



Press release

## ITALIAN EXHIBITION GROUP (Euronext Milan: IEG)

### THE BOARD OF DIRECTORS APPROVES THE DRAFT FINANCIAL STATEMENTS AND CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

- Revenues of € 161.9 million, +58.0% versus previous year;
- *Adjusted* EBITDA of € 18.1 million, *Adjusted* EBITDA margin at 11.2%, +16.8 pts compared to 2021;
- *Adjusted* EBIT of € 2.3 million (+ € 24.2 million) compared to the previous year;
- Net Financial Position of € 95.4 million;
- Fourth quarter 2022 revenues of € 55.8 million higher than pre-Covid.

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Rimini, 16 March 2023 - The Board of Directors of Italian Exhibition Group S.p.A. (Borsa Italiana S.p.A.: IEG), a company listed at Euronext Milan of Borsa Italiana S.p.A and a leading Italian company in the organization of international trade fair events, today approved its draft statutory financial statements and consolidated financial statements as at 31 December 2022.

**IEG Group CEO Corrado Arturo Peraboni commented:** " IEG Group closes 2022 with excellent results that mark the substantial recovery compared to the pre-pandemic scenario, recording, in the second half of the year, a better performance in terms of turnover than in 2019, as a result of solid organic growth in all business lines, and a progressive improvement in margins, still affected by inflationary phenomena. Despite the elements of uncertainty in the macroeconomic environment on expected global GDP growth, persistent inflation and rising interest rates, we are seeing good signs of growth in the sector in which we operate, which have also been confirmed by the success of the first events organized in early 2023, some of which achieved their best performance ever. We are therefore confident that we will achieve the goals of the business plan by pursuing our investment and development strategy, both domestically and internationally, through strategic partnerships, new acquisitions and expansion of our product."

## FINANCIAL HIGHLIGHTS OF THE YEAR

	31.12.2022	% of Revenues	31.12.2021	% of Revenues	Variation	Var. %
Revenues	161,941	100.0%	102,503	100.0%	59,438	58.0%
Adjusted gross operating margin (EBITDA)	18,068	11.2%	(5,734)	-5.6%	23,802	>100%
Adjusted operating income (EBIT)	2,274	1.4%	(21,921)	-21.4%	24,195	>100%
Profit/(Loss) for the year	(773)	-0.5%	(673)	-0.7%	(100)	14.9%
Net Financial Position (NFP)	(95,354)		(105,629)		10,275	-10%

Group **Revenues** as of 31 December 2022 stood at 161.9 million euros, an increase of 59.4 million euros (+58.0%) from 31 December 2021. In the previous year, non-recurring income of approximately 28.2 million was recognized for Covid-19 grants received. The increase in sales net of Covid grants is 87.6 million euros.

Financial year 2022 was characterized by a start of the year still negatively impacted by cyclical factors, primarily the resurgence of the Covid-19 pandemic, which forced the suspension of activity for most of the first quarter, while starting in the second half of the year, the sectors in which the Group operates showed strong signs of recovery, higher than expected, registering sales volumes, participation and satisfaction from operators, in some cases, higher than in the pre-pandemic scenario.

Organic revenue growth in 2022 was 26.5 million euros (+25.9% compared to 2021), driven mainly by higher volumes on events in the second half of the year and partly by price effects.

Revenue recovery related to the post-Covid restart (so-called 'Restart' effect) with the scheduling of cancelled, suspended, digitally held, or reduced events in 2021 amounted to 53.4 million euros (+52.1%), while incremental revenue for the biennial nature of some events contributed 4.3 million euros (+4.2%) to Financial Year 2022 revenues.

With reference to the Group's only operating segment such as "Hosting of trade fairs, events and performance of related services," revenue figures disaggregated by line of *business* are shown below:

	31/12/2022	%	31/12/2021	%	Variation	Var. %
Organized Events	88,158	54%	38,471	38%	49,687	>100%
Hosted Events	3,148	2%	2,078	2%	1,070	51%
Conferences	14,776	9%	6,894	7%	7,882	>100%
Related Services	51,286	32%	23,042	22%	28,244	>100%
Publishing, Sporting Events and Other Activities	3,883	2%	3,820	4%	63	2%
Non-recurring Income - Covid Contributions	690	0%	28,199	28%	(27,508)	-98%
<b>TOTAL REVENUES</b>	<b>161,941</b>	<b>100%</b>	<b>102,503</b>	<b>100%</b>	<b>59,437</b>	<b>58%</b>

