



<b>Estimated Amount:</b>	<b>40 m.</b>
<b>Issue:</b>	<b>2024</b>
<b>Maturity:</b>	<b>2028</b>
<b>Other elements:</b>	<b>TBD</b>

**Final decision in summer 2023 in connection with determination on investment plans**

(\*) Monetary Cash Flow - changes in NFP without IFRS16 Impact, Put Options an Mark to Market value of Interest Rate Swaps

# Strategic Plan 2022 - 2027

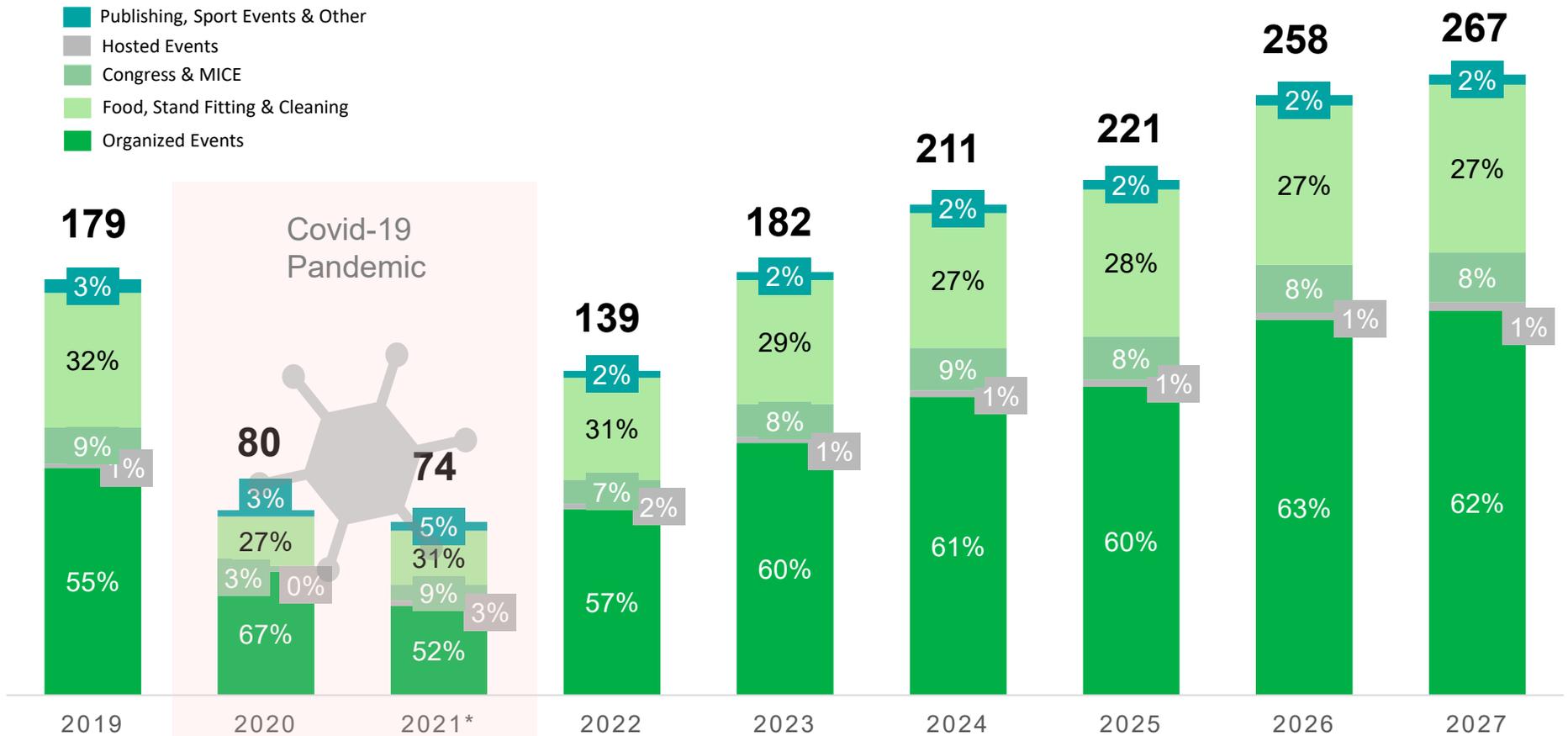
- I IEG at a glance & recent performances
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# Group Revenues

A growth driven by organized events...

