

Sept 25th 2024

Le Eccellenze del Made in Italy Conference 2024

Agenda

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- | | | |
|-----|--|--|
| 01. | Teresa Schiavina
Group CFO | IEG at a Glance |
| 02. | Teresa Schiavina
Group CFO | IEG's Ambition and Strategic Plan |
| 03. | Martina Malorni
Investor Relator | ESG Strategy |
| 04. | Teresa Schiavina
Group CFO | Key Financials |
-

Section 01

IEG at a Glance

Teresa Schiavina
Group CFO

1. **IEG at a Glance**
2. IEG's Ambition and Strategic Plan
3. ESG Strategy
4. Key Financials

Key figures

1st

Italian exhibition player
for directly-organised events

70

years of history

212,4

million € in Revenues*

9

countries*

+170

million € in investment included
in the 2023-2028 Strategic Plan

49,3

million € in EBITDA*

182

events *

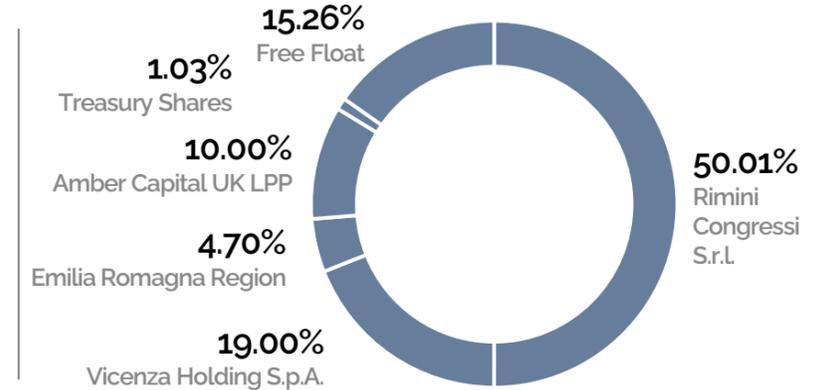
56

exhibitions

126

congresses

63%
of total employees
are women



71,9

million € in NFP*

5,8%

CAGR 18 – 23
TURNOVER

9,8%

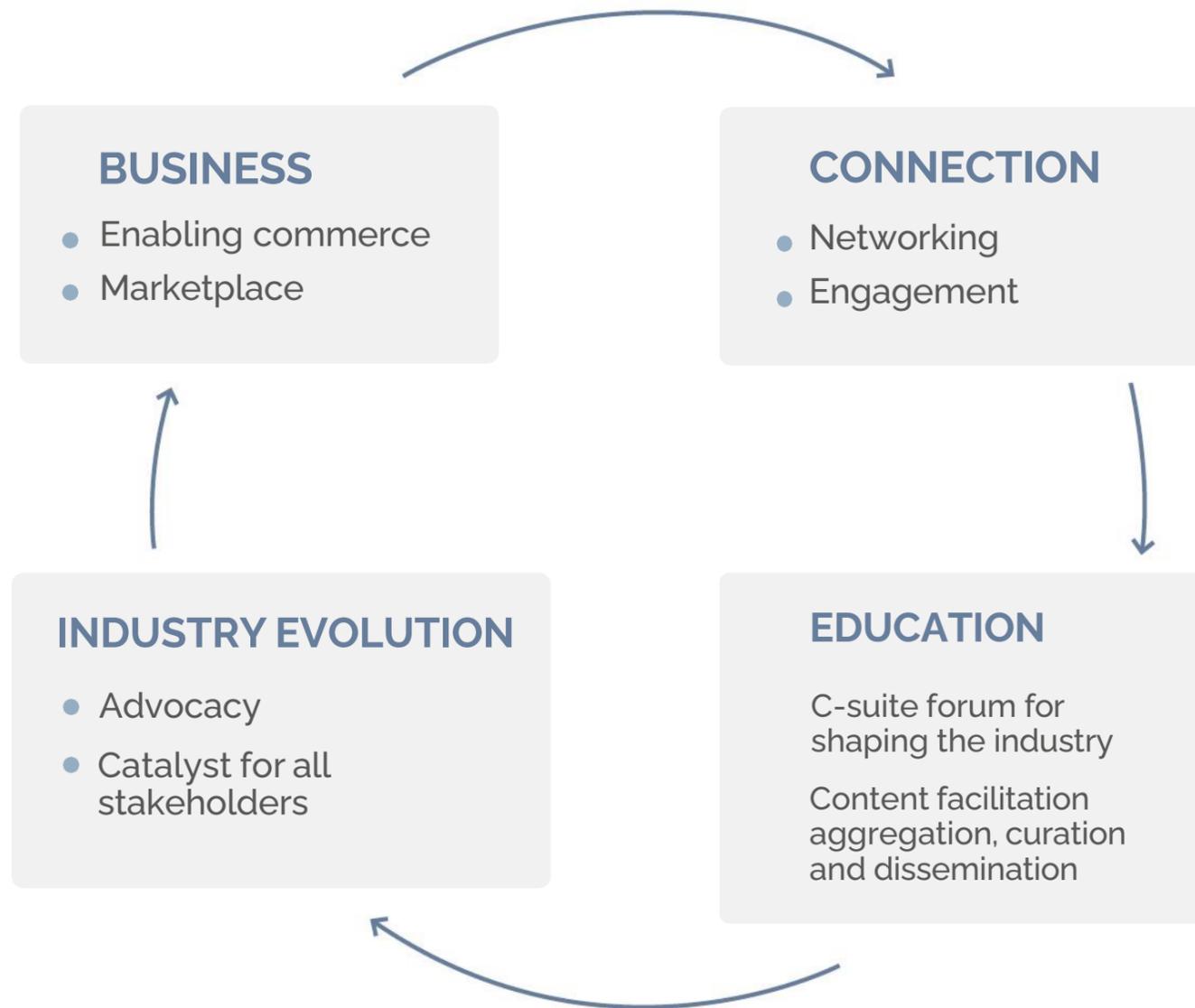
CAGR 18 – 23
TURNOVER

(excluded covid years)