Revenues from **Organized Events** were 88.2 million euros, an increase of 49.7 million compared to 2021, when the Group's activities had been suspended for most of the first half of the year. The share attributable to the "Restart" component affects 30.7 million euros, while the "Schedule" effect of 4.6 million euros is generated by biennial events such as 'Tecna' and 'IBE - Intermobility and Bus Expo,' partially offset by lower revenues from the scheduling of the 'Fieravicola' event. The organic growth achieved on this business line was 13.5 million euros. Organized Events suffered in the first half of 2022 from the effects of the latest pandemic wave induced by the Omicron variant of the Sars-Cov-2 infection, the peak of which occurred in January, the month in which important events such as 'Sigep', 'Vicenza Oro January' and 'TGold' are traditionally scheduled. Although no legislation has been introduced to prohibit trade fair-conferences, following discussions with the main stakeholders involved in the production and distribution chains of the companies taking part in the trade fairs of January and February, the Company decided to postpone the

events Vicenza Oro January, TGold, Sigep and Beer & Food Attraction, from the original dates, to March. The change in the schedule clearly resulted in limited participation of both domestic and international exhibitors and visitors, significantly penalizing the results of the first quarter of the year compared to the pre-pandemic environment.

The second quarter has seen certain important events back occupying the historic date, including 'Rimini Wellness', 'Oroarezzo' and 'Abilmente Primavera'. The first Solar Exhibition & Conference was also launched in April.

Beginning in the third quarter of 2022, the signs of recovery gradually strengthened, with exhibitors' and visitors' great interest in the 'Vicenza Oro September and VO Vintage' event: industry professionals rewarded the only organizer which, throughout the pandemic period, continued to promote meeting platforms and events and proved to be a catalyst for the needs of the goldsmith community. The event also achieved record foreign visitor numbers, a clear sign of the strategic importance of the event for the industry not only nationally but also internationally.

The business line represented by **Hosted Events**, through which the Group leases its exhibition facilities to clients operating in the event organization sector, generated revenues of 3.1 million euros and saw the holding of 10 events by third-party organizers. The growth recorded compared to 2021 is attributable in part to the excellent performance due to the return of the main events Macfrut and Expodental and in part to the acquisition of new events, also with a multi-year schedule, such as "Focus on PCB" and "YED" at Fiera di Vicenza; "We Make Future" at Rimini Fiera.

The **Congress Events** segment, carried out through the management of the facilities of the Rimini Palacongressi and the Vicenza Convention Centre (VICC), in 2022 records revenues of 14.8 million euros, an increase of 7.9 million euros compared to 2021, represented for 5.5 million by the so-called "Restart" effect and 2.4 million by organic growth. Congress Activity, which was also initially held back by the pandemic, saw a total of 122 events held between Rimini's Palazzo dei Congressi and VICC (Vicenza). The congressional business has been extremely responsive, demonstrating a rapid return to pre-pandemic record levels.

Revenues 2022 attributable to **Services** segment, for the provision of services linked to exhibition and convention events, reach a total revenue of approximately 51.3 million in 2022, an increase of 28.2 million compared to 31 December 2021. The increase was mainly due to the "Restart" effect of 17.0 million euros and organic growth of 9.4 million euros. The Related Services benefits from the recovery of the exhibition sector especially in the second half of the year.

The business related to **Publishing, Sports Events and Other Activities** mainly includes publishing activities carried out for the tourism sector (TTG Italia, Turismo d'Italia and HotelMag) and for the gold sector (VO+ and Trendvision). Revenues from the line amounted to 3.9 million euros, an improvement of 0.1 million euros from 3.8 million euros in 2021.

**Operating Costs** as of 31 December 2022 amounted to 108.0 million euros (53.9 million euros as of 31 December 2021), with the percentage of sales increasing from 52.6% (72.5% of sales normalized by the one-off effect of Covid contributions) to 66.7%. The volume recovery allows for a 5.8 percentage point improvement in the percentage of sales despite inflationary increases in material and transportation procurement costs on related services and energy costs.

The **Contribution Margin** recorded in the year amounted to 53.9 million euros, up 5.3 million euros compared to the previous year (48.6 million euros). Net of the positive effect of Covid contributions, Value Added improves by 5.8 percentage points compared to 31 December 2021 from 27.5% to 33.3% recorded

in 2022.

**Labor costs** amounted to 38.1 million euros (23.5% of revenues), up 11.1 million euros compared to the 27.0 million euros (26.3% of revenues) recorded as of 31 December 2021, in which it was contained by the effects of social shock absorbers, the absence of variable components of wages and lower business volumes.