Consolidated revenues

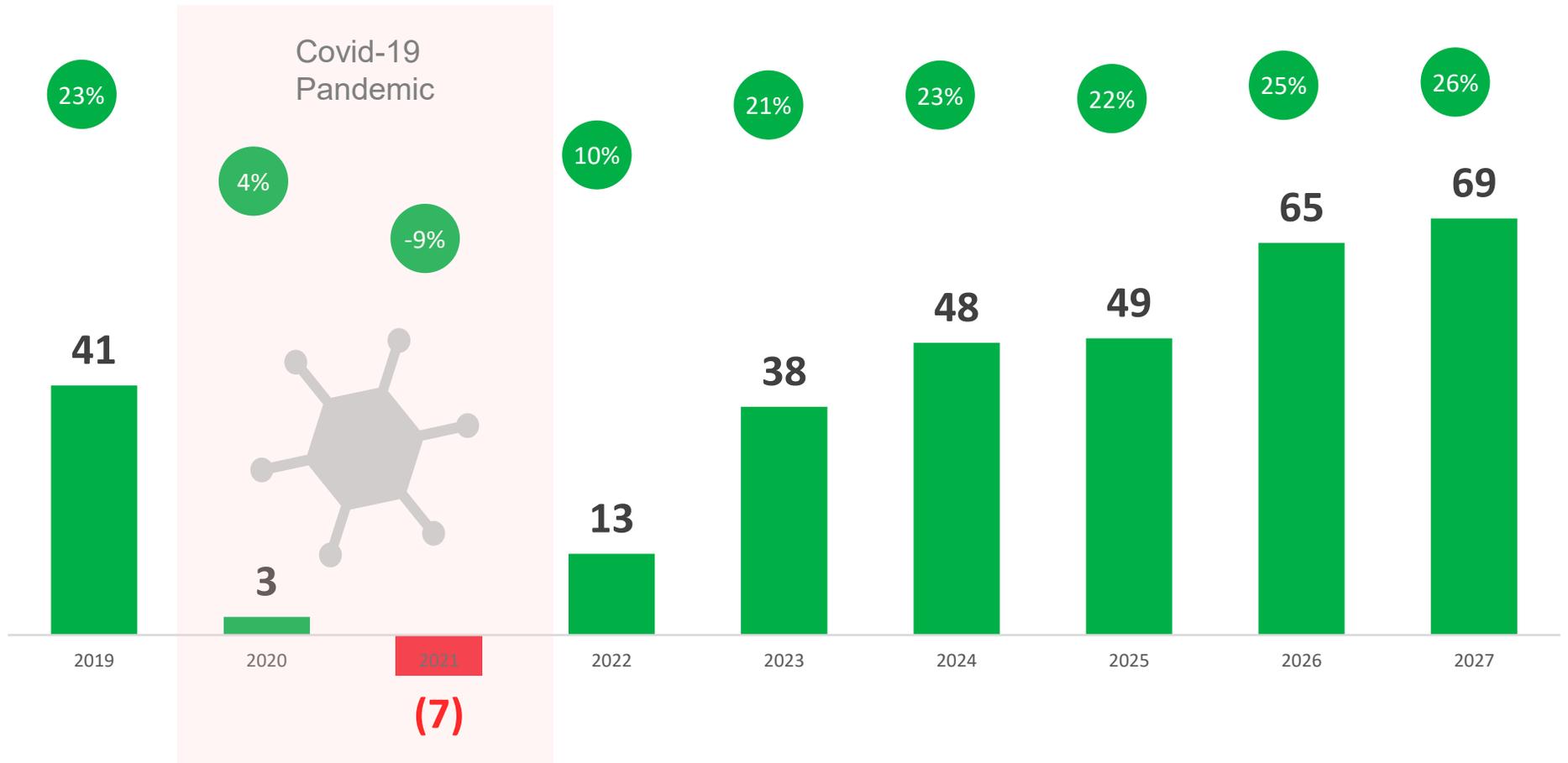
€M – 2019 - 2027



# Group EBITDA

... also reflected in Group profitability

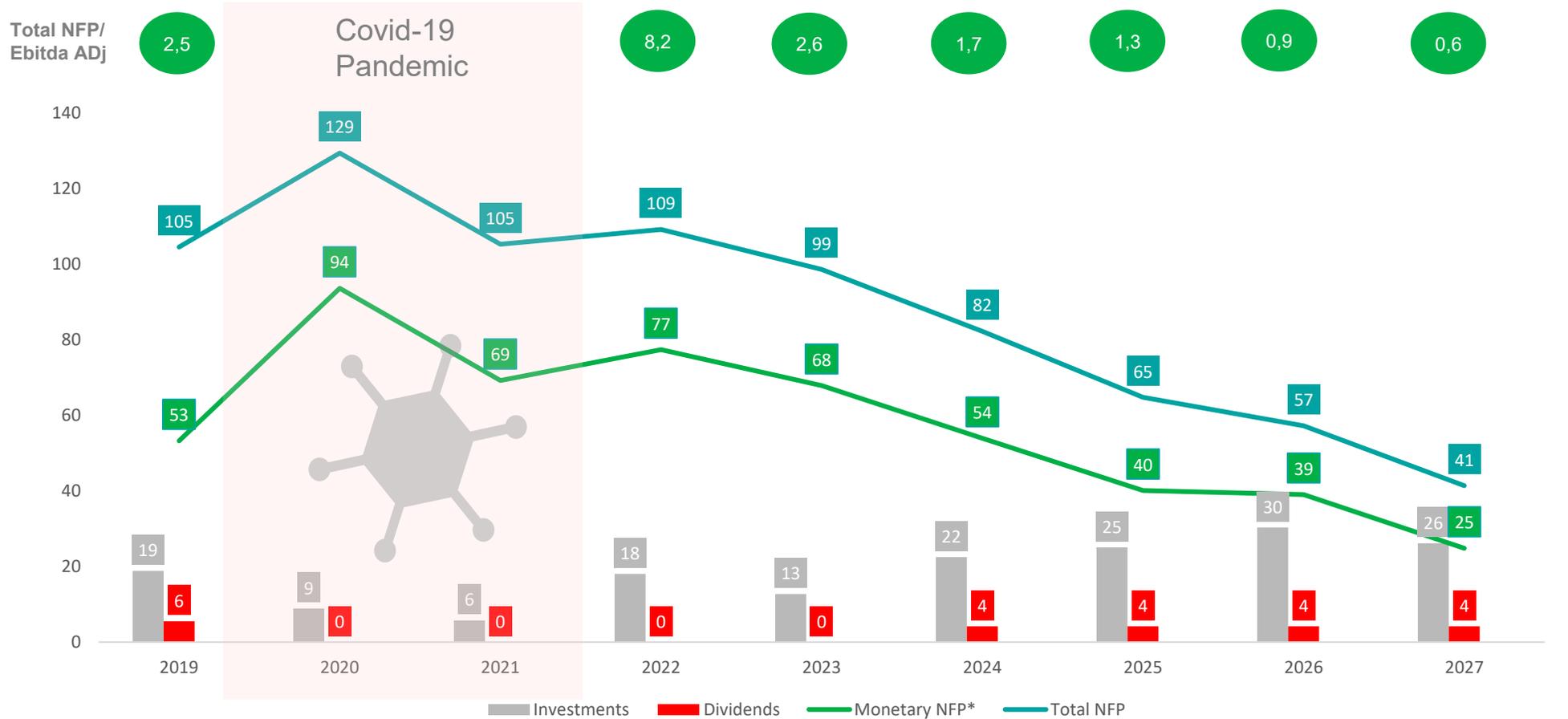
Consolidated Adjusted EBITDA and Consolidated Adjusted EBITDA Margin %  
€M – 2019 - 2027



# Group Net Financial Position

A gradual reduction from 2022 despite 135 €M investments and 17 €M of dividends

Consolidated «Monetary NFP\*» and Total NFP  
 €M – 2019 - 2027



(\*) Monetary NFP: NFP net of financial debts for IFRS16, derivative instruments and PUT Options