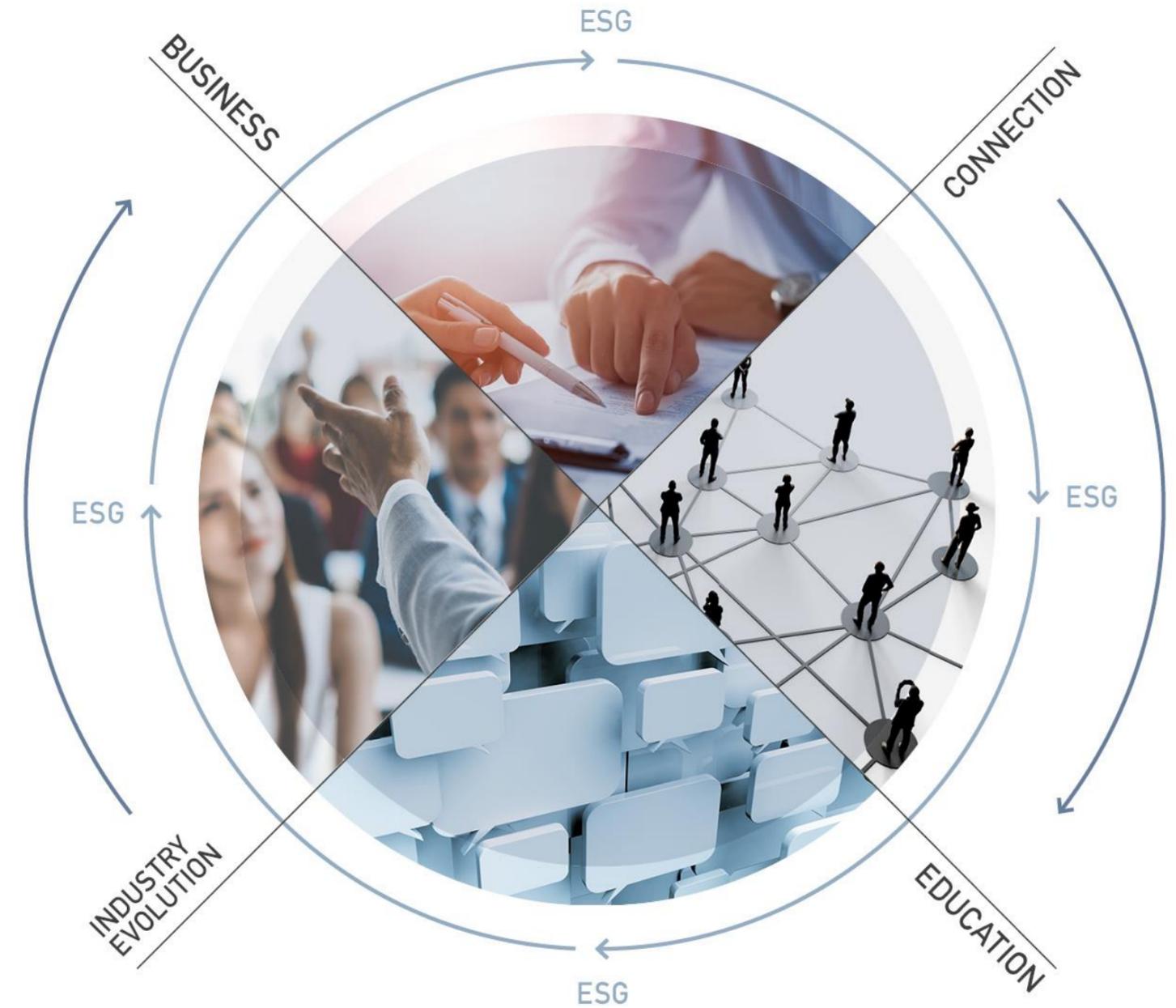


* Data referred to December 31, 2023

A sustainable and unique business model



#CommunityCatalyst



Sustainability

Geographic positioning in Italy



- Events & Trade Fairs
- Offices
- Exhibition & Convention Centres

+ 5,500 m2
expected
starting
from 2026

VICENZA TRADE SHOW DISTRICT *

- Extended and upgraded in 2014, with the construction of Hall 7
- 80,000 sqm surface area
- Multistorey car park and a large outdoor parking area
- Business centres, press rooms, food service areas and services for exhibitors and visitors
- **Venue owned by IEG**



VICENZA CONVENTION CENTRE *

- Opened in 2014
- Hosts capacity: 1,200
- Includes the Palladio Theatre, with over 700 seats
- Modular area with 3 permanent halls: Sala Giotto, Sala Tiziano, Sala Canova
- Lounge & Events Area + Welcome and Reception Area
- **Venue owned by IEG**



RIMINI HEADQUARTER & TRADE SHOW DISTRICT *

- Completed in 2006 and enlarged in 2017
- 189,000 sqm useable space - 129,000 of gross exhibit space and 60,000 sqm of service area
- 24 conference rooms seating up to 730
- Business centres, press rooms, food service areas and exhibitor and visitor additional service areas
- **Venue owned by IEG**



RIMINI CONVENTION CENTRE *

- Opened in 2011
- 38,000 sqm
- 39 Rooms, most of which are modular in order to meet our customer needs
- Overall seating capacity of 9,000
- Hosts capacity: 10,200
- Lounge & Events Area + Welcome and Reception Area

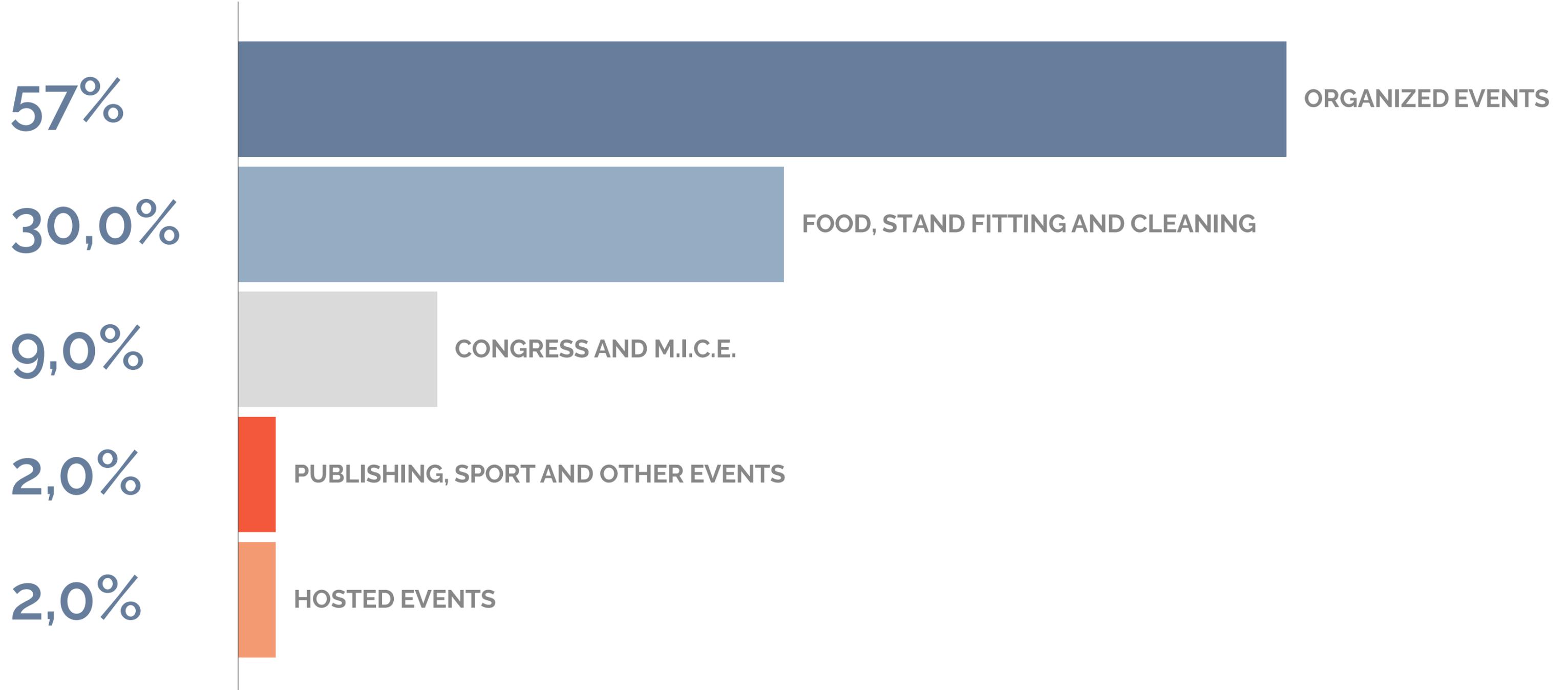


*Certified **ISO 20121**: international standard that defines the requirements of an event sustainability management system.

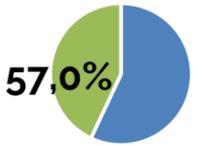
A wide range of offer: lines of business



% of 2023
Revenues



The IEG portfolio of Organized Events



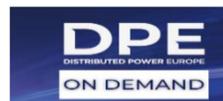
FOOD & BEVERAGE



JEWELLERY & FASHION



GREEN & TECHNOLOGY



TOURISM & HOSPITALITY



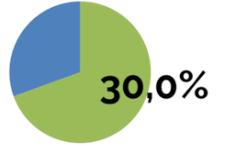
WELLNESS & SPORT



OTHER INDUSTRIES



FOOD, STAND FITTING AND CLEANING



Summertrade, FB and Prostand are the main related services subsidiaries of the IEG Group, specializing respectively in Catering and Set-up services. Furthermore, the Prime Servizi company, focused on cleaning services, guarantees quality for an indispensable event service.

STAND FITTING

The aim of the outfitting companies is to make management more efficient, optimizing the production chain and logistics in order to achieve higher margins from sales, focusing on those with greater profitability.

FOOD

The company operates in the field of catering and banqueting both at the Rimini and Vicenza fairgrounds and at the Palacongressi and Convention Center in Vicenza, for which it is the exclusive concessionaire of the service, and at other outlets, restaurants and company canteens. Summertrade also manages catering services at Cesena Fiera, the fairgrounds and convention center in Riva del Garda, the hippodrome in Cesena and at the Misano World Circuit "Marco Simoncelli" and the Porsche Experience Centre Franciacorta, just to name the main ones.

CLEANING

Founded in 2005, it is controlled through a 51 percent share and operates in the field of marketing of cleaning and portorage services.