**Adjusted EBITDA**, amounted to 18.1 million euros, an improvement of 23.8 million euros compared to 2021, when it was negative 5.7 million euros. EBITDA Margin as of 31 December 2022 returns to double digits at 11.2%, also improving on plan forecasts. In financial year 2022, particularly in the second half of the year, the Group recovers 16.8 percentage points due to higher volumes attributable not only to the post-pandemic restart, but also to organic growth that, in financial year 2022, was only able to partially recover the inflation-related increase in energy and material costs through tariff adjustments.

**EBIT** as of 31 December 2022 closes at a break-even point, while in the previous year it was 2.8 million euros. Net of the Covid contribution and non-recurring income and expenses, **Adjusted EBIT** for financial year 2022 was 2.3 million euros, an improvement of 24.2 million euros from 31 December 2021.

**Net Financial charges** is positive by 0.5 million euros and improves by about 4.4 million euros compared to 2021. The change is mainly attributable to the fair value of derivative financial instruments, an improvement of 2.0 million euros over 2021, and 1.7 million euros to lower charges related to the fair value of put options.

**Earning Before Taxes** amounted to 0.6 million euros, an improvement of 1.6 million euros compared to 31 December 2021.

**Income Taxes** for 2022 amounted to 1.3 million euros while in 2021 the tax income recognized amounted to 0.4 million euros.

Group's Period **Result** was a loss of 0.8 million euros, broadly in line with the loss recorded in 2021 of 0.7. The **Profit for the Period attributable to the shareholders of the Parent Company** is positive, amounting to 0.8 million euros compared to 1.6 million euros in 2021.

**Net Invested Capital**, at 189.5 million euros (199.0 million euros as of 31 December 2021), shows a decrease of 9.5 million euros, of which 6.7 million euros is an incremental change on fixed assets and 17.0 million euros on Net Working Capital.

**Fixed Assets** (253.6 million euros as of 31 December 2022) marks an overall increase of 6.7 million euros mainly attributable to the acquisition of the subsidiary VGroup S.r.l. which resulted in the recognition of provisional goodwill of 2.9 million euros, while the change in financial assets of 3.9 million euros is mainly represented by the increase in unconsolidated equity investments, including the investment in IGECo S.r.l. for 3.4 million euros, against the acquisition of a 50 % stake in the company in a joint venture with Deutsche Messe AG (DMAG).

Negative **Net Working Capital** and amounting to 57.2 million euros as of 31 December 2022, shows an increase of 17.0 million euros in relation to higher advance payments recorded against advances from customers for events to be held in the first quarter of 2023, and which in the previous year were more restrained due to reduced activity caused Covid.

Group's **Net Financial Position** as of 31 December 2022 was 95.4 million euros, an improvement of 10.3 million euros compared to 31 December 2021. Operating cash generated in the year amounted to 19.6 million euros. Capital expenditures for the period amounted to 6.3 million euros and mainly related to routine maintenance of the fairgrounds and facilities of the production companies, as well as investments on

information systems and digitization projects. Development investments completed through acquisitions totalled 6.6 million euros and related to both expansion in the Italian market with the acquisition of VGroup and expansion in the international market with the investment in the joint venture with Deutsche Messe AG.

## QUARTERLY PERFORMANCE

	Q422	% of Revenues	Q421	% of Revenues	Variation	Var. %
Revenues	55,833	100.0%	59,982	100.0%	(4,149)	-6.9%
Adjusted gross operating margin (EBITDA)	11,177	20.0%	6,369	10.6%	4,808	75.5%
Adjusted operating income (EBIT)	8,398	15.0%	1,821	3.0%	6,577	>100%
Profit/(Loss) for the period	8,096	14.5%	18,385	30.7%	(10,289)	-56.0%

Fourth quarter 2022 recorded **Revenues** amounting to 55.8 million euros, net of non-recurring items represented by Covid contributions amounting to 17.9 million euros. The change in turnover compared to the same quarter 2021 is 13.8 million euros with an increase of 32.7 %, a result that marks not only full recovery, but also that the pre-pandemic levels have been exceeded. The growth was driven by the excellent performance of events such as 'Ecomondo and Key Energy,' in their last edition at the same time, which recorded record results in terms of occupancy, volumes and feedback from the *community* and institutions. On the international front, the 'Wellness' segment contributed to fourth quarter sales with two events in the Middle East and South America, respectively. More specifically, the 'Dubai Muscle Show' was held in October at the Dubai World Trade Center in Dubai. The event showed strong growth results on 2021 and great potential for development, while in November the first edition of 'BTTF - Brasil Trading Fair' was held in São Paulo, Brazil.