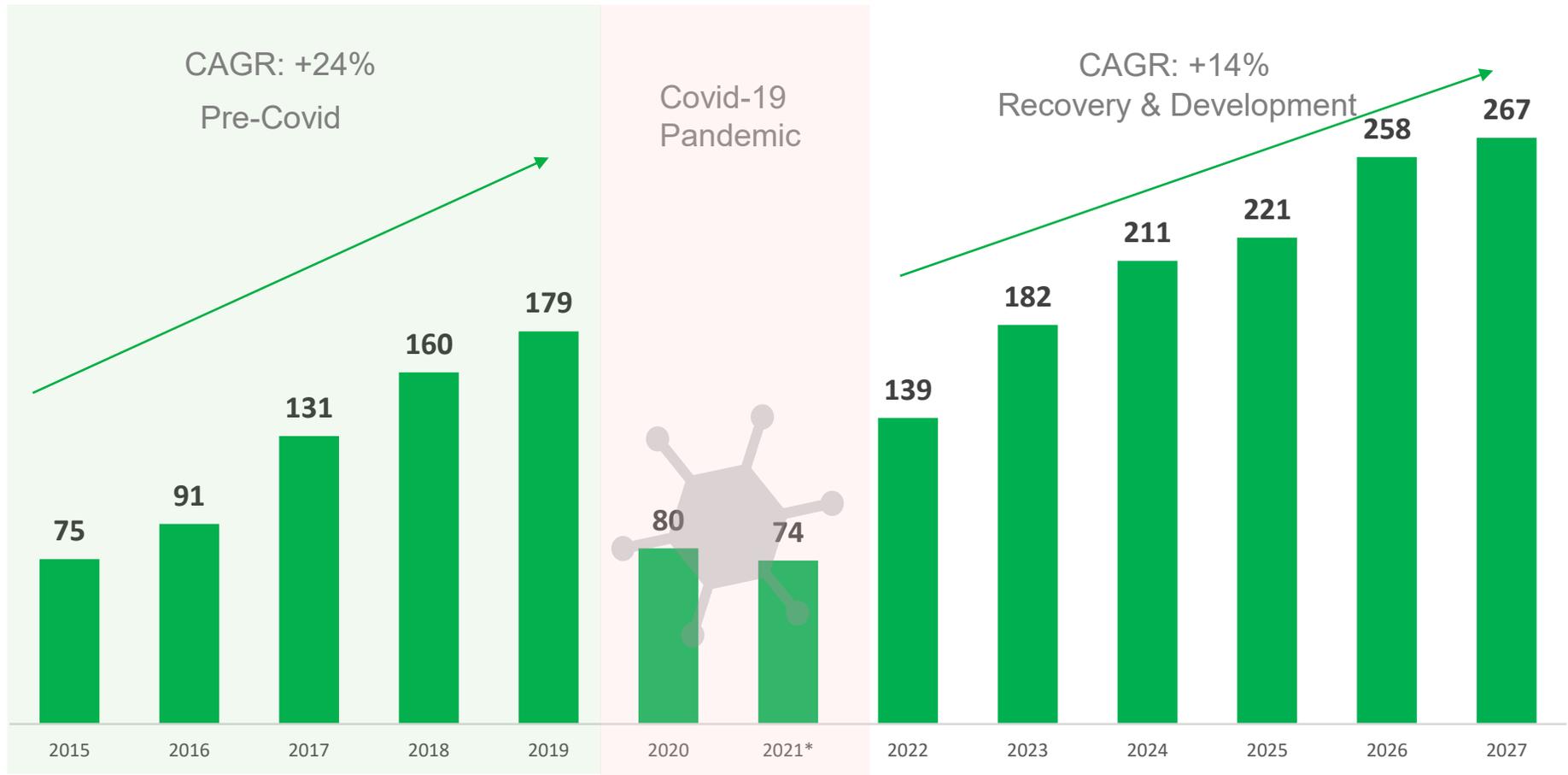
Estimation of the NFP includes several elements. The values shown must be taken within an approximate range of + or - 3 €M