Section 02

IEG's Ambition and Strategic Plan

Teresa Schiavina
Group CFO

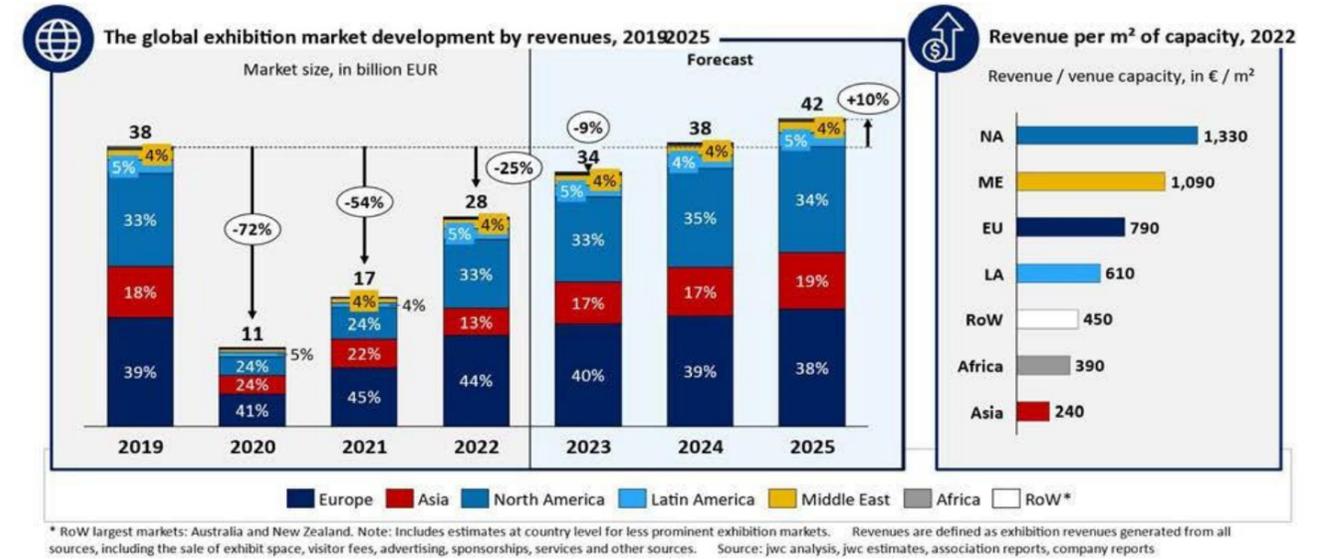
1. IEG at a Glance
- 2. IEG's Ambition and Strategic Plan**
3. ESG Strategy
4. Key Financials

The exhibition industry

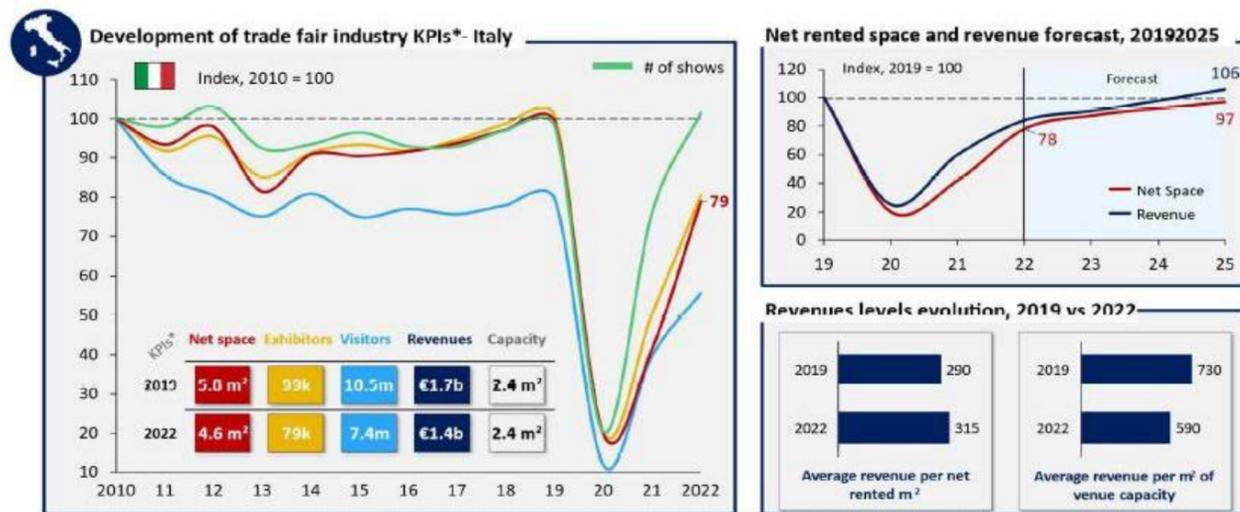
Global Exhibition Industry in the last decade



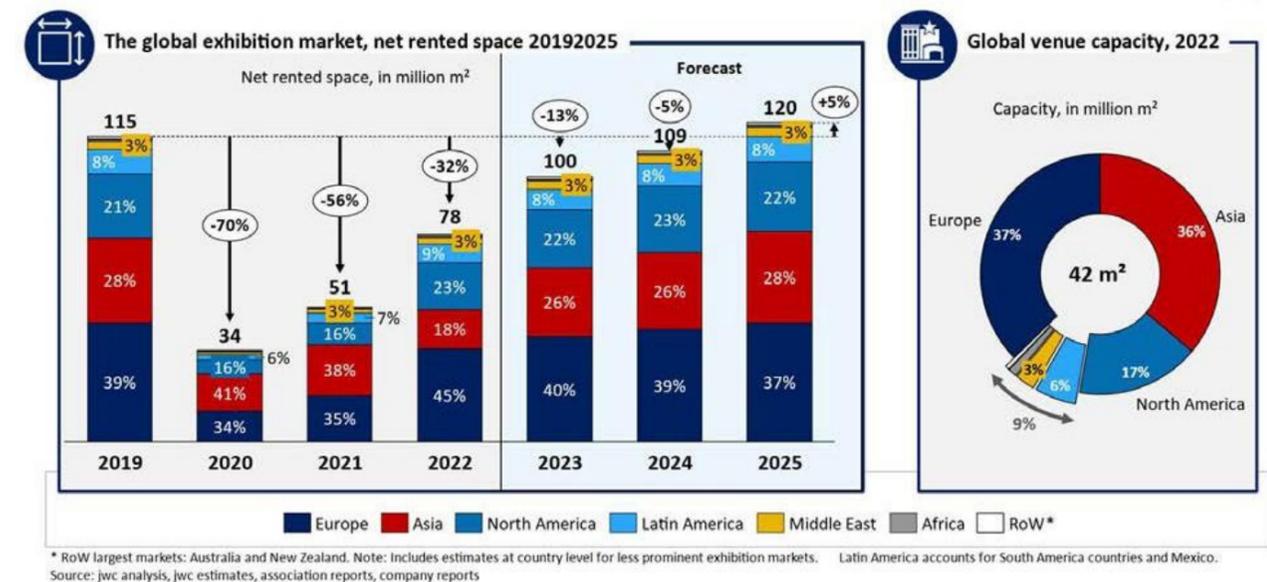
Global Exhibition Market Revenue 2019-2025



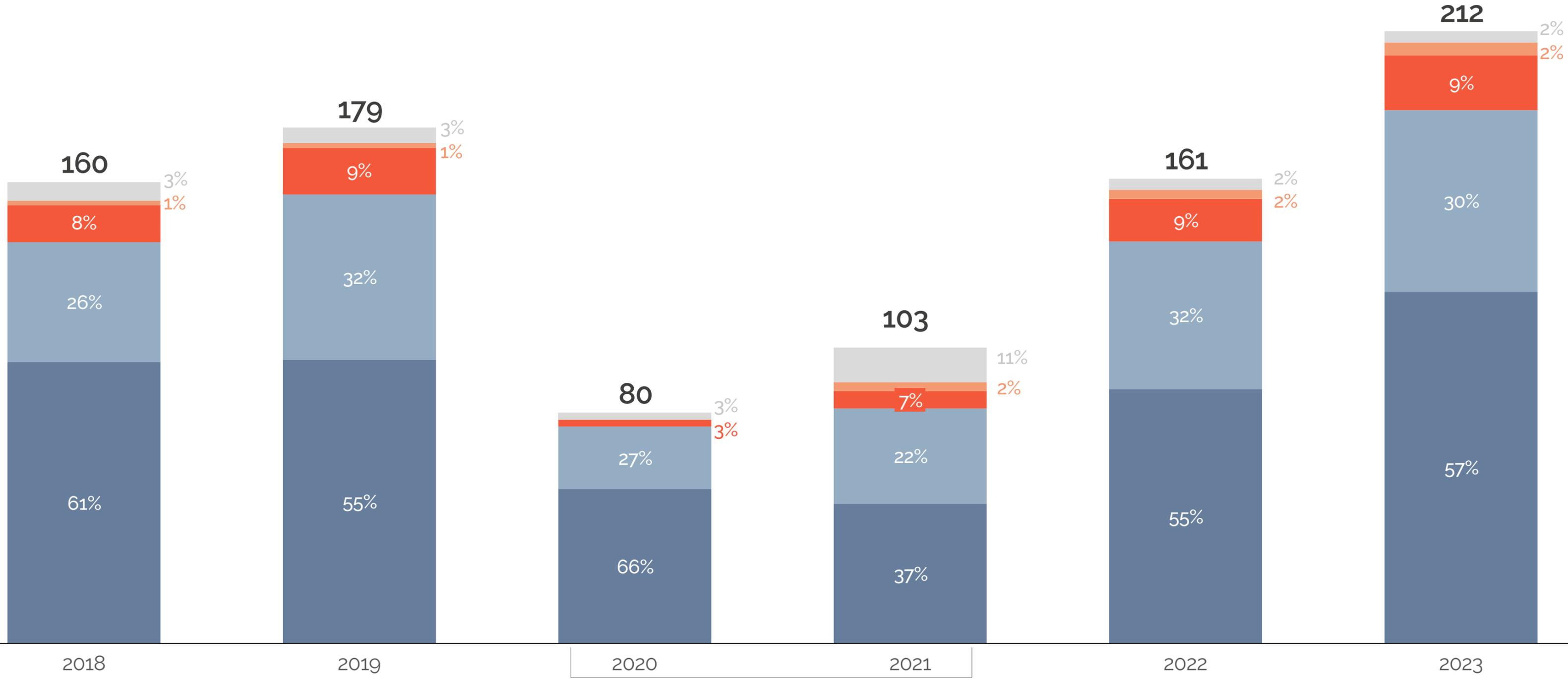
Italian Exhibition Market



Global Exhibition Market Net Square Meters 2019-2025



Group Revenues driven by organized events



Covid-19 Pandemic

■ Organized Events
 ■ Services
 ■ Congress
 ■ Hosted Events
 ■ Publishing, Sport Events & Others

