



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 2023

- Record revenues at € 212.4 million, +32.4% compared to the previous year¹
- *Adjusted* EBITDA at € 49.5 million, best-ever result. *Adjusted* EBITDA margin at 23.3%, +12.1 pts compared to the previous year
- *Adjusted* EBIT at € 31.6 million (+ € 29.4 million) compared to the previous year¹
- Net Financial Position at € 71.9 million, an improvement of € 23.4 million
- Fourth quarter 2023 revenues amounted to € 62.7 million, an improvement of € 6.9 million compared to Q422
- Proposed distribution of a dividend of € 0.014 per share.

Rimini, 19 March 2024 – The Board of Directors of Italian Exhibition Group S.p.A. (“**IEG**” or the “**Group**”) a leading company in Italy in the organization of International trade fair events and a listed company at Euronext Milan of Borsa Italiana S.p.A., today approved its draft statutory financial statements and consolidated financial statements as at 31 December 2023.

IEG Group CEO Corrado Arturo Peraboni commented: “The results of 2023 demonstrate the great ability of the IEG Group to recover revenues and margins with greater responsiveness compared to industry expectations and in a long-standing adverse external context that still presents elements of uncertainty linked to the geopolitical instability of this period. At the core of this great achievement are the solid strategic guidelines conceived during the pandemic period and reaffirmed in the new Strategic Plan 2023-2028, our nature as a trade show organizer that confirms us as leaders in terms of the number of owned events, and our ability not only to support our industries but also to be a leading actor and pioneer of innovation and change. The excellent performance of the just-ended fiscal year has catalyzed the drafting of a new strategic plan, an ambitious document that places us in a benchmark position in the national trade show landscape.”

FINANCIAL HIGHLIGHTS

	31/12/2023	% of Revenues	31/12/2022 Restated	% of Revenues	Variation	Var. %
Revenues	212,424	100.0%	160,445	100.0%	51,979	32.4%
Adjusted gross operating margin (EBITDA)	49,545	23.3%	18,068	11.3%	31,478	>100%
Adjusted operating income (EBIT)	31,568	14.9%	2,186	1.4%	29,382	>100%
Profit/(Loss) for the year	13,332	6.3%	(837)	-0.5%	14,169	>100%
Net Financial Position (NFP)	(71,921)		(95,354)		23,433	-24.6%

The Group closed 2023 with **Revenues** of 212.4 million euros, up 52.0 million euros compared to the 160.4 million euros recorded in 2022. The Group has continued to achieve record turnover thanks to the steady organic growth that has led some events to achieve their best performance ever, as well as the recovery of post-pandemic volumes, which had continued to penalize Q1 2022 with the postponement of certain events, reducing exhibition and visitor volumes.

Adjusted EBITDA amounted to 49.5 million euros, an improvement of 31.5 million euros, compared to 31 December 2022 when the Group recorded gross operating margins of 18.1 million euros, but also an increase compared to 2019, the last pre-pandemic year, which was a record year for the Group in terms of sales and margins. The **EBITDA margin** came to 23.3% recovering 12.1 percentage points compared to 31 December 2022, thanks to higher volumes and price effect, despite inflation pressure which continues to impact supplies, particularly those related to services, transport and materials.

The group closed the year with a **profit** of 13.3 million, up 14.2 million euros compared to the previous year, when it made a loss of 0.8 million euros.

The **Net Financial Position** as of 31 December 2023 amounted to 71.9 million euros, an improvement of 23.4 million euros compared to the previous year when it was 95.4 million euros thanks to steady operating cash generation.

With reference to the Group's sole operating segment namely "Hosting of trade fairs, events and performance of related services", revenues breakdown by line of business is shown below:

	31/12/2023	%	31/12/2022 Restated	%	Variation	Var. %
Organised Events	122,093	58%	86,662	54%	35,431	41%
Hosted Events	4,525	2%	3,148	2%	1,377	44%
Congress Events	19,226	9%	14,776	9%	4,451	30%
Related Services	62,684	30%	51,976	32%	10,708	21%
Publishing, Sporting Events, Other Activities	3,895	2%	3,883	2%	12	1%
TOTAL REVENUES	212,424	100%	160,445	100%	51,979	31%

Revenues from **Organised Events**, which represented 58% of the Group's revenues in 2023, were 122.1 million euros, with an increase of 35.4 million euros compared to the previous year. The year 2023 saw the

scheduling, as before the pandemic, of three of the main events organised by the Group, such as 'Sigep', 'VicenzaOro January' and 'T.Gold', and of the first edition of 'K.EY', arising from the spin-off of the energy sector from Ecomondo. The main driver of the incremental change in turnover was the organic component which was 21.8 million euros (+25.1%), while the so-called "Restart" effect of the events was 10.4 million euros, marking an increase of 12.0% compared to the previous period.