# Group Revenues

A credible growth considered recent history

Consolidated revenues

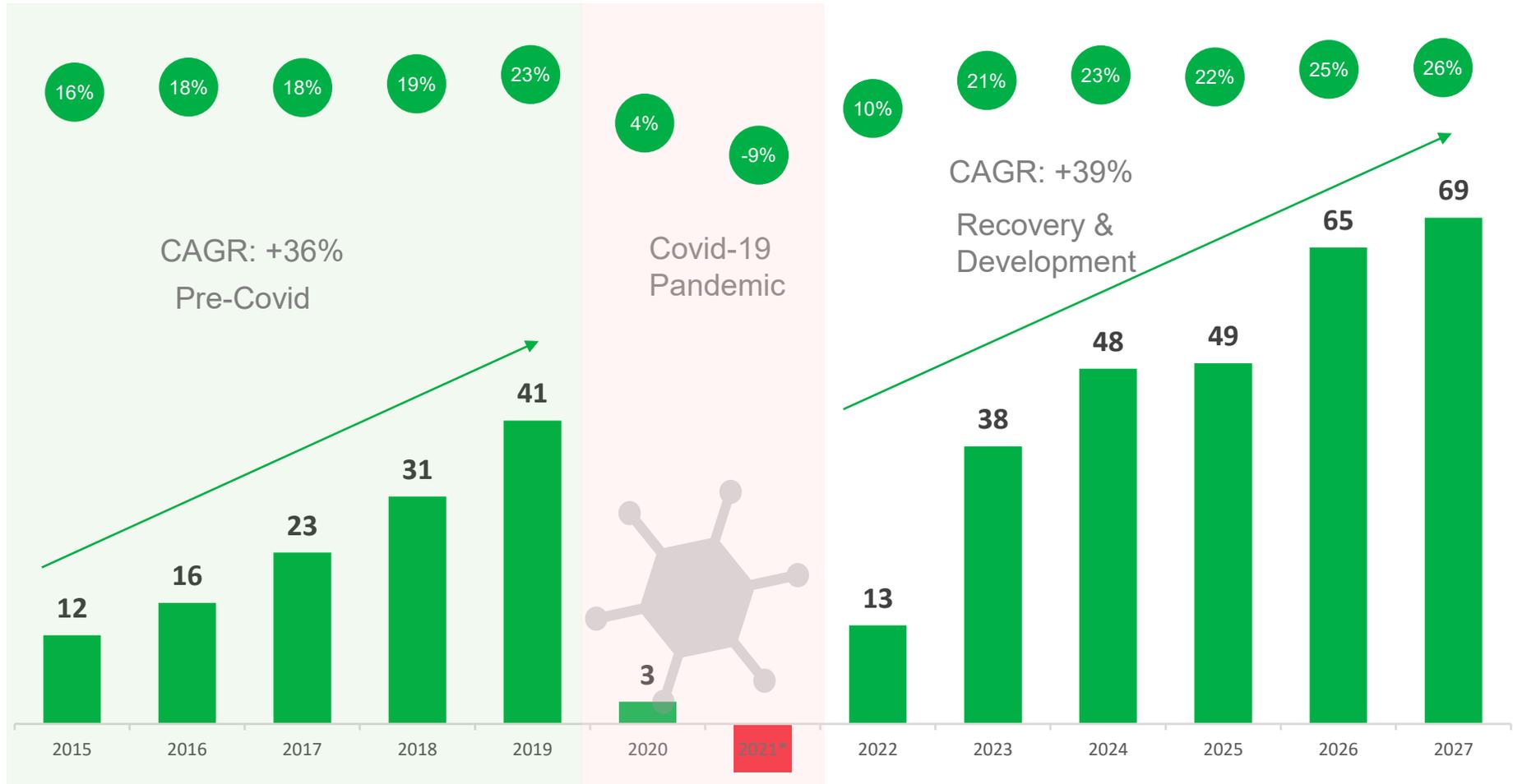
€M – 2015 - 2027



# Group EBITDA

A credible growth considered recent history

Consolidated Adjusted EBITDA and Consolidated Adjusted EBITDA Margin %  
€M – 2015 - 2027



(\*) Net of Covid-19 grant of 28,2 M€

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Annex

# Disclaimer

This presentation contains forward-looking information based on Italian Exhibition Group S.p.A. (the Company) management's current beliefs and expectations of future events and financial and operational performance of the Company's and its subsidiaries. These statements are based on current plans, estimates, projections and projects, and cannot be interpreted as a promise or guarantee of whatsoever nature.

Forward-looking statements involve inherent risks and uncertainties and are current only at the date they are made. We caution you that a number of factors, many of which are beyond the ability of the Company to control or estimate precisely, could cause the Company's and the Group's actual results and provisions to differ materially from those contained in any forward-looking statement. Such factors include but are not limited to: trends in Company's and Group's business, changes in the regulatory environment, different interpretation of the law and regulation and the expected level of future capital expenditures. Therefore, you should not place undue reliance on such forward-looking statements contained herein. The Company does not undertake any obligation to publicly release any updates or revisions to any forward-looking statements to reflect events or circumstances after the date of this presentation, except as otherwise required by applicable laws. The reader should, however, consult any further disclosures the Company may make in documents it files with Consob and/or with Borsa Italiana S.p.A..

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The Manager responsible for preparing the company's financial documents, Carlo Costa, declares that, pursuant to paragraph 2 of art. 154 bis of the Consolidated Law on Finance (TUF), the accounting information disclosures and data contained herein and related to financial years from 2015 to 2021, correspond to the Company's results documents and accounting entries and books.

# Annex

- I Expansion Capex – Digital transformation
- II Expansion Capex – Vicenza Expo Centre
- III Expansion Capex – Rimini Expo Centre
- IV Group chart at June 30<sup>th</sup>