Strategic Plan 2023–28: create solid basis for stronger future growth

01. PORTFOLIO GROWTH

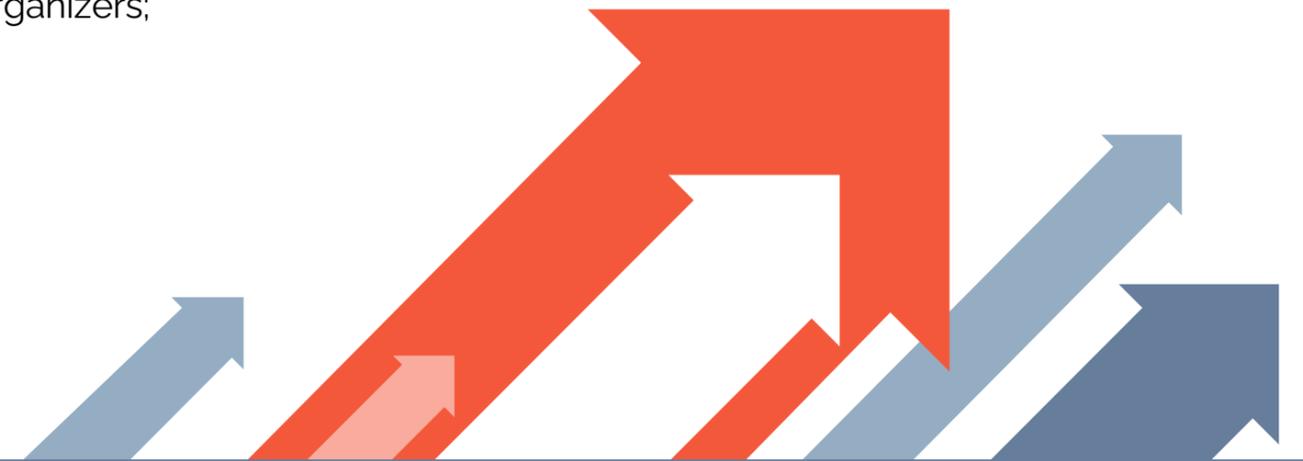
- Consolidation of the core portfolio by strengthening sector specialization and increasing venues capacity;
- Create new business communities by expanding the exhibition clusters through spin-offs, development of new concepts and import of successful events;
- M&A.

02. CONSOLIDATION OF INTERNATIONAL EXPANSION

- Consolidate Italian events abroad;
- Expand the recent acquisitions;
- International partnerships with global organizers;
- M&A.

03. VALUE CREATION

- Develop new line of business based on value added service at higher marginality;
- Increase operating margin for Service Division;
- ESG Plan to 2028 integrated in the Business Strategy.



The new Strategic Plan envisages organic growth, but sets the foundations for further business development through larger M&A activities and Partnership with global players.

IEG Financials Target

	1H 2024	FY 2024E Strategic Plan	FY 2024 New	Target 2028 
Revenues	131.9 €M	234/239 €M	240/244 €M	~ 323 €M CAGR: 9% 2023 - 2028
ADJ. EBITDA Margin	36 €M 27.3%	56/58 €M 24%	60/63 €M 25%	~ 90 €M 28% CAGR: 13% 2023 - 2028
NFP	87.8 €M	66/70 €M	67/71 €M	~ 3 €M
Monetary NFP	43.5 €M	26/30 €M	27/31 €M	(19) €M

- **2024-2028:** cumulated dividend payment estimated at **~ 16/21 €M**

Investment Plan 2023-28

172 €M

01

MAINTENANCE

33 €M

Maintenance capex to **refresh venues, event & congress.**

02

EXPANSION – EXHIBITION CENTERS

125 €M

Expansion's investments mainly involve the **expansion/renovation of the Rimini and Vicenza exhibition centers.**

03

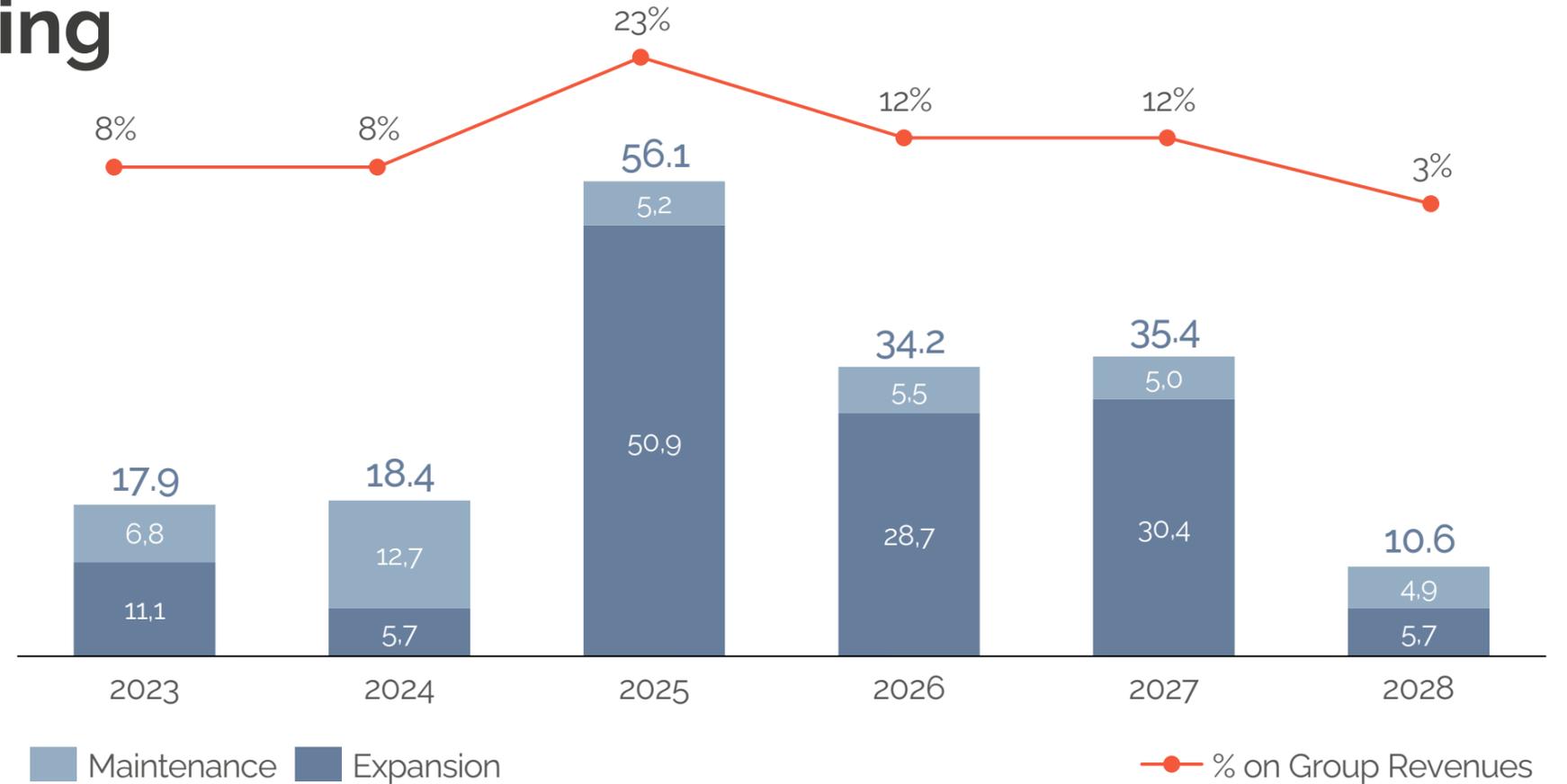
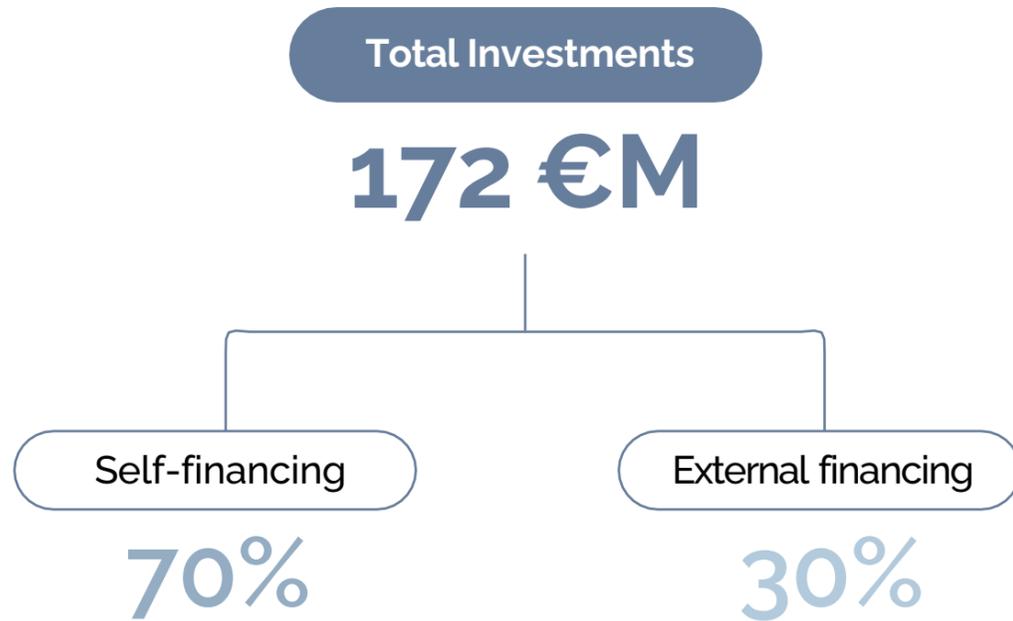
EXPANSION – Digital and M&A