The **Hosted Events** recorded total revenues of 4.5 million euros, with an organic increase compared to 2022 (3.1 million euros as of 31 September 2022) of 1.4 million euros.

Revenues from **Conferences** were originated by the operation of Rimini Convention Centre and Vicenza Convention Centre (VICC). In 2023 a total of 126 conferences were held in the two locations, with revenues of 19.2 million euros, and an incremental growth of 4.5 million euros compared to 2022 (when the amount was 14.8 million euros), thanks to an increase in the physical presence of participants, which was restricted in 2022.

Revenue in 2023 attributable to the **Related Services** segment amounted to 62.7 million euros (52.0 million euros as of 31 December 2022), up 10.7 million euros compared to the previous year, driven by 10.2 million euros of organic growth, while the post-pandemic 'Restart' effect contributed about 1.4 million euros to the revenue growth for the period.

Publishing, Sports Events and Other Activities, through the publishing activities carried out for tourism sector (TTG Italia, Turismo d'Italia e HotelMag) and for the gold sector (VO+ e Trendvision), the sports events and other residual revenues, have developed total revenues for 3.9 million euros, substantially in line with the result achieved as of 31 December 2022.

Operating Costs as of 31 December 2023 amounted to 121.6 million euros (106.5 million euros as of 31 December 2022), with the percentage of turnover decreasing from 66.4% to 57.3%, as a result of higher volumes, mainly due to organic growth and partly to the so-called 'Restart' effect.

The **Contribution Margin** recorded in the year was equal to 90.8 million Euros, an increase of 36.9 million euros compared to the previous year (53.9 million euros) and it corresponded to 42.7% of revenues, marking an improvement compared to the previous year, when the percentage of the turnover was equal to 33.6% thanks to the recovery of volumes and prices, despite the inflationary increases in the supply costs of materials and transport and in particular on the related Services.

Labour costs as of 31 December 2023 were 41.5 million euros, with an increase of 3.4 million euros compared to the previous year when they were 38.1 million euros. The incidence of revenues improved from 23.7% as of 31 December 2022 to 19.6% as of 31 December 2023, with an improvement of 4.1 percentage points.

Adjusted EBITDA amounted to 49.5 million euros, an improvement of 31.5 million euros compared to 2022, when it was 18.1 million euros. The Adjusted EBITDA Margin at 31 December 2023 stood at 23.3% of revenue, compared to 11.3% at the end of 2022. The margin recovery of about 12.1 percentage points was driven in particular by increased volumes and partially by price effects, as well as by the recovery of post-pandemic volumes ('Restart' effect).

The Group's **Adjusted EBIT** as of 31 December 2023 stood at 31.6 million euros, an improvement of 29.4 million euros compared to the previous year, with a percentage profitability of 14.9% compared to 2.2 million euros in 2022.

Financial Operations as of 31 December 2023 amounted to -5.0 million euros (as of 31 December 2022 it was positive for 0.5 million euros), with an increase in financial expenses of 1.5 million euros, mainly due to the increase in interest rates for bank loans, as well as the negative effects of the change in the fair value of derivative financial instruments for 3.7 million euros.

Earning Before Taxes as of 31 December 2023 was 20.7 million euros, an improvement of 20.3 million euros compared to 31 December 2022.

Income taxes amounted to 7.4 million euros, with a tax rate of 35.7% in line with pre-pandemic periods.

The Group's **Profit** for the Period amounted to 13.3 million euros, an increase of 14.2 million euros compared to the year ended 31 December 2022.

Net Invested Capital, at 178.8 million Euros (189.7 million Euros as of 31 December 2022), a decrease of 10.9 million Euros, of which 5.4 million Euros as incremental change in fixed assets and 10.1 million Euros as decrease of Net Working Capital.

Fixed Assets (259.2 million Euros as at 31 December 2023) showed an overall increase of 5.4 million Euros mainly attributable to the recognition of goodwill arising from the acquisitions of the Jewellery Events (SIJE), Café Asia and Sweets & Bakes Asia & Restaurant Asia (CARA) for 2.3 million Euros, the trade fairs 'Speciality Food & Drinks Asia', 'Food2go' and 'Speciality Coffee & Tea' for 0.4 million Euros, the subsidiary MundoGEO for 1.3 million Euros and the subsidiary A&T Srl for 0.6 million Euros. The incremental change of 5.6 million Euros in Tangible Assets mainly relates to investments made by Group companies, while the utilisation of deferred tax assets of 3.3 million Euros recognised on tax losses carried forward and the adjustment of financial assets for a total of 4.1 million Euros had a decreasing effect.

The negative **Net Working Capital** of 67.3 million Euros as of 31 December 2023, decreased by 10.1 million Euros in connection with the higher non-current liabilities recorded against advances from customers for events to be held in the first quarter of 2024 due to higher volumes.