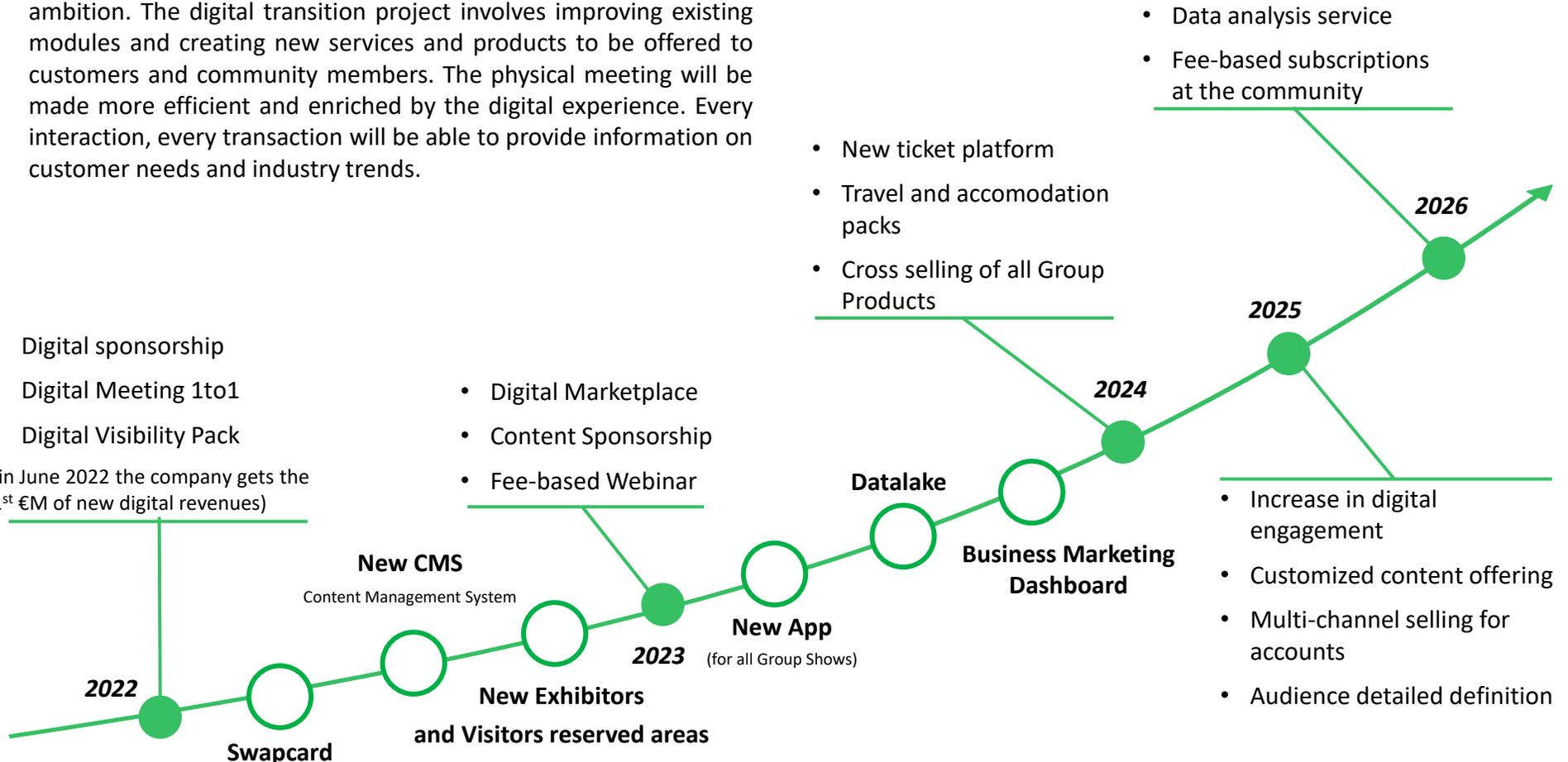
# Expansion Capex Digital Transformation

## Digital to support the physical experience

Digital infrastructure is essential to the Community Catalyst ambition. The digital transition project involves improving existing modules and creating new services and products to be offered to customers and community members. The physical meeting will be made more efficient and enriched by the digital experience. Every interaction, every transaction will be able to provide information on customer needs and industry trends.

- Digital sponsorship
- Digital Meeting 1to1
- Digital Visibility Pack

(in June 2022 the company gets the 1<sup>st</sup> €M of new digital revenues)



# Expansion Capex

## Vicenza Expo Centre

### Strategic reasons

#### EMPOWERMENT OF EXISTING SECTORS

##### *Jewelry Technologies (T-Gold)*

- Expansion of T-Gold January edition with introduction of new companies (especially foreign) and growth of high-potential segments (e.g., 3D printing)
- Launch of T-Gold September edition with introduction of content events (congress, summit, technology symposium)

##### *High Brand Jewelry (Icon)*

- Introduction of new top brand companies to strengthen the segment and consolidate offerings for ex-Baselworld buyers

##### *Contemporary Jewelry / Design (Look)*

- Complete the offer with new foreign companies (Europe) to grow interest in central and northern European buyers (to face competition with Inhorgenta Show)

#### NEW STRATEGIC SECTORS

##### *Watches*

Introduction of B2B watch area with focus on independent brands to gather ex-Basel offer from small-medium companies

#### RISKS AND OPPORTUNITIES

The Baselworld Show crisis has restarted strong competition in the Jewelry Exhibition industry in Europe. Thanks to international accreditation, Vicenza Oro can aspire to become the reference platform for jewelry in all components of the industry. To do this, it is necessary to have larger and higher-quality infrastructure.