14 €M

Development of a **digital architecture** and **M&A activity** in pipeline.

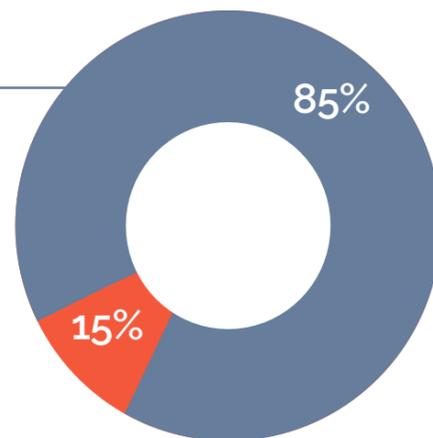
- Aimed at **increasing capacity, enlarging the product offer** and encouraging **digital development** to improve **the customer experience**;
- **Investments to sustain organic growth.**
- Investments **entirely financed by own resources and banks debt.**

Investments evolution and financing



CapEx Plan: eligibility for the EU Taxonomy

Approximately **€147 million** admissible out of a total €172 million



■ Eligible ■ Not eligible

New sustainability linked financing agreement of 70 €M million

- A new sustainability linked financing agreement signed on the 29th April 2024 with a **pool of primary financial institutions** made up of Banco BPM S.p.A., Bper Banca S.p.A., Cassa Depositi e Prestiti S.p.A. and Crédit Agricole Italia S.p.A.;
- The loan is divided into **two credit lines**, the first line ("Line A") to be used for the requalification of part of the Company's existing financial debt for **8.4 €M** and a second credit line ("Line B"), with a maximum total capital amount of **61.6 €M** of a medium-long term amortizing nature. **The loan expires in March 2032**;
- **The cost of financing is linked to on the achievement of specific sustainability objectives** aligned with the commitments that the company declared in the Strategic Plan 2023-2028.

Focus on expansion investment: Vicenza Expo Centre

STRENGTHENING THE JEWELRY DIVISION

- **T-Gold:** expansion of January edition with introduction of new companies and growth of high-potential segments. Launch of T-Gold September edition;
- **Introduction of new top brand companies** to strengthen the segment and consolidate the offer;
- Complete the offer with **new foreign companies** to increase the interest of buyers from central and northern Europe;
- Increase the entry barriers to the **Jewelry & Fashion division** which represents the **~35% of Organized Event Revenue.**

DEVELOP THE PORTFOLIO

- **Launch of vertical macro-regional events dedicated to north-east SMEs** in the B2B;
- Small events but with **high margins** as costs are low and customers are confined.

~59€M OF INVESTMENT
WITH 5,500+ NSQM



2024



Demolition work on hall 2 has started in Vicenza

2024



3 temporary halls has been installed (3,600 NSQM)

1H2026



End of works

2026



Expansion of products and services in IEG's portfolio

Focus on expansion investment: Rimini Expo Centre

SUPPORT THE GROWTH OF EXISTING EVENTS

- The main events organized in the Rimini district (**SIGEP, Ecomondo and TTG**) have demonstrated **significant growth** over the years, reaching **maximum capacity**;
- Creation of new spaces to meet the needs expressed in recent years.

DIVERSIFY IEG'S PORTFOLIO WITH NEW SERVICES

- **Offer of new services** to use the spaces not only during exhibitions but throughout the year (e.g. car parks, concerts);
- Diversification of IEG's portfolio and full use of new spaces.

~60 €M OF INVESTMENT
WITH 8,700+ NSQM



2024



B8 and D8 Pavillions has been inserted in the eastern area to cope with the increase in demand (3,648 NSQM)

2026



Work beginning

2027



End of works

2028



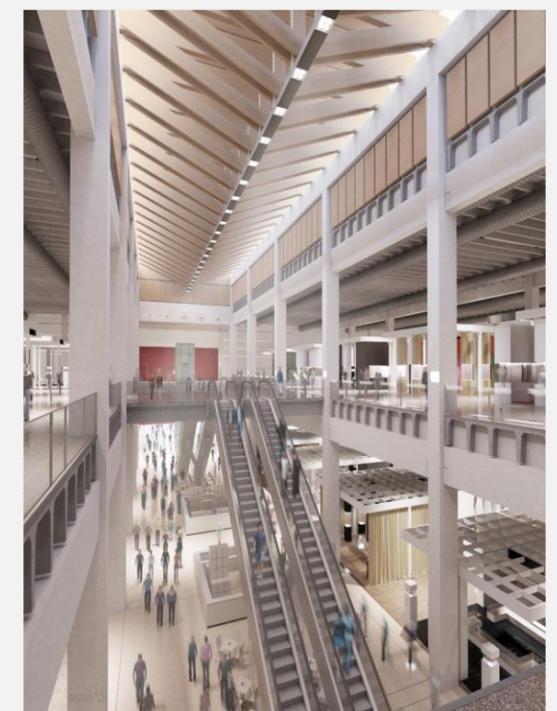
Expansion of products and services in IEG's portfolio

Expansion investment

Venues investment on the Rimini district



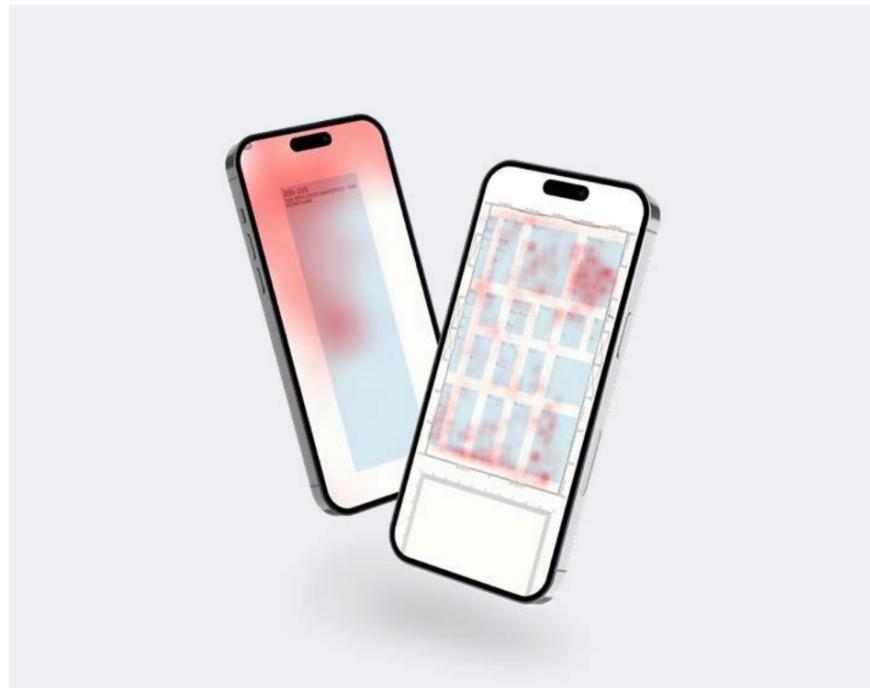
Venues investment on the Vicenza district



Focus on expansion investment: IEG Journey to Digital Transformation

Our **Community Catalyst** ambition based on **Customer centricity** strengthened by a reliable Digital ecosystem is aimed at creating an **exceptional and continuous customer experience** which goes beyond the exhibition.