	4Q 2022	%	4Q 2021	%	Variation	Var. %
Organized Events	37,355	66.9%	26,011	43%	11,344	44%
Hosted Events	-	0.0%	88	0%	(88)	(100%)
Conferences	5,776	10.3%	3,619	6%	2,157	59.6%
Related Services	11,097	19.9%	11,468	19%	(371)	(3.2%)
Publishing, Sporting Events and Other Activities	1,598	2.9%	900	1%	699	77.7%
Non-recurring Income - Covid Contributions	7	0.0%	17,896	30%	(17,889)	(100%)
<b>TOTAL REVENUES</b>	<b>55,833</b>	<b>100.0%</b>	<b>59,981</b>	<b>100%</b>	<b>(4,148)</b>	<b>(6.9%)</b>

**Adjusted EBITDA**, achieved in the fourth quarter of the year reached 11.2 million euros, an improvement of 4.8 million euros compared to 2021 (6.4 million euros). **EBITDA Margin** as of 31 December 2022 returns to double-digit and pre-pandemic levels standing at 20.0% despite inflationary increases that sharpened in the second half of the year.

**Adjusted (EBIT** for the fourth quarter was 8.4 million euros, an improvement of 6.6 million euros compared to 31 December 2021.

The last quarter of the year closed with a **Profit** of 8.1 million euros, net of the Covid contribution, an improvement over the fourth quarter 2021 of 7.6 million euros.

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## SIGNIFICANT EVENTS OF THE YEAR

### Governance

On 18 July 2022, Marino Gabellini - Sole Director of Rimini Congressi S.r.l. - tendered his resignation from the office of Director, considering, with the approval of the 2022-2027 business plan. Gabellini was appointed from the list submitted by Rimini Congressi S.r.l., he did not qualify as an independent director and did not hold positions on the committees formed within the Board of Directors. In lieu of Marino Gabellini, on 29 August 2022, having obtained the opinion in favour of the Board of Auditors, the Board of Directors coopted Gian Luca Brasini as independent Board member until the next Shareholders' Meeting, in accordance with article 2386 of the Italian Civil Code.

On 14 November 2022, the Board of Directors, having obtained the opinion of the Board of Statutory Auditors, appointed Teresa Schiavina, the company's CFO, as Financial Reporting Officer following the resignation of Carlo Costa.

### Acquisitions

During the year, the Group finalized both corporate and international acquisition and development transactions as outlined below.

- On 24 March 2022, IEG Deutschland GmbH was established to develop the Group's international sales network.
- On 28 May 2022, 75% of the capital of V Group S.r.l., which organizes the MyPlant & Garden event, was acquired for a consideration of 3.4 million euros.
- On 8 October 2022, the remaining 50% of the share capital of Eagle Ltd. was purchased, later renamed IEG China Ltd. a Shanghai-based company that will oversee the Group's international development in China. The acquisition consideration was approximately 2.0 million Renminbi.
- On 11 October 2022, an agreement was signed for the acquisition of a 50% stake in Italian German Exhibition Company S.r.l. - IGECO S.r.l. for a consideration of approximately 3.0 million euros from the selling company Hannover Fairs International GmbH, which resulted in the establishment of a joint venture with Deutsche Messe AG (DMAG). Following this transaction, IEG and DMAG hold equal shares in Italian German Exhibition Company S.r.l. – IGECO S.r.l., jointly controlling the companies Hannover FAIRS (Canada) Inc. (with registered office in Ottawa), Hannover FAIRS USA, Inc. (with registered office in Springfield) and Hannover FAIRS Mexico S.A. de C.V. (with registered office in Leon). The joint venture aims to develop jointly with Deutsche Messe AG (DMAG) exhibition events in the geographical areas where the joint venture subsidiaries operate.
- On 21 October 2022, the company IEG Asia with registered office in Singapore was established to develop the Asia Pacific market.
- On 13 January 2022, an agreement was also signed with Koelnmesse GMBH to organize the Sigep China event within AnuFood China starting in 2023.
- On 24 January 2022, the subsidiary IEG Brasil finalized the purchase of the brand and assets of BTTF, an event that expands IEG's portfolio in the Wellness sector and whose first edition is scheduled to take place in November 2022 in São Paulo.