The Group's **Net Financial Position** as of 31 December 2023 was 71.9 million Euros, an improvement of 23.4 million Euros compared to 31 December 2022. Operating cash generated in the year amounted to 38.7 million euros. Capital expenditure for the period amounted to 10.4 million euros and mainly related to the ordinary maintenance of the exhibition centres, the construction of the new automated car parks, the start of the redevelopment of the Vicenza exhibition centre and the rebuilding of equipment for the production companies, as well as investments in information systems and digitalisation projects. Development investments completed through acquisitions amounted to 3.3 million euros and related to both expansion on the Italian market with the acquisition of A&T S.r.l., and to the expansion on the international market with the acquisitions of the business units containing the assets for the Jewellery Events (SIJE), Café Asia and Sweets & Bakes Asia & Restaurant Asia (CARA), 'Speciality Food & Drinks Asia', 'Food2go' and 'Speciality Coffee & Tea' by the subsidiary IEG Asia, of the company MundoGEO by the subsidiary IEG Brasil.

QUARTERLY RESULTS

	Q423	%	Q422 Restated	%	Variation	Var. %
Revenues	62,712	100.0%	55,833	100.0%	6,880	12.3%
EBITDA Adjusted	15,719	25.1%	11,170	20.0%	4,549	40.7%
Adjusted Operating Income	9,848	15.7%	8,353	15.0%	1,495	17.9%
Group result for the period	3,691	5.9%	8,068	14.5%	(4,377)	-54.2%

The fourth quarter of 2023 showed **Revenues** of 62.7 million euros, an increase of 6.9 million euros compared to the same period of the previous year, when they amounted to 55.8 million euros. Group's

revenues by line of business in the fourth quarter of 2023 is shown below:

	Q4 2023	%	Q4 2022 Restated	%	Variation	Var. %
Organised Events	43,757	69.8%	37,354	67%	6,403	17%
Hosted Events	261	0.4%	0	0%	261	>100%
Congress Events	4,957	7.9%	5,776	10%	(819)	-14%
Related Services	12,435	19.8%	11,104	20%	1,331	12%
Publishing, Sporting Events, Other Activities	1,302	2.1%	1,598	3%	(296)	-19%
TOTAL REVENUES	62,712	100.0%	55,833	100%	6,880	12.3%

The Group ended the last quarter of the year with the hosting of scheduled events such as Ecomondo, TTG, INOUT and the Dubai Muscle Show, which generated a turnover of 43.8 million euros; related services contributed 12.4 million euros to the turnover of the quarter. Growth in the fourth quarter was mainly organic, driven by the hosting of the events of the customer portfolio. Also making an appreciable contribution in the quarter were the first editions of Greenscape, presented in Rimini at the same time as INOUT, and the inclusion in the scope of the Group of the Automation & Testing event, which, in its first "North East" edition, closed the Italian exhibition calendar of products dedicated to technological innovation, presenting in Vicenza an event serving the important industrial basin of the Veneto, Friuli Venezia Giulia, Trentino Alto Adige and neighbouring territories, and which will be joined by the Turin edition scheduled for February 2024.

The **Adjusted EBITDA** for the fourth quarter of the year amounted to 15.7 million euros, an improvement of 4.5 million euros, due to higher volumes and, in part, price effects.

The **Adjusted Operating Profit (EBIT)** for the fourth quarter of 2023 amounted to 9.8 million euros, an improvement of 1.5 million euros compared to 31 December 2022 and with an EBIT margin of 15.7%, an improvement of 0.7% compared to 2022.

The **Group's result** for the quarter amounted to 3.7 million euros, a decrease of 4.4 million euros compared to the same period last year, due to provisions for risks and to the worsening in Financial Management as a result of higher interest rates.

SIGNIFICANT EVENTS DURING THE YEAR

Governance

- On 28 April 2023 the Shareholders' Meeting appointed the member of the Board of Statutory Auditors, who were in charge until the Shareholders' Meeting for the approval of the Financial Statement as of 31 December 2022, and confirming Ms. Alessandra Pederzoli as Chairwoman and Mr. Stefano Berti and Mr. Fabio Pranzetti as Standing Auditors, and Ms. Meris Montemaggi and Ms. Luisa Renna as Alternate Auditors.
- The Shareholders' Meeting confirmed Mr. Gian Luca Brasini as Independent Director, in charge since 29 August 2022 in replacement of Mr. Marino Gabellini, who left his role on 18 July 2022.
- On 23 June 2023, after the death of Ms Alessandra Pederzoli, according to the Law and the Company Statute, Ms Luisa Renna appointed from the minority list, took on the position.
- On 5 September 2023, Mr. Lorenzo Cagnoni, the Chairman of the Board of Directors passed away.

