



Press Release

ITALIAN EXHIBITION GROUP (Euronext Milan: IEG)

- THE BOARD OF DIRECTORS APPROVED THE STRATEGIC PLAN 2023-2028 WHICH MODIFIES THE PREVIOUS PLAN 2022-2027
- THE PLAN CONFIRMS THE UNIQUENESS OF THE BUSINESS MODEL AS #COMMUNITY CATALYST & CREATOR AND HIGHLIGHTS A FURTHER ACCELERATION OF GROWTH COMPARED TO THE PREVIOUS PLAN
- FINANCIAL AND ENVIRONMENTAL SUSTAINABILITY AS ENABLERS OF VALUE CREATION AND SHAREHOLDER RETURN
- JANUARY 26th, PRESENTATION TO THE FINANCIAL COMMUNITY

Rimini, 25th January 2024 –The Board of Directors of Italian Exhibition Group S.p.A. ("IEG" or "Company"), leading company in Italy in the organisation of international trade fair events and listed on Euronext Milan, a regulated market organized and managed by Borsa Italiana, met today under the chairmanship of Maurizio Renzo Ermeti and approved the 2023-2028 Strategic Plan.

Corrado Peraboni, CEO of Italian Exhibition Group, declared: *"On the strength of the results achieved in 2023, which exceeded the targets set out in the 2022-2027 Plan, we are today presenting a Strategic Plan with even more ambitious objectives that envisages robust growth in Italy and international development, also through the consolidation of existing platforms. Our Plan fits into a favourable scenario for the trade fair market which, after the uncertainties linked to the pandemic, has resumed growing at a faster rate than in the past thanks to a renewed desire for aggregation and sharing. In this context we reaffirm the uniqueness of our business model as a #community catalyst & creator with the goal of positioning ourselves among the top international players in event organization with a turnover of over 300 million euros and with a continuous and sustainable value generation"*.

STRATEGIC PLAN 2023-2028

The 2023-2028 Strategic Plan has been updated to take into account the important results achieved by the IEG Group during the 2022 and 2023 financial years, in which it exceeded the objectives defined in the 2022-2027 Strategic Plan prepared in a context in which the evolution of the post-pandemic exhibition market was still uncertain.

The new plan confirms the effectiveness of the strategic direction previously defined, enriching it with **new development guidelines** that aim to **accelerate organic growth** through an **important investment plan** necessary to **consolidate IEG's role in the national and international exhibition scene, laying the foundations for further growth by external lines.**

The 2023-2028 Strategic Plan confirms **the uniqueness of the business model as a #Community Catalyst & Creator, i.e. a leader and innovator in the organisation of events**, aimed at becoming dynamic and international experiences that give voice to emerging trends in the sector and unite increasingly large communities.

The plan **aims to strengthen the IEG Group's position as a global player through sustainable growth in turnover and margins capable of producing a solid cash generation to support investments, with a progressive financial leverage reduction.**

STRATEGIC DRIVERS 2023-2028

The strategy underlying the important acceleration of all economic-financial indicators during the 2023-2028 Plan period is based on the following pillars:

- **Portfolio growth**
An important driver for organic growth is the expansion of the existing portfolio, through investments in the exhibition centers of Rimini and Vicenza, to support the development of the main organized events already at saturation of the exhibition space (Ecomondo, VicenzaOro, Sigep). At the same time, the strategy aims to research and develop new sectors, which IEG, in its role as #community catalyst, provides to implement through spin-offs of existing events and through the development of new products, always scouting M&A opportunities.
- **Consolidation of international expansion**
The second pillar of the strategy is represented by the consolidation of international development, not only through the existing platforms through whose integration we are executing the 4x4 strategy, but also by developing new markets. The international strategy is also focused on the development of new markets through M&A operations and global partnerships, as well as the expansion of recent acquisitions.
- **Value creation**
The development of new business lines with high added value, in particular in the digital segment for the evolution of the exhibition experience, combined with the improvement of the margins of the "Services" division is another pillar of the development strategy which will contribute to strengthening the profitability of the Group. Value creation will also be supported by the integration of a sustainability strategy into the business plan, an accelerator of growth and a tool for value creation for our stakeholders.

The new Strategic Plan highlights a growth in all the main economic and financial indicators, in particular Revenues and EBITDA with CAGR 2023-2028 expected at +9% and +13% respectively, as well as a

strengthening of the capital soundness with a progressive debt and financial leverage reduction during the plan, despite an important investment plan of approximately €172 million financed for approximately 70% through own resources and residually through bank debt, which will allow the Group to be able to seize further growth opportunities by external lines.

PRE-CLOSING 2023

The growth targets presented in the Strategic Plan are based on pre-closing results for the financial year 2023 that are positioned at the top end of the guidance range and show a strong growth in consolidated revenue expected to be around €210 million (+30% compared to the €162 million achieved in the financial year 2022 and +16% compared to the 2022-2027 plan target) and Adjusted EBITDA of €49 million (more than double compared to the €18 million achieved in 2022 and +29% compared to the 2022- 2027 plan target) with an Adjusted EBITDA Margin of 23%. back to pre-covid levels, one year earlier compared to the previous plan target. The Net Financial Position is expected to stand at around €72 million, an improvement of €23 million compared to €94.8 million at December 31, 2022.

GUIDANCE 2024 - CONSOLIDATED DATA

- Revenues: €234-€239 million
- Adjusted EBITDA: €56 - €58 million
- Adjusted EBITDA Margin: 24%
- Net Financial Position: €66-€70 million

BUSINESS PLAN 2023-2028 - CONSOLIDATED DATA

- Revenues 2028: ~ €323 million
- Adjusted EBITDA 2028: ~ €90 million
- Adjusted EBITDA Margin 2028: 28%
- Net Financial Position 2028: ~ €3 million
- Investment Plan 2023-28: €172 million
- Expected dividends 2023-28: ~€16/€21 million
- NFP/EBITDA 2023 – 28: <2x

IEG will present the strategies, ambitions and financial targets of the new business plan to the financial community at an event at the Park Hyatt hotel in Milan on January 26, 2024, at 11 a.m.

This press release is online at www.1info.it and on the Company's website www.iegexpo.it (Investor Relations/Press Release section).



FOCUS ON

Italian Exhibition Group S.p.A., a joint stock company listed on Euronext Milan, a regulated market organised and managed by Borsa Italiana S.p.A., has, with its facilities in Rimini and Vicenza, achieved national leadership over the years in the organisation of trade shows and conferences. The development of activities abroad - also through joint-ventures with global or local organisers, in the United States, United Arab Emirates, China, Mexico, Germany, Singapore, Brazil, for example - now sees the company positioned among the top European operators in the sector.

**For further information:
ITALIAN EXHIBITION GROUP S.P.A.**

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ALTERNATIVE PERFORMANCE INDICATORS (APIs)

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 Interim 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. A description of the main indicators adopted is shown below.

- **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.
- **Adjusted 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 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 property, plant and equipment and amortisation of intangible assets and rights of use, financial management and income taxes.
- **Adjusted EBITDA or 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.
- **Free Cash Flow:** this indicator is calculated as cash flow from operating activities net of investments in ordinary 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.