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## SUBSEQUENT EVENTS

On 10 March 2023, the Group obtained a positive response to the "waiver" request made to the pool of lending banks, for a waiver of compliance with the financial constraints for the year 2022 and in particular the "Leverage Ratio" constraint, which is not met due to a beginning of the year characterized by a resurgence of Covid-19 infections. The loan agreement, which is the subject of this waiver, was signed on 16 April 2020,

and, as of 31 December 2022, has an outstanding debt of approximately 10.2 million euros, which in this statement of assets and liabilities position is classified entirely as short-term in compliance with IAS 10.

On 27 February 2023, the acquisition of a business unit containing the assets for the Singapore International Jewellery Event (**SIJE**) and Café Asia and Sweets & Bakes Asia & Restaurant Asia (**CARA**) two events that complete the Group's portfolio in Southeast Asia in the jewelry and *food* sectors was finalized. The cost of the acquisition consists of a fixed price portion, amounting to approximately 1.1 million euros, and a variable price portion, estimated at 1.1 million euros, to be paid in three tranches, based on the results achieved by the events to be held in 2023 and 2024.

## OUTLOOK

The forecasted macroeconomic scenario for 2023 is marked by uncertainty. The lingering inflationary pressure and the consequent tight monetary policies, as well as the global geo-political tensions caused by the still ongoing conflict between Russia and Ukraine, play their part in curbing growth and the post pandemic full recovery of the Group reference market expected, globally, in 2024.

Against this backdrop, despite the above effects, 2023 started with sound growth compared to the pre pandemic scenario. Booking targets for first half of 2023 have been already overachieved in the first months of 2023. IEG Group, thanks the faster pace of market recovery, started in the second half of 2022, which allowed the overachievement of Business Plan Targets in 2022, is confident to meet also in 2023 business plan financial targets continuing to put in place actions for an accretive recovery and improvement of operating margins as well as operating cash generation to sustain investments.

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The Board of Directors also approved the Report on Corporate Governance and Ownership Structure and the Consolidated Non-financial Statement pursuant to Legislative Decree. 254/2016. The Reports will be made available to the public WITHIN the terms and according to the methods prescribed by the relevant regulations.

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The Board of Directors has resolved to convene Shareholders to meet in an ordinary session on 28 April 2023 at single call. Attendance will only be possible via the Designated Representative in accordance with Art. 135-*undecies* of Italian Legislative Decree no. 58/98.

The Call Notice accompanied by all the information prescribed in Article 125-bis of the Consolidated Law on Finance, as well as all documentation that will be submitted to the Meeting pursuant to Articles 125-ter and 125- quater of the Consolidated Law on Finance will be made available to the public, within the terms of the law, at the Company's registered office, Via Emilia 155, Rimini and on the Company's website [www.iegexpo.it](http://www.iegexpo.it), Corporate Governance Section. An extract of the Call Notice will also be published in the newspaper Italia Oggi by the legal deadline.

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It should be noted that the auditing of the draft financial statements has not yet been finalized, and the auditors' report will therefore be made available within the legal deadlines. Finally, it should be noted that the attached income statement and balance sheet represent reclassified statements and as such are not subject to audit by the auditors.

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Lastly, it should be noted that the Annual Financial Report (pursuant to Article 154 ter of the Consolidated Law on Finance) of Italian Exhibition Group S.p.A. will be made available to the public at the company's registered office, at Borsa Italiana S.p.A. and at the authorized storage mechanism "1INFO Sdir e Storage," managed by ComputerShare S.p.A., as well as available for consultation on the company's website [www.iegexpo.it](http://www.iegexpo.it) (Investor Relations section) within the terms of applicable laws and regulations

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The manager in charge of preparing corporate accounting documents - Teresa Schiavina - declares, pursuant to paragraph 2 Article 154 bis of the Consolidated Law on Finance, that the accounting information contained in the press release corresponds to the documentary results, books and accounting records.

The financial results for 2022 will be presented in a conference call with the Financial Community scheduled for today at 6:00 pm (CET). The presentation will be available in the Investor Relations section on the website [www.iegexpo.it](http://www.iegexpo.it) from 5:45 pm.

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It should also be noted that this press release contains *forward-looking* statements regarding the Group's intentions, beliefs, or current expectations regarding the Group's financial results and other aspects of the Group's activities and strategies. The reader of this press release should not place undue reliance on such forward-looking statements because actual results could differ significantly from those contained in such forecasts as a result of multiple factors, most of which are beyond the Group's control.