- On 9 October 2023, the Board of Directors appointed Mr. Maurizio Renzo Ermeti as new Chairman of the Board of Directors, to replace Mr. Cagnoni. Mr. Ermeti, who was a non-executive Director since 1997 and the Vice-Chairman from 2008 to 2016, received the same power of attorney that were awarded to Mr. Cagnoni.

Acquisitions

The Group has completed both corporate operations and acquisitions during the year to pursue international expansion, as listed below.

- The acquisition of a business unit containing the assets for the organisation of two trade fairs, the Singapore International Jewellery Event (SIJE) and Café Asia and Sweets & Bakes Asia & Restaurant Asia (CARA), was finalised on 27 February 2023, completing the Group's portfolio in South-East Asia in the jewellery and food sectors, respectively. The amount for the acquisition consists of a fixed price of 1.1 million euros paid at the closing day and a variable price, the fair value of which is estimated at 2.2 million euros, to be paid in three tranches and subject to the results of the future events, to be held in 2023 and 2024.
- On 4 July 2023, the Group acquired, through its subsidiary IEG Brasil Eventos Ltda, 100% of the Brazilian company Mundogeo Eventos e Consultoria Empresarial Ltda. This company has been organising trade fairs and online events since 2011 in the fields of space, eVTOLs, drones, autonomous robots and geotechnology, areas in which Brazil is positioning itself as a reference market for Latin America. The last edition counted more than 5,700 participants from 33 countries, 150 speakers and 120 companies at the fair. The amount for the acquisition is equal to 10.4 million Brazilian Reals (about 2 million euros), of which 50% paid at the closing, while the remaining part is subject to the achievement of the economic objectives of the 2023-2025 business plan. The acquisition was financed with own financial resources.
- On 10 July, the acquisition of the last 20% of the share capital of the subsidiary Pro.Stand S.r.l. was completed. During the Shareholders' Meeting for the approval of the Financial Statements of the subsidiary closed on 31 December 2022, all the minority shareholders exercised their put option granted on their own shares from the contract signed on 19 July 2018. The price paid was 2.5 million euros, entirely financed with own financial resources.
- On 29 August 2023 the Group exercised in advance the call option in order to buy the minority share capital of 49% in the subsidiary FB International Inc.
- On 18 October 2023, IEG S.p.A. obtained the 51% share capital of A&T S.r.l., an Italian company. The company, founded in 2007, owns and organises the A&T – Automation & Testing event, which will reach its 18th edition next February in Turin, while the first edition took place in Vicenza on 25 October 2023. The event is about Industry 4.0 technologies and innovation. The acquisition price of the 51% share capital is about 0.6 million euros. The remaining 49% will be covered by a put and call option with a price to be determined based on the average EBITDA from the financial statements as at 31 December 2023, 2024 and 2025, adjusted by the Net Financial Position. The acquisition by IEG has been entirely financed with own financial resources.
- On 7 December 2023, the subsidiary IEG Asia Pte Ltd finalised the acquisition of some of the events organised by Montgomery Events Asia Pte Ltd. The events acquired are in the Food & Beverage segment, which is already covered by the Group with some of its leading events: 'Speciality Food & Drinks Asia', 'Food2Go (Singapore)' and 'Speciality Coffee & Tea'. The acquisition price was approximately 0.4 million euros.

SUBSEQUENT EVENTS

Strategic Plan for 2023-2028

On 25 January 2024, the Board of Directors of Italian Exhibition Group S.p.A. approved the new Strategic Plan for 2023-2028, in light of the significant results achieved by the Group in 2023, which underpin an acceleration in the Company's post-pandemic recovery process compared to industry forecasts. This document, therefore, updates the previous Strategic Plan for 2022-2027, which was drafted against a background of profound uncertainty. The strategic lines underpinning the new Strategic Plan do not differ from those in the previous Plan and concern the growth of the product portfolio, the consolidation of international expansion, investment in trade fair facilities and the creation of stakeholder value.

Governance

On 6 March 2024, the Board of Directors of the company IEG S.p.A., having heard the favourable opinion of the Board of Statutory Auditors, appointed Ms. Lucia Cicognani as interim manager in charge of drawing up the corporate accounting documents pursuant to Law no. 262/2005 and Art. 154-bis of Legislative Decree no. 58/1998 as amended., while the duties of Chief Financial Officer will be held ad interim for the same period by the Managing Director of IEG, Mr. Corrado Peraboni, temporarily replacing Ms. Teresa Schiavina.