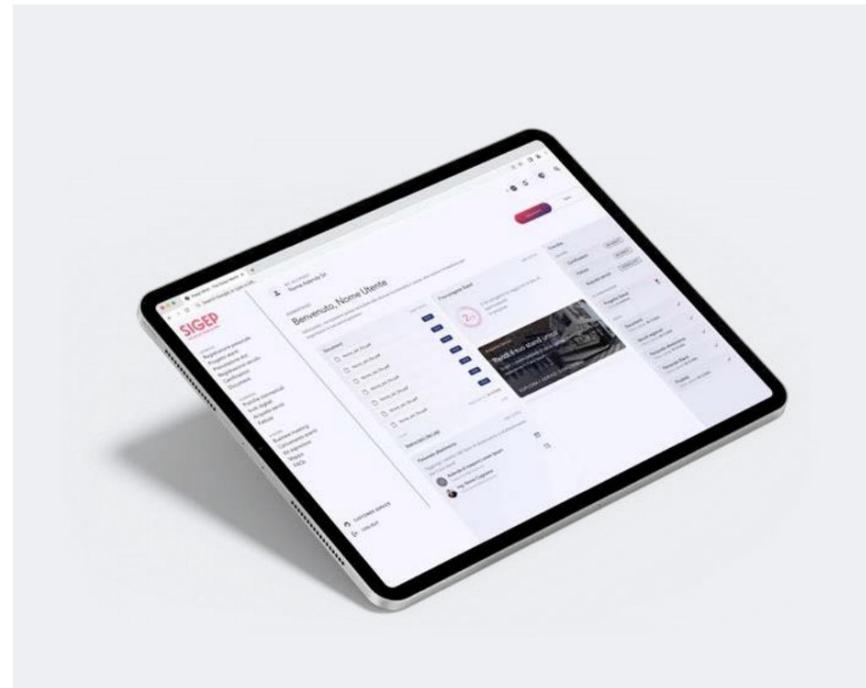
LEVERAGE DATA TO COMPREHEND CUSTOMERS BEHAVIOUR



Digital Foundation

- New Datalake
- New ERP
- Improve BI on behavioural data
- Boost Customer Insight Program

FILL THE GAP BETWEEN EXPECTATION AND EXPERIENCE



Digital Evolution

- New websites
- New reserved areas
- New Communities App
- New eCommerce
- New payment system
- New Parkings

NEW SERVICES FOR OUR COMMUNITIES



Digital Transformation

- 1-to-1 content offering
- Multi-channel selling opportunities
- Data as-a-service
- New touchpoints

Focus on expansion investment: M&A

M&A Achieved 2022-2023

Strategic Plan 2023-2028

Partnership with **Deutsche Messe** for North and Central America



Setup **IEG Deutschland**



Acquired the remaining 50% of **IEG China**



Acquired 51% of **A&T S.r.l.**



Acquired the **food & beverage trade shows** from **Montgomery Asia**



Acquired 51% of **Palakiss S.r.l.** *



Agreement signed to acquire 51% of **Venditalia***



2022

2023

2024

2025-2028

Acquired 75% of **My Plant & Garden**



Setup **IEG Asia**.
Main events: **CARA, SIGEP and SIJE**



Setup **IEG Brasil** and acquired 100% of **BTFF – Brasil Trading Fitness Fair**



Acquired 100% of **Mundogeo Eventos e Consultoria Empresarial Ltda**



Early exercise of the option to **purchase 49% of the shares of the share capital of FB International Inc.****



Acquired 100% of of the **Expo InfraFM**



Take over the management of **Smart City Business Brazil**



Continuous scouting of M&A opportunities to sustain further growth

*Ongoing acquisition subject to conditions precedent

Section 03

ESG Strategy

Martina Malorni
Investor Relator

1. IEG at a Glance
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ESG strategy 2028. The 15 objectives in brief

IEG has committed to 15 ESG targets by 2028 to provide a long-term perspective and orient IEG's commitment to the environment, people and the communities in which it operates.

Environment



- 01. Net Zero 2050 (2024/2030/2050)**
Net Zero Carbon Events;
- 02. 80% Green Booth (2026/2028)**
Target to increase the recyclable, recycled or certified materials in the exhibitions' booth constructions;
- 03. Parking automation (2024/2027)**
100% of IEG car parks with access and automated payment;
- 04. +50 charging stations (2025/2028)**
Installing new charging stations to enhance IEG parking infrastructure;
- 05. Adaptation to climate change (2024)**
Mapping of climate risks and definition of an adaptation plan for all key assets;

Social



- 06. IEG Academy (2025)**
Set up of an internal academy to provide a tailored training program to employees;
- 07. 100% ESG training (2025)**
Involvement of all IEG resources in training activities on ESG matters;
- 08. Profession & Young Generation (2025)**
Partnership with schools, universities and industries' associations to promote and train to «Profession» in the industries we serve to young generations
- 09. ESG and Economic Impact (2025)**
Assesment of direct, indirect, and induced impacts generated by IEG on communities, industries, geographies in which operates;
- 10. Leadership D&I (2026)**
Consolidate leadership on D&I through collaborations with partners and schools;

Governance



- 11. Customer satisfaction (2024/2025)**
Increased customer satisfaction both for exhibitors and visitors;
- 12. ESG Governance (2024)**
Adoption of a Governance model for sustainability;
- 13. Policy ESG (2024)**
Development of an internal policy on ESG values, practices and commitments;
- 14. ESG linked Employees Incentive Plan (2025/2028)**
Definition of incentives (MBO/LTI) connected to ESG objectives for all employees;
- 15. Supply Chain (2024/2030)**
Vendor selection based also on ESG practices.

Section 03

Key Financials

Teresa Schiavina
Group CFO

1. IEG at a Glance
2. IEG's Ambition and Strategic Plan
3. ESG Strategy
4. **Key Financials**

1H24 – Results highlights

Double-digit growth on Revenues, improving profitability, best semester in the history of the Group exceeding targets. Steady Q2 in line with expectations characterized by seasonality.

- **Revenues** (+13.2% YoY) mainly in the core business line of Organized Events. Solid performance from Services.
- **Adj. EBITDA Margin** at **27.3%** (+3.4 pp vs 1H23) driven by higher profitability of Organized Events thanks to volume.
- **Net Result** at 20.1 M€ (+ 90.2% YoY) at 15.3% of Revenue.
- **Net Financial Position** at 87.8 M€ increase by 15.9 M€ from 71.9 M€ at FY2023 due to seasonality. Adj. Free Cash Flow at 3.8 M€, improving vs H123.
- **Monetary NFP** at 43.5 M€ (vs 28.7 M€ in FY2023) after 11.7M€ of CapEx and M&A and 4.2M€ of dividends.

1H 2024 Results (M€)

REVENUES	ADJ. EBITDA	ADJ. EBIT	NET RESULT
131.9	36.0	27.8	20.1
+13.2%	+27.3%* (+3.4 pp)	+21.1%* (+4.3 pp)	+15.3%* (+6.2 pp)

2Q 2024 Results (M€)

REVENUES	ADJ. EBITDA	ADJ. EBIT	NET RESULT
43.0	1.7	(2.2)	(3.2)
+8.8%	+4.0%* (-3.9 pp)	-5.2%* (-3.1 pp)	-7.4%* (+1.0 pp)