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## FOCUS ON

Italian Exhibition Group S.p.A., società con azioni quotate su Euronext Milan, mercato regolamentato organizzato e gestito da Borsa Italiana S.p.A., ha maturato negli anni, con le strutture di Rimini e Vicenza, una leadership domestica nell'organizzazione di eventi fieristici e congressuali e ha sviluppato attività estere - anche attraverso joint-ventures con organizzatori globali o locali, come ad esempio negli Stati Uniti, Emirati Arabi Uniti, Cina, Messico, Germania, Singapore, Brasile - che l'hanno posizionata tra i principali operatori europei del settore.

**For further information:**

**ITALIAN EXHIBITION GROUP S.p.A.**

***Investor Relations***

Martina Malorni | [martina.malorni@iegexpo.it](mailto:martina.malorni@iegexpo.it) | +39 0541 744452

***Press Contact***

Elisabetta Vitali | Head of media relations & corporate communication | [elisabetta.vitali@iegexpo.it](mailto:elisabetta.vitali@iegexpo.it) | +39 0541 744228



**RECLASSIFIED FINANCIAL STATEMENTS  
ALTERNATIVE PERFORMANCE INDICATORS (API)**

Management uses certain performance indicators that are not identified as accounting measures under IFRS (NON-GAAP *measures*), to enable a better assessment of the Group's performance. The determination criterion applied by the Group may not be consistent with that adopted by other Groups and the indicators may not be comparable with those determined by the latter. These performance indicators, determined in accordance with the provisions of the Guidelines on Performance Indicators issued by ESMA/2015/1415 and adopted by CONSOB in Notice No. 92543 of 3 December 2015, refer only to the performance of the accounting period covered by this Consolidated Annual Financial Report and the periods compared. The performance indicators should be considered as complementary and do not replace the information drafted in accordance with the IFRSs. Below is a description of the main indicators adopted.

- **EBIT (Earnings Before Interest, Taxes) or Operating Income:** this indicator is defined as Profit/(Loss) for the year from continuing operations before financial management and income taxes.
- **EBIT (Earnings Before Interest, Taxes) or Adjusted Operating Income:** this indicator is defined as Profit/(Loss) for the year from continuing operations before financial management and income taxes and costs and revenues considered by management to be non-recurring.
- **EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) or Gross Operating Margin:** this indicator is defined as Profit/(Loss) for the year from continuing operations before depreciation of tangible and intangible assets and rights of use, financial management and income taxes.
- **EBITDA or Adjusted Gross Operating Margin:** this indicator is defined as Profit/(Loss) for the year from continuing operations before depreciation and amortization of property, plant and equipment, intangible assets and usage rights, financial management, income taxes and costs and revenues considered by management to be non-recurring.
- **Net Commercial Working Capital:** this indicator is calculated as the sum of Inventories and Trade Receivables net of Trade Payables.
- **Net Working Capital:** this indicator is calculated as the sum of Commercial Net Working Capital and Other Current Assets and Liabilities including Current Provisions for Risks and Charges.
- **Net Invested Capital:** this indicator is total Current and Non-Current Assets, excluding financial assets, net of Current and Non-Current Liabilities, excluding financial liabilities.
- **NFP (Net Financial Position):** this indicator is calculated in accordance with the provisions of "Warning notice no. 5/21" dated 29 April 2021 issued by Consob, which refers to ESMA Guideline 32-382-1138 of 4 March 2021.
- **Monetary NFP (Monetary Net Financial Position):** this indicator is calculated in accordance with "Warning notice No. 5/21" dated 29 April 2021 issued by Consob, which refers to ESMA Guideline 32-382-1138 dated 4 March 2021, with the exclusion of items related to leases accounted for in accordance with IFRS 16, Put Options and Financial Derivative Instruments recognized in accordance with IFRS 9.
- **Free Cash Flow:** this indicator is calculated as cash flow from operating activities net of investments in property, plant and equipment and intangible assets (excluding fixed assets under right of use recognized during the year in accordance with IFRS 16) and financial and tax income and expenses serving operating activities.