Acquisitions

On 21 February 2024, the Parent Company signed an agreement for the acquisition of 51% of the capital of Palakiss S.r.l., an internationally renowned goldsmith centre located in Vicenza, a few steps from the city's exhibition centre, for a price of approximately 1 million euros. The acquisition also includes a call option for the purchase of the remaining 49% of the share capital, exercisable 30 days after the approval of the 2024 financial statements and valid for the following three years, at a price to be determined on the basis of the average EBITDA resulting from the two financial statements approved prior to the date of exercise of the option. The closing, subject to the conditions precedent stipulated in the purchase agreement, will be finalised at a later date. The acquisition will be financed through own means.

FORESEEABLE EVOLUTION OF OPERATIONS

In the first part of the financial year 2023, the Group confirmed the acceleration of the post-pandemic recovery, as well as demonstrating that it was able to recover faster than expectations, but also recorded widespread growth in all the main business lines, achieving its best results ever in terms of both turnover and margins. The development of the product portfolio both through organic growth and through acquisitions in Italy and abroad has further strengthened the Group's strategic positioning and the distinctiveness of IEG's product portfolio and offer. The year's performance was also accompanied by the consolidation of the financial position and on these grounds, the Strategic Plan 2023-2028 was updated.

On the basis of the performance of the main events held in the first two months of the year and the portfolio confirmed in the second quarter, the Group estimates that it has achieved the booking targets set out in the new 2023-2028 Strategic Plan for the end of the first half of 2024 and can confirm the 2024 forecasts included in the Strategic Plan with expected revenues and margin increasing respectively between 234 and 239 million Euros and operating margin between 56 and 58 million Euros.

ALLOCATION OF ANNUAL RESULT

The following allocation of annual result, equal to Euro 14,160,861 will be proposed to the Shareholders' Meeting on 29 april 2024:

- Euro 70,804 to the "Statutory Reserve" pursuant to Art. 24 (b) of the Statute;
- Euro 118,633 to "unavailable reserve for unrealised capital gains";
- Euro 4,200,000 to "Dividends";
- Euro 9,771,424 to partially cover previous year's losses.

Therefore, the proposal for payment will be submitted to the Shareholders' Meeting for each ordinary share entitled to payment on the record date (i.e. May 21, 2024), of a gross dividend – taking into account the 319,000 treasury shares held – amounting to Euro 0.14, for a total amount, based on the ordinary shares currently in circulation, of Euro 4.156.590, with the notice that any variations in the number of treasury shares at the time of distribution will not affect the amount of the dividend per share as indicated above.

The dividend will be payable starting from May 22,2024, with entitlement to payment, in accordance with Article 83-terdecies of Legislative Decree no. 58/1998 and Article 2.6.6, paragraph 2, of the Regulation of the Markets organized and managed by Borsa Italiana S.p.A., on May 21, 2024 (so-called "record date"), and after the detachment of coupon no. 5 on May 20,2024.

The Board of Directors resolved today to convene the Shareholders' Meeting in ordinary and extraordinary session on April 29, 2024 and if necessary on April 30, 2024 on second call. The Shareholders' Meeting will be deliberate on the approval of the 2023 financial statements, the allocation of annual result, the proposal for dividend distribution, as well as the appointment of the new Board of Directors, the integration of the Board of Statutory Auditors as well as the authorization for the purchase and disposal of treasury shares, pursuant to and for the purposes of Articles 2357 et seq. of the Italian Civil Code, as well as Article 132 of Legislative Decree no. 58/1998 and Article 144-bis of CONSOB Regulation no. 11971/1999, subject to the revocation of the authorization granted by the previous Shareholders' Meeting for the portion remaining unexecuted.

The Notice of Convocation, as well as all the documentation that will be submitted to the Shareholders' Meeting, will be made available to the public, as required by law, at the Company's registered office, on the Company's website www.iegexpo.it, under the "Corporate Governance / Meetings" sections, and at the authorized storage mechanism 1info accessible at www.1info.it. An extract of the Nocice of Convocation will also be published in the newspaper Italia Oggi within the legal deadlines.

During today's meeting, the Board of Directors also approved the Corporate Governance and Ownership Structure Report, the Remuneration Report, and the Consolidated Non-Financial Statement

pursuant to Legislative Decree 254/2016. These reports will be made available to the public in accordance with the terms and conditions prescribed by the current legislation.

It is hereby announced that the audit activity of the financial statements has not yet been finalized, and therefore the auditor's report will be made available within the legal deadlines. It is also noted that the Income statement and the Statement of Financial position attached represent reclassified templates and, as such, are not subject to verification by the auditing company.

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](http://www.1info.it) accessible at www.1info.it, as well as available for consultation on the company's website www.iegexpo.it, section "Investor Relations" within the terms of applicable laws and regulations.

The manager in charge of preparing corporate accounting documents – Lucia Cicognani – 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 2023 will be presented in a conference call with the Financial Community scheduled for today at 18.00 (CET). The presentation will be available in the Investor Relations section on the website www.iegexpo.it from 5:45 pm.