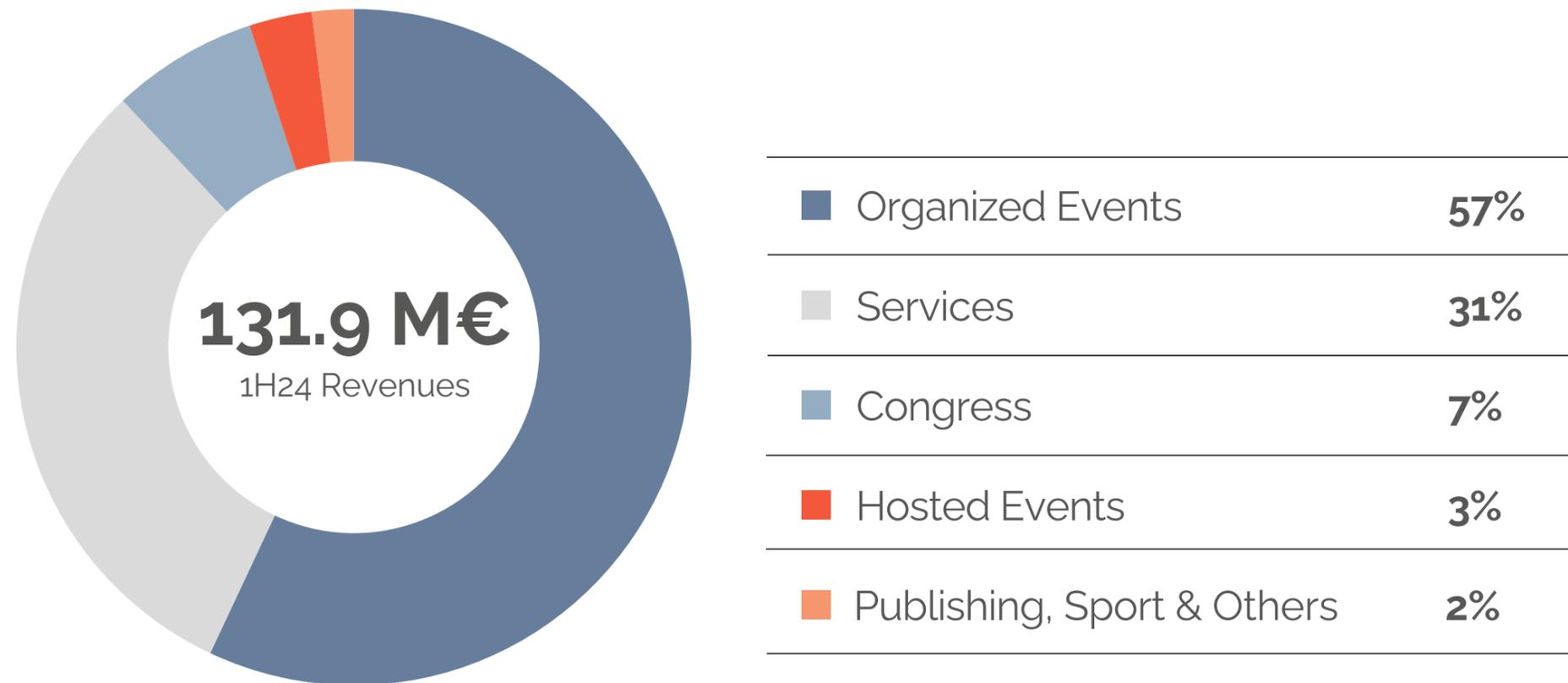
1Q 2024 Results (M€)

REVENUES	ADJ. EBITDA	ADJ. EBIT	NET RESULT
€ 88.9	€ 34.3	€ 30.0	€ 23.3
+15.4%	+38.6%* (+6.5 pp)	+33.8%* (+7.2 pp)	+26.2%* (+8.1 pp)