**RECLASSIFIED INCOME STATEMENT AS OF 31 DECEMBER 2022<sup>(1)</sup>**

Reclassified Consolidated Income Statement	31.12.2022	%	31.12.2021	%	Variation	Var. %
<b>Revenues</b>	<b>161,941</b>	<b>100.0%</b>	<b>102,503</b>	<b>100.0%</b>	<b>59,437</b>	<b>58.0%</b>
Operating costs	(108,011)	-66.7%	(53,889)	-52.6%	(54,122)	>100%
<b>Contribution Margin</b>	<b>53,929</b>	<b>33.3%</b>	<b>48,615</b>	<b>47.4%</b>	<b>5,314</b>	<b>10.9%</b>
Labor costs	(38,102)	-23.5%	(27,003)	-26.3%	(11,098)	41.1%
Amortization, depreciation and impairment	(15,793)	-9.8%	(18,757)	-18.3%	2,963	-15.8%
Non-Recurring Charges and Income	2,239	1.4%	(24,775)	-24.2%	27,015	>100%
<b>Adjusted Operating Income (EBIT)</b>	<b>2,274</b>	<b>1.4%</b>	<b>(21,921)</b>	<b>-21.4%</b>	<b>24,195</b>	<b>&gt;100%</b>
Non-Recurring Charges and Income	(2,239)	-1.4%	24,775	24.2%	(27,015)	>100%
<b>Operating Profit/Loss (EBIT)</b>	<b>35</b>	<b>0.0%</b>	<b>2,855</b>	<b>2.8%</b>	<b>(2,820)</b>	<b>-98.8%</b>
Net Financial Charges	537	0.3%	(3,896)	-3.8%	4,433	>100%
<b>Earning before tax</b>	<b>571</b>	<b>0.4%</b>	<b>(1,041)</b>	<b>-1.0%</b>	<b>1,613</b>	<b>&gt;100%</b>
Income tax	(1,345)	-0.8%	368	0.4%	(1,713)	>100%
<b>Net Result</b>	<b>(773)</b>	<b>-0.5%</b>	<b>(673)</b>	<b>-0.7%</b>	<b>(99)</b>	<b>14.8%</b>
Amortization, depreciation and impairment	(15,793)	-9.8%	(18,757)	-18.3%	2,963	-15.8%
<b>EBITDA</b>	<b>15,828</b>	<b>9.8%</b>	<b>21,611</b>	<b>21.1%</b>	<b>-5,783</b>	<b>-26.8%</b>
Non-Recurring Charges and Income	2,239	1.4%	(27,345)	-26.7%	29,585	>100%
<b>Adjusted EBITDA</b>	<b>18,068</b>	<b>11.2%</b>	<b>(5,734)</b>	<b>-5.6%</b>	<b>23,801</b>	<b>&gt;100%</b>

(1) Adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) or Adjusted Gross Operating Margin: is an economic indicator not defined in IFRS but used by the company's management to monitor and evaluate its operating performance, as it is not affected by volatility due to the effects of the different criteria for determining taxable income, the amount and characteristics of capital employed as well as the related depreciation policies. This indicator is defined by Datalogic as Profit/(Loss) for the year from continuing operations before depreciation and amortization of property, plant and equipment, intangible assets and usage rights, financial management, income taxes, and costs and revenues considered by management to be non-recurring.

**RECLASSIFIED BALANCE SHEET AS OF 31 DECEMBER 2022 <sup>(2)</sup>**

	<b>31.12.2022</b>	<b>31.12.2021</b>	<b>Variation</b>	<b>Var. %</b>
Intangible fixed assets	12,373	12,732	(359)	-2.82%
Goodwill	25360	21,787	3,573	16.40%
Tangible fixed assets	191,032	190,674	358	0.19%
Financial assets and Investments in affiliates	18,223	14,255	3,968	27.83%
Other Fixed Assets	6,622	7,397	(774)	-10.47%
<b>Fixed Assets</b>	<b>253,611</b>	<b>246,845</b>	<b>6,766</b>	<b>2.74%</b>
Trade Receivables	30,041	23,126	6,915	29.90%
Trade Payables	(42,807)	(33,825)	(8,982)	26.55%
Inventories	852	731	121	16.59%
<b>Net Trade Working Capital (NTWC)</b>	<b>(11,914)</b>	<b>(9,969)</b>	<b>(1,945)</b>	<b>19.51%</b>
Other Current Assets	7,382	6,026	1,357	22.52%
Other Liabilities and Provisions for Risks - current	(52,680)	(36,291)	(16,389)	45.16%
<b>Net Working Capital (NWC)</b>	<b>(57,212)</b>	<b>(40,234)</b>	<b>(16,978)</b>	<b>42.20%</b>
Other non-current liabilities	(1,805)	(2,020)	215	-10.62%
Employee severance indemnity	(2,959)	(3,754)	795	-21.18%
Provisions for risks - non-current	(2,174)	(1,830)	(345)	18.84%
<b>Net invested capital (NIC)</b>	<b>189,460</b>	<b>199,007</b>	<b>(9,546)</b>	<b>-4.80%</b>
<b>Shareholders' equity</b>	<b>94,106</b>	<b>93,378</b>	<b>728</b>	<b>0.78%</b>
<b>Net Financial Position (NFP)</b>	<b>95,354</b>	<b>105,629</b>	<b>(10,275)</b>	<b>-9.73%</b>
<b>TOTAL SOURCES</b>	<b>189,460</b>	<b>199,007</b>	<b>(9,547)</b>	<b>-4.80%</b>

(2) The reclassified statement of financial position analysis shows aggregations used by management to assess the Group's financial performance. These are measures generally adopted in financial reporting practice that are immediately referable to the accounting data in the primary financial reporting formats, which, however, are not identified as accounting measures under IFRS.