This press release contains forward-looking statements, including references that are not solely related to historical data or current events and, as such, are uncertain. Forward-looking information is based on various assumptions, expectations, projections, and forecasted data regarding the financial results and other aspects of the Group's activities and strategies and is subject to multiple uncertainties and other factors beyond the control of IEG and/or the Group. There are numerous factors that could cause significantly different results and trends compared to the content, implicit or explicit, or forward-looking information, and therefore such information is not a reliable indication of future performance. Italian Exhibition Group S.p.A. assumes no obligation to publicly update or revise forward-looking information either as a result of new information, future events, or for other reasons, unless required by applicable law. Future results may also differ significantly from what is expressed or inferred from this communication regarding a variety of factors including, but not limited to: market trends; evolution of commodity prices; general macroeconomic conditions, geopolitical factors and regulatory developments. Furthermore, references to the Company's or the Group's past performance should not be taken as an indication of future performance.



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 Guidelines on Performance Indicators issued by ESMA/2015/1415 and adopted by CONSOB in communication no. 92543 of 3 December 2015, refer only to the performance of the accounting year 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. A description of the main indicators adopted is given 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 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. Please refer to annex number three of this document for the reconciliation of APIS.
- **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 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. Please refer to annex number three of this document for the reconciliation of APIS.
- **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 the provisions of "Warning notice no. 5/21" of 29 April 2021 issued by Consob, which refers to ESMA Guideline 32-382-1138 of 4 March 2021, with the exclusion of items related to leases accounted for in accordance with IFRS 16, Put Options and Derivative Financial Instruments recognised 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 FINANCIAL STATEMENTS

RECLASSIFIED INCOME STATEMENT AS OF 31 DECEMBER 2023⁽¹⁾

	31/12/2023	%	31/12/2022 Restated	%	Variation	Var. %
Revenues	212,424	100.0%	160,445	100.0%	51,979	32.4%
Operating Costs	(121,627)	-57.3%	(106,515)	-66.4%	(15,112)	14.2%
Contribution Margin	90,796	42.7%	53,930	33.6%	36,866	68.4%
Labour costs	(41,539)	-19.6%	(38,102)	-23.7%	(3,437)	9.0%
Depreciation and Amortisation	(23,532)	-11.1%	(15,882)	-9.9%	(7,651)	48.2%
Non-Recurring Charges and Income	5,842	2.8%	2,239	1.4%	3,602	>100%
Adjusted Operating Income (EBIT)	31,568	14.9%	2,186	1.4%	29,382	>100%
Non-Recurring Charges and Income	(5,842)	-2.8%	(2,239)	-1.4%	(3,602)	>100%
Operating Income (EBIT)	25,726	12.1%	(54)	0.0%	25,780	>100%
Financial Management	(4,981)	-2.3%	537	0.3%	(5,517)	>100%
Earning Before Taxes	20,746	9.8%	483	0.3%	20,263	>100%
Income Taxes	(7,414)	-3.5%	(1,320)	-0.8%	(6,093)	>100%
Group result for the period	13,332	6.3%	(837)	-0.5%	14,169	>100%
Depreciation and Amortisation	(23,532)	-11.1%	(15,882)	-9.9%	(7,651)	48.2%
EBITDA	49,259	23.3%	15,828	9.9%	33,431	>100%
Non-Recurring Charges and Income	287	0.1%	2,239	1.4%	(1,952)	-87.2%
Adjusted EBITDA	49,545	23.3%	18,068	11.3%	31,478	>100%

(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 Italian Exhibition Group 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 2023⁽²⁾

	31.12.2023	31.12.2022 Restated	Variation	Var. %
Intangible Fixed Assets	13,569	13,486	83	0.6%
Start-up	29,245	24,861	4,384	17.6%
Tangible Fixed Assets	196,584	191,032	5,552	2.9%
Financial Assets and Investments in Associates	15,968	18,223	(2,255)	-12.4%
Other Fixed Assets	3,808	6,221	(2,414)	-38.8%
Fixed Capital	259,173	253,822	5,350	2.1%
Trade Receivables	30,996	30,041	955	3.2%
Trade Payables	(43,318)	(42,807)	(511)	1.2%
Inventories	845	852	(8)	-0.9%
Commercial Net Working Capital (CCNC)	(11,477)	(11,914)	437	-3.7%
Other Current Assets	8,974	7,382	1,592	21.6%
Other Liabilities and Provisions for Current Risks	(64,813)	(52,680)	(12,133)	23.0%
Net Working Capital (NWC)	(67,316)	(57,212)	(10,104)	17.7%
Other non-current liabilities	(1,704)	(1,805)	101	-5.6%
TFR	(3,354)	(2,959)	(395)	13.3%
Provisions for non-current risks	(8,017)	(2,174)	(5,842)	>100%
Net invested capital (NIC)	178,782	189,672	(10,890)	-5.7%
Net assets	106,861	94,318	12,543	13.3%
Net Financial Position (NFP)	71,921	95,354	(23,433)	-24.6%
TOTAL SOURCES	178,782	189,672	(10,890)	-5.7%