# Expansion Capex Vicenza Expo Centre Project Description

As-is

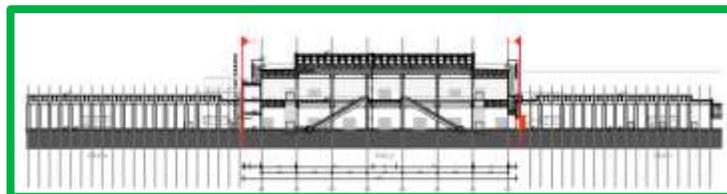
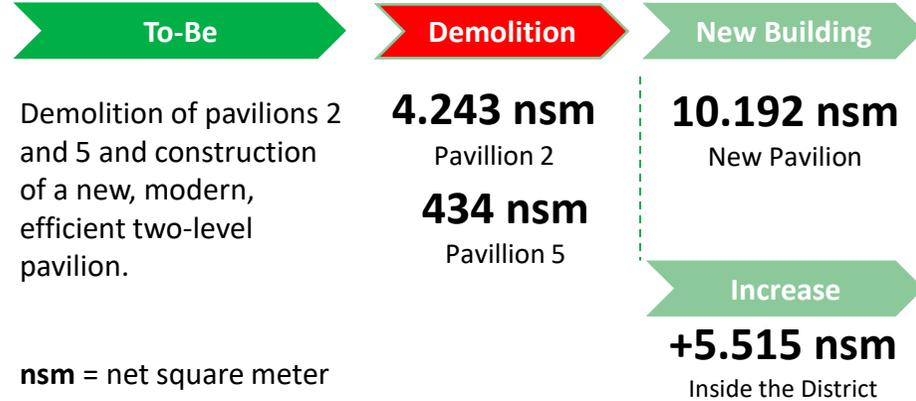
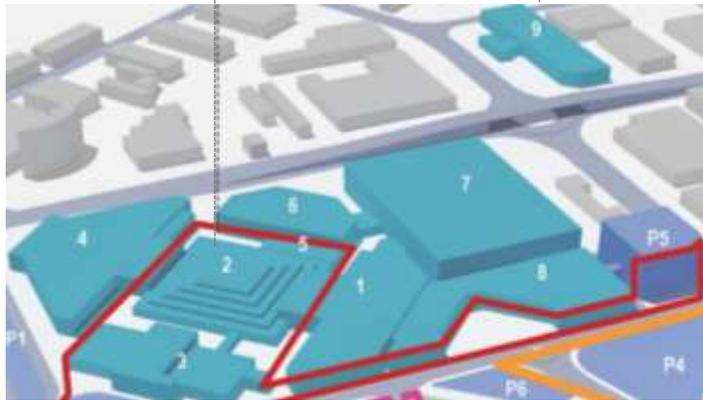
## PAVILION 2

built on 5 levels - absolutely inadequate (spiral path - low ceilings - columns - rising temperatures as you go up): only levels 0, 1 and part of lever 2 can be sold and at lower prices

## PAVILION 9

outside the expo district and not easy to reach (on foot you have to walk along high traffic roads with no sidewalk; the shuttle takes a long time because of traffic).

Exhibitors pretend to move in the district



# Expansion Capex

## Rimini Expo Centre

### Strategic reasons

#### SECURING THE EXPO DISTRICT

In the coming years, it will be possible to acquire the property of some land in the proximity of the Exhibition Centre. It is essential to secure control of these spaces for possible developments and uses (parking, open land exhibitions, ...) and to prevent other parties from putting them to uses that are not in line with the needs of the exhibition activity.

#### NEW PAVILLIONS TO SUPPORT SHOWS GROWTH

SIGEP, the dolce World Expo, organized in Rimini in January, had reached full occupancy of space in the last edition before the pandemic.

Ecomondo's high growth rates will, within a few years, bring the Event to a size that exceeds the capacity of the Expo Centre, despite the spin-off of the Key Energy event, until 2022 at the same time as Ecomondo.

The group of Events dedicated to Tourism and Hospitality that have grown up around TTG, will be joined by a new event dedicated to contract that has been made possible by the recent acquisition of the MyPlant & Garden event. These events will also require more space than available.

The new pavilions will be available by January 2028. Space needs arising in earlier years will be met with temporary pavilions.