**NET FINANCIAL POSITION AS OF 31 DECEMBER 2022 <sup>(3)</sup>**

<b>Net financial position <sup>1</sup></b>		<b>31/12/2022</b>	<b>31/12/2021</b>
A.	Cash and cash equivalents	50,586	52,651
B.	Cash equivalents	-	-
C.	Other current financial assets	137	261
<b>D.</b>	<b>Liquidity: (A) + (B) + (C)</b>	<b>50,723</b>	<b>52,912</b>
E.	Current financial payables	(10,272)	(10,723)
F.	Current portion of non-current financial debt	(18,301)	(19,480)
<b>G.</b>	<b>Current financial debt: (E) + (F)</b>	<b>(28,573)</b>	<b>(30,203)</b>
<b>H.</b>	<b>Current net financial indebtedness: (G + D)</b>	<b>22,150</b>	<b>22,709</b>
I.	Non-current financial liabilities	(114,073)	(115,815)
J.	Debt instruments	-	-
K.	Trade payables and other non-current payables	(3,431)	(12,523)
<b>L.</b>	<b>Non-current financial debt: (I) + (J) + (K)</b>	<b>(117,504)</b>	<b>(128,338)</b>
<b>M.</b>	<b>Total financial debt: (H) + (L)</b>	<b>(95,354)</b>	<b>(105,629)</b>

<sup>1</sup> Net financial position presented in accordance with the ESMA Guidelines of 4 March 2021 (Consob warning notice no.5/21)

### ALTERNATIVE PERFORMANCE INDICATORS (API) RECONCILIATION

The following is a reconciliation of Operating Profit/Loss (EBIT) and *Adjusted* EBIT as of 31 December 2022 compared with 31 December 2021.

	31.12.2022	%	31.12.2021	%	Variation
<b>Adjusted Operating Income (EBIT)</b>	<b>2,274</b>	<b>1.4%</b>	<b>(21,921)</b>	<b>-21.4%</b>	<b>24,195</b>
Revenues	690	0.4%	28,483	27.8%	(27,793)
Operating costs	(2,929)	-1.8%	(796)	-0.8%	(2,134)
Staff costs	-	0.0%	(342)	-0.3%	342
Depreciation of Tangible Fixed Assets	-	0.0%	(1,427)	-1.4%	1,427
Depreciation of financial assets other than equity investments	-	0.0%	(1,143)	-1.1%	1,143
<b>Total Non-recurring Income and Expenses</b>	<b>(2,239)</b>	<b>-1.4%</b>	<b>24,775</b>	<b>24.2%</b>	<b>(27,015)</b>
<b>Operating Profit/Loss (EBIT)</b>	<b>35</b>	<b>0.0%</b>	<b>2,855</b>	<b>2.8%</b>	<b>(2,820)</b>

The following is a reconciliation of Operating Profit/Loss (EBITDA) and *Adjusted* EBITDA as of 31 December 2022 compared with 31 December 2021.

	31.12.2022	%	31.12.2021	%	Variation
<b>Adjusted EBITDA</b>	<b>18,068</b>	<b>11.2%</b>	<b>(5,734)</b>	<b>-5.6%</b>	<b>23,801</b>
Revenues	690	0.4%	28,483	27.8%	(27,793)
Operating costs	(2,929)	-1.8%	(796)	-0.8%	(2,134)
Staff costs	-	0.0%	(342)	-0.3%	342
<b>Total Non-recurring Income and Expenses</b>	<b>(2,239)</b>	<b>-1.4%</b>	<b>27,345</b>	<b>26.7%</b>	<b>(29,585)</b>
<b>EBITDA</b>	<b>15,828</b>	<b>9.8%</b>	<b>21,611</b>	<b>21.1%</b>	<b>(5,783)</b>

The alternative performance indicators shown above are adjusted for income components arising from non-recurring events or operations, restructuring activities, business reorganization, depreciation of fixed assets, ancillary expenses related to acquisitions of businesses or companies or their disposals, extraordinary transactions, and any other events not representative of normal business activity.