(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 2023 ⁽³⁾

Net financial position ¹		31/12/2023	31/12/2022
A.	Cash and cash equivalents	48,885	50,586
B.	Cash equivalents	17,000	-
C.	Other current financial assets	33	137
D.	Liquidity: (A) + (B) + (C)	65,967	50,723
E.	Current financial debt	(5,940)	(10,272)
F.	Current part of non-current financial debt	(19,512)	(18,301)
G.	Current financial debt: (E) + (F)	(25,452)	(28,573)
H.	Net current financial debt: (G + D)	40,516	22,150
I.	Non-current financial debt	(109,949)	(114,073)
J.	Debt instruments	-	-
K.	Trade payables and other non-current payables	(2,488)	(3,431)
L.	Non-current financial debt: (I) + (J) + (K)	(112,437)	(117,504)
M.	Total financial debt: (H) + (L)	(71,921)	(95,354)

⁽³⁾ Net financial position presented in accordance with ESMA Guidelines of 4 March 2021 (Consob warning notice no. 5/21)

ALTERNATIVE PERFORMANCE INDICATORS RECONCILIATION (APIs)

The following is a reconciliation of Operating Profit/Loss (EBIT) and Adjusted EBIT as of 31 December 2023 compared with 31 December 2022.

	31.12.2023	%	31.12.2022 Restated	%	Variation
Adjusted Operating Income (EBIT)	31,568	14.9%	2,186	1.4%	29,382
Revenues	0	0.0%	690	0.4%	(690)
Operating Costs	(287)	-0.1%	(2,930)	-1.8%	2,643
Staff Costs	0	0.0%	0	0.0%	0
Provisions for future risks and charges	(5,000)	-2.4%	0	0.0%	(5,000)
Impairment of financial assets other than investments	(555)	-0.3%	0	0.0%	(555)
Total non-recurring Income and Expenses	(5,842)	-2.8%	(2,239)	-1.4%	(3,602)
Operating Profit/Loss (EBIT)	25,726	12.1%	(54)	0.0%	25,780

The following is a reconciliation of Gross Operating Margin (EBITDA) and Adjusted EBITDA as of 31 December 2023 compared with 31 December 2022..

	31.12.2023	%	31.12.2022 Restated	%	Variation
EBITDA Adjusted	49,545	23.3%	18,068	11.3%	31,478
Revenues	0	0.0%	690	0.4%	(690)
Operating Costs	(287)	-0.1%	(2,930)	-1.8%	2,643
Staff Costs	0	0.0%	0	0.0%	0
Total non-recurring Income and Expenses	(287)	-0.1%	(2,239)	-1.4%	1,953
EBITDA	49,259	23.2%	15,828	9.9%	33,431

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..

COMPARATIVE DATA 2022

The comparative results and financial position as of December 31, 2022 have been restated following the final accounting in the second quarter of 2023 of purchase price allocation related to the acquisition of V Gorup S.r.l. on May 28, 2022, as allowed by IFRS3 and IAS 1 accounting principles, and reclassification of contributions from ICE – Agency for the promotion abroad and internationalization of Italian companies from Other Revenues to Costs for Services, as permitted by IAS 20 paragraph 29 and as provided by IAS 8 regarding changes in accounting policy.

CONSOLIDATED INCOME STATEMENT

	31/12/2022 Published	Restatement	31/12/2022 Restated
Revenues	161,941	(1,496)	160,445
Gross Operating Margin (EBITDA)	15,828	0	15,828
Operating Profit (EBIT)	35	(88)	(54)
EARNING BEFORE TAXES	571	(88)	483
TOTAL TAXES	(1,345)	25	(1,320)
PROFIT/ (LOSS) FOR THE YEAR	(774)	(64)	(837)
PROFIT/ (LOSS) ATTRIBUTABLE TO MINORITY INTERESTS	(1,546)	(16)	(1,562)
PROFIT/ (LOSS) ATTRIBUTABLE TO THE PARENT COMPANY	772	(48)	724

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31/12/2022 Published	Restatement	31/12/2022 Restated
NON-CURRENT ASSETS	255,846	211	256,058
CURRENT ASSETS	89,195	0	89,195
TOTAL ASSETS	345,041	211	345,253
	31/12/2022 Published	Restatement	31/12/2022 Restated
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY	96,301	(48)	96,254
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO MINORITY INTERESTS	(2,195)	259	(1,936)
TOTAL GROUP SHAREHOLDERS' EQUITY	94,106	211	94,318

NON-CURRENT LIABILITIES	126,678	0	126,678
CURRENT LIABILITIES	124,257	0	124,257
TOTAL LIABILITIES	345,041	211	345,253

RECLASSIFIED FINANCIAL STATEMENTS OF ITALIAN EXHIBITION GROUP S.P.A.