# Expansion Capex Rimini Expo Centre Project Description



**Strategic Areas**

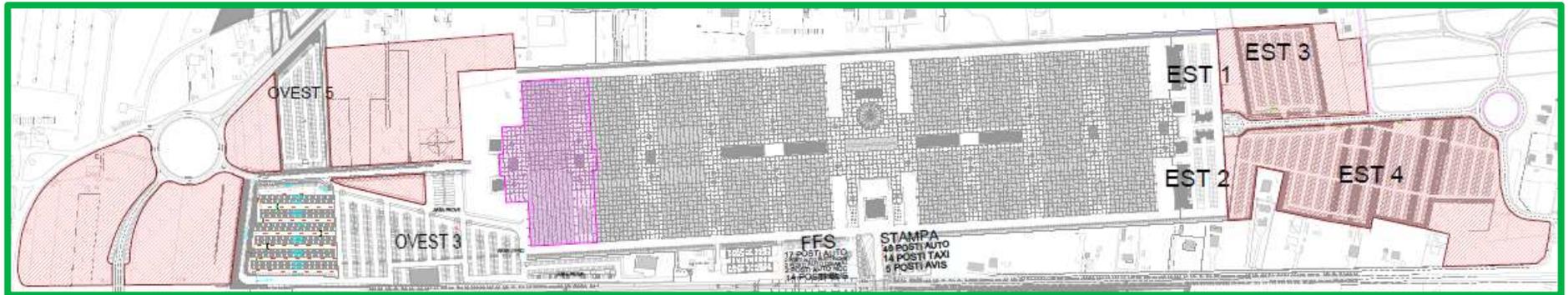


**New Pavilions**

**24.000 m<sup>2</sup>**  
Total built area  
(pavilions, new entrance,  
service spaces)

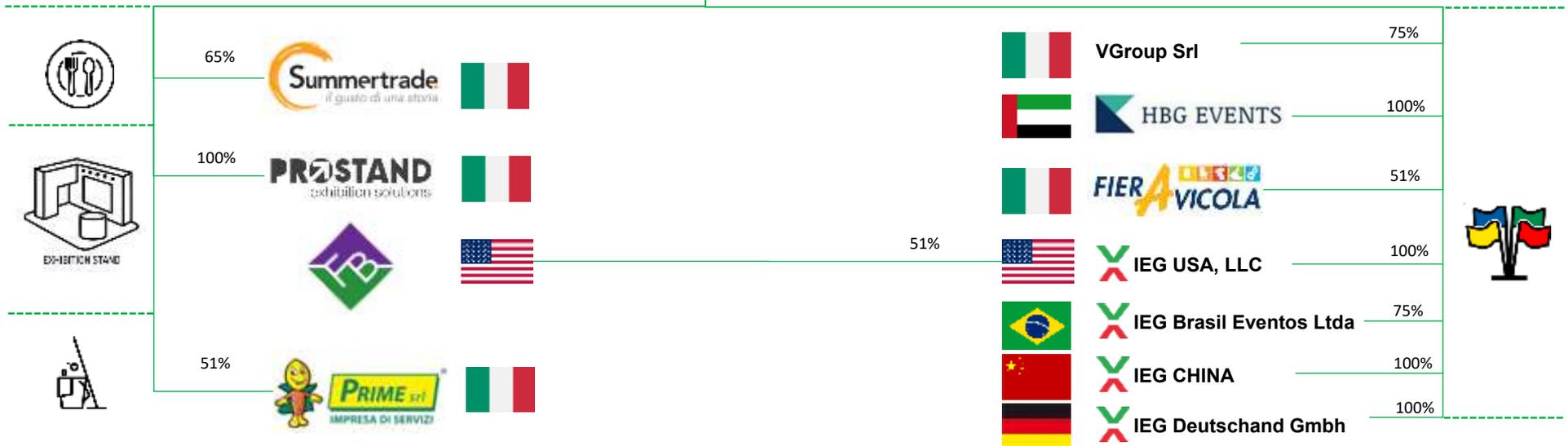
**8.700 nsm**  
New spaces  
available for sale

**To-Be**



# Group Chart at June 30<sup>th</sup>

## Consolidated companies



# Contacts

**Roberto Bondioli**

**[roberto.bondioli@iegexpo.it](mailto:roberto.bondioli@iegexpo.it)**

**+39 0541 744642**

**Martina Malorni**

**[martina.malorni@iegexpo.it](mailto:martina.malorni@iegexpo.it)**

**+39 0541 744452**

**[Investor.relations@iegexpo.it](mailto:Investor.relations@iegexpo.it)**

Italian Exhibition Group S.p.A.  
Via Emilia 155 – 47921 Rimini (RN)  
C.F. e n. iscrizione CCIAA della Romagna: 00139440408  
Capitale sociale 52.214.897 i.v.