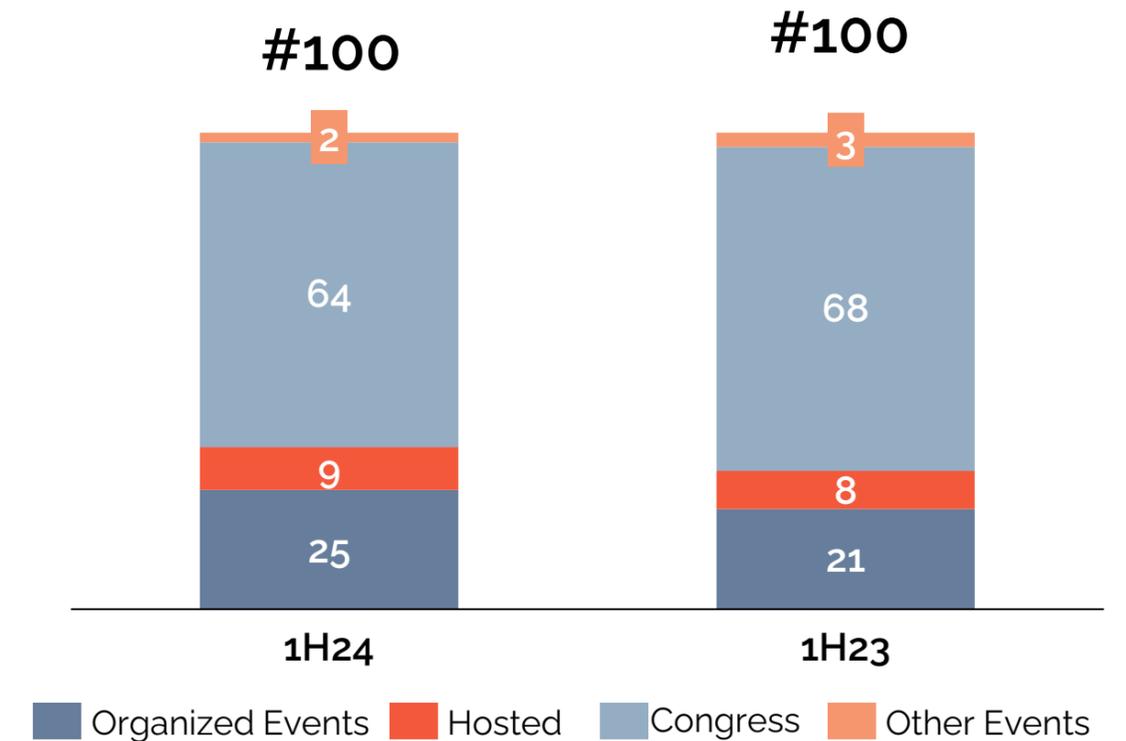
* Percentage impact on total revenue

1H24 revenues by Business segments

1H24 Revenues by line of Business



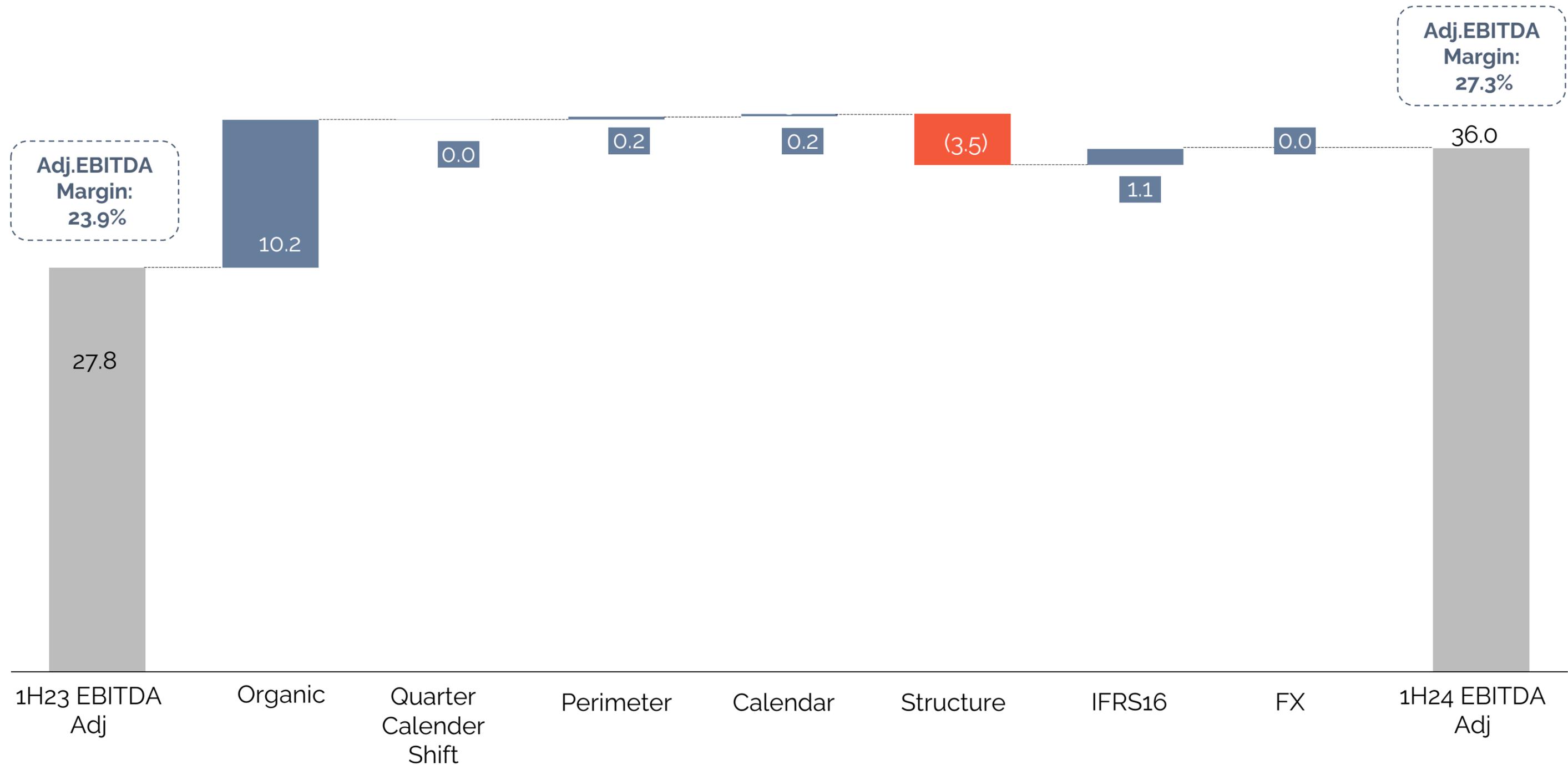
Number of Events



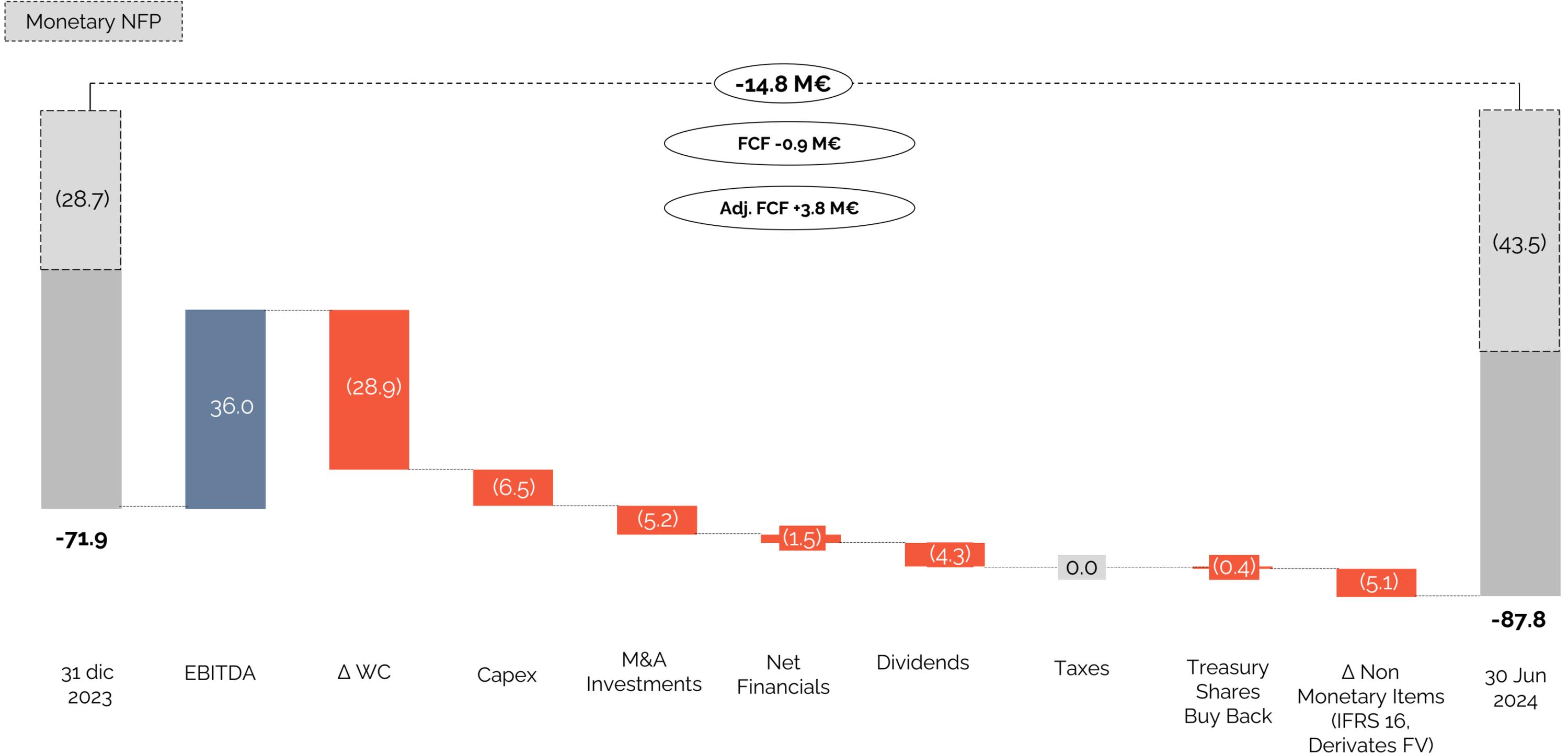
→ 57% of Revenues on high profitability line of Organized Events (52% in 2023).

→ Congresses line affected by different calendar.

1H24 vs 1H23 EBITDA bridge



1H24 vs FY23 NFP bridge



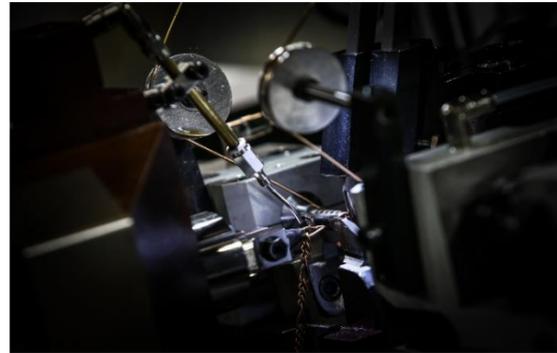
Appendix

FOOD AND BEVERAGE



FOOD & BEVERAGE Events			
Exhibition	Description	Frequency	Location
	<p>Sigep has been the point of reference for innovations in the whole dessert-and-coffee Foodservice sector and provides a complete overview of all new market developments: raw materials and ingredients, machinery and equipment, as well as furnishings, packaging and services.</p>	Yearly	Rimini
	<p>International fairtrade dedicated to speciality and craft beers - B2B + B2C</p>	Yearly	Rimini
	<p>Dedicated to the technologies and accessories for the production and packaging of beer and soft drinks</p>	Yearly	Rimini
<div style="background-color: #ADD8E6; padding: 10px; text-align: center;">Other Events</div>	<div style="display: flex; justify-content: space-around; align-items: center;">    </div>		

JEWELLERY & FASHION



JEWELLERY & FASHION Events			
Exhibition	Description	Frequency	Location
	Largest European exhibition dedicated to goldsmithing and jewellery.	Twice per year	Vicenza
	International event dedicated to goldsmithing machinery and to the most innovative technologies applied to gold and jewels	Yearly	Rimini
	Promotional platform for the made in Italy jewellery / Event for the annual purchases planning and spring replenishing of wholesalers and chain stores	Yearly	Arezzo
	International B2B sourcing event is set to deliver a bigger and better in-person experience connecting global exhibitors with trade buyers from key jewellery markets.	Yearly	Dubai
Other Events			

GREEN & TECHNOLOGY



GREEN & TECHNOLOGY Events

Exhibition	Description	Frequency	Location
	International event of reference in Europe and in the Mediterranean basin for technologies, services and industrial solutions in the sectors of the green and circular economy	Yearly	Rimini
	International exhibition of technology and supplies for ceramic and brick industries	Yearly	Rimini
	Exhibition presenting industrial solutions and applications (including urban solutions) for energy efficiency and sustainable mobility	Yearly	Rimini
Other Events	  		

TOURISM & HOSPITALITY



Publishing products

TOURISM & HOSPITALITY Events

Exhibition	Description	Frequency	Location
	International fair trade dedicated to B2B tourism. 1 st show in Italy and 2 nd in Europe(*) for number of Exhibitors in the Travel sector	Yearly	Rimini
	The only fair in Italy dedicated exclusively to hospitality and new hospitality concepts	Yearly	Rimini
	Outdoor furniture and accessories exhibition	Yearly	Rimini
	Exhibition concept dedicated to outdoor and garden furniture in the world of contract and hospitality	Yearly	Rimini
SUPERFACES	B2B event dedicated to innovative surfaces and materials for interior design and architecture	Yearly	Rimini

WELLNESS & SPORT



WELLNESS & SPORT Events

Exhibition	Description	Frequency	Location
	<p>Largest fair trade in Italy and among the top 3 fair trades worldwide for number of visitors(*) dedicated to: Fitness, Wellness, Nutrition. Sport gathering in one place all the latest products and innovations discovered so far</p>	Yearly	Rimini
	<p>The most complete event in the country dedicated to Fitness, Wellness and Health</p>	Yearly	San Paolo
	<p>The middle east's leading fitness and bodybuilding show</p>	Yearly	Dubai
<div data-bbox="1549 1547 1915 1735" style="background-color: #a0c0ff; padding: 10px; text-align: center;">Other Events</div>	   		

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Next events

November 14TH, 2024

Approval of Periodic Financial information at September 30th, 2024