RECLASSIFIED INCOME STATEMENT OF ITALIAN EXHIBITION GROUP S.P.A. AS OF 31 DECEMBER 2023⁽¹⁾

	31.12.2023	%	31.12.2022 Riesposto	%	Variation	Var. %
Revenues	142,952	100.0%	108,461	100.0%	34,491	31.8%
Operating Costs	(80,507)	-56.3%	(73,069)	-67.4%	(7,438)	10.2%
Contribution Margin	62,445	43.7%	35,392	32.6%	27,053	76.4%
Labour costs	(23,361)	-16.3%	(22,489)	-20.7%	(873)	3.9%
Depreciation and Amortisation	(11,294)	-7.9%	(11,144)	-10.3%	(151)	1.4%
Non-Recurring Charges and Income	859	0.6%	2,930	2.7%	(2,070)	-70.7%
Adjusted Operating Income (EBIT)	28,649	20.0%	4,689	4.3%	23,959	>100%
Non-Recurring Charges and Income	(859)	-0.6%	(2,930)	-2.7%	2,070	-70.7%
Operating Income (EBIT)	27,789	19.4%	1,760	1.6%	26,030	>100%
Financial Management	(6,506)	-4.6%	844	0.8%	(7,349)	>100%
Earning Before Taxes	21,284	14.9%	2,603	2.4%	18,680	>100%
Income Taxes	(7,123)	-5.0%	(1,091)	-1.0%	(6,032)	>100%
Group result for the period	14,161	9.9%	1,513	1.4%	12,648	>100%
Depreciation and Amortisation	(11,294)	-7.9%	(11,144)	-10.3%	(151)	1.4%
EBITDA	39,084	27.3%	12,903	11.9%	26,180	>100%
Non-Recurring Charges and Income	305	0.2%	2,930	2.7%	(2,625)	-89.6%
Adjusted EBITDA	39,388	27.6%	15,833	14.6%	23,555	>100%

(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 Italian Exhibition Group 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 STATEMENT OF FINANCIAL POSITION OF ITALIAN EXHIBITION GROUP S.P.A. AS OF 31 DECEMBER 2023⁽²⁾

	31.12.2023	31.12.2022	Variation	Var. %
Intangible Fixed Assets	10,018	10,804	(786)	-7.3%
Start-up	8,211	8,211	-	0.0%
Tangible Fixed Assets	171,035	172,646	(1,611)	-0.9%

Financial Assets and Investments in Associates	46,053	42,208	3,846	9.1%
Other Fixed Assets	1,779	4,776	(2,997)	-62.8%
Fixed Capital	237,096	238,645	(1,549)	-0.7%
Trade Receivables	25,153	24,285	868	3.6%
Trade Payables	(39,497)	(37,285)	(2,212)	5.9%
Inventories	-	-	-	
Commercial Net Working Capital (CCNC)	(14,344)	(13,001)	(1,344)	10.3%
Other Current Assets	5,590	3,706	1,884	50.8%
Other Liabilities and Provisions for Current Risks	(56,333)	(45,940)	(10,393)	22.6%
Net Working Capital (NWC)	(65,088)	(55,235)	(9,853)	17.8%
Other non-current liabilities	(1,704)	(1,805)	101	-5.6%
TFR	(2,039)	(1,991)	(48)	2.4%
Provisions for non-current risks	(1,550)	(1,789)	239	-13.4%
Net invested capital (NIC)	166,716	177,825	(11,110)	-6.3%
Net assets	121,976	107,534	14,442	13.4%
Net Financial Position (NFP)	44,770	70,291	(25,522)	-36.4%
TOTAL SOURCES	166,716	177,825	(11,110)	-6.3%

(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.

COMPARATIVE DATA 2022

The comparative results as of December 31, 2022 have been restated following the reclassification of contributions from ICE – Agency for the promotion abroad and internationalization of Italian companies from Other Revenues to Costs for Services, as permitted by IAS 20 paragraph 29 and as provided by IAS 8 regarding changes in accounting policy.

INCOME STATEMENT OF ITALIAN EXHIBITION GROUP S.P.A.

	31/12/2022 Published	Restatement	31/12/2022 Restated
Revenues	109,957	(1,496)	108,461
Gross Operating Margin (EBITDA)	12,903	0	12,903
Operating Income (EBIT)	1,760	0	1,760
EARNING BEFORE TAXES	2,603	0	2,603
TOTAL TAXES	(1,091)	0	(1,091)
PROFIT/ (LOSS) FOR THE YEAR	1,513	0	1,513