



## 2021 3Q-9M RESULTS

CONFERENCE CALL - Nov 11<sup>th</sup>, 2021

**ITALIAN  
EXHIBITION  
GROUP**  
Providing the future

KEY FINANCIALS (M€)	3Q21	3Q20	9M21	9M20
Revenues	35.5	6.4	42.5	68.2
EBITDA	11.6	(6.6)	(2.5)	9.1
% EBITDA margin	32.7%	<(100%)	(5.9%)	13.3%
EBIT	7.9	(10.5)	(16.6)	(7.1)
% EBIT margin	22.4%	<(100%)	(39.1%)	(10.4%)
Net Income	7.2	(2.5)	(19.0)	0.8
% Net Income margin	62.2%	38.0%	(53.6%)	2.3%
Minority Interests	(0.4)	(0.3)	(1.6)	(0.7)
Parent Company	7.6	(8.2)	(17.4)	1.6

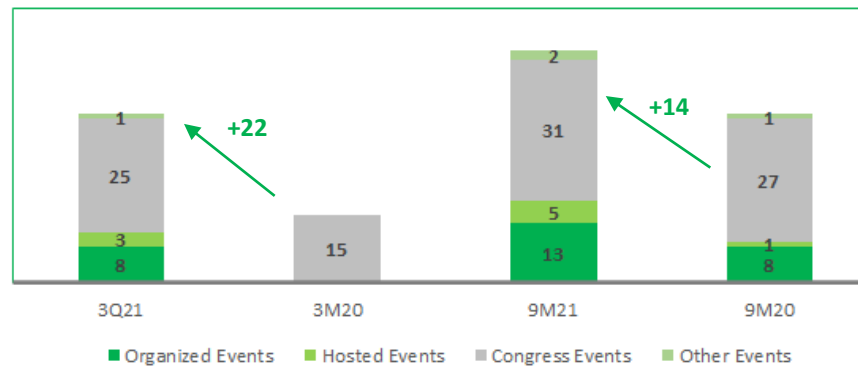
	30/9/21	30/6/21	31/3/21	31/12/20	30/9/20
NFP	132.8	148.2	141.5	129.1	116.7
"Monetary" NFP (*)	100.0	115.3	107.3	93.3	79.7

\*NFP without debts from IFRS16, Put Options, MTM/Fair value Interest Rate Swap

### IFRS16 Leases Impact

EBITDA	3.2
EBIT	6.5
Net Results	0.3
NFP	(22.6)

### Number of Events



**Please note:**  
the percentage changes in this document are calculated on €/1000 amounts, even when they are shown in €/million

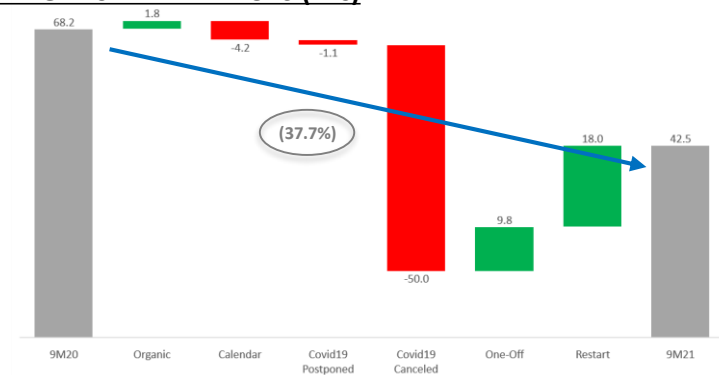
## REVENUES BY BUSINESS LINES (M€)

	3Q21			3Q20			change YoY		Change											
	3Q21	3Q20	change YoY	9M21	9M20	change YoY	% change YoY	Organic		Calendar		COVID19 postponed		COVID19 cancelled		One-Off		Restart		
								0.2	0.5%	(3.8)	(8.3%)	(0.7)	(1.6%)	(36.2)	(80.0%)	0.0	0.0%	7.7	16.9%	
Organized Events	11.1	1.8	9.3	12.5	45.2	(32.8)	(72.5%)	0.2	0.5%	(3.8)	(8.3%)	(0.7)	(1.6%)	(36.2)	(80.0%)	0.0	0.0%	7.7	16.9%	
Hosted Events	1.2	0.0	1.2	2.0	0.0	2.0	>100%	0.8	>100%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	1.2	>100%	
Congress Events	3.0	1.1	1.9	3.3	1.9	1.3	68.3%	0.0	0.0%	0.0	0.0%	0.0	0.0%	(0.6)	(29.2%)	0.0	0.0%	1.9	97.5%	
Food, Stand Fitting and Cleaning	8.5	2.4	6.1	11.6	18.9	(7.3)	(38.8%)	1.1	5.8%	(0.7)	(3.8%)	(0.4)	(2.0%)	(13.3)	(70.2%)	(0.3)	(1.7%)	6.2	33.0%	
Publishing, Sport Events and Other	11.7	1.1	10.6	13.2	2.1	11.1	>100%	(0.4)	>100%	0.2	11.4%	0.0	0.0%	0.0	0.0%	10.2	>100%	1.0	49.2%	
<b>Total Revenues</b>	<b>35.5</b>	<b>6.4</b>	<b>29.1</b>	<b>42.5</b>	<b>68.2</b>	<b>(25.7)</b>	<b>(37.7%)</b>	<b>1.8</b>	<b>2.6%</b>	<b>(4.2)</b>	<b>(6.2%)</b>	<b>(1.1)</b>	<b>(1.6%)</b>	<b>(50.0)</b>	<b>(73.3%)</b>	<b>9.8</b>	<b>14.4%</b>	<b>18.0</b>	<b>26.4%</b>	

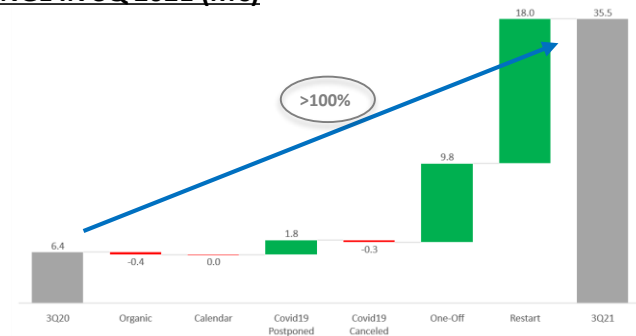
### CHANGE REASONS YoY

- **Organic, +2.6%:** First edition of Dubai Muscle Classic in Dubai, organized by HBG. Hospitality of Volleyball Nations League in May-June.
- **Calendar, -6.2%:** Abitech (triennial) regularly expected in 2022. Ginnastica in Festa (sports event) regularly took place in June (last year in December 2020).
- **Covid Postponed, -1.6%:** events scheduled in 4Q (Pescare) due to regulatory restrictions on the conduct of trade fairs.
- **Covid cancelled, -73.3%:** events held in respect of legislation during the first half only in digital format (Sigeep Exp, Beer&Food Attraction, BBTech Expo) or cancelled (VicenzaOro January, Hit Show, Gold Italy).
- **One-Off, +14.4%:** non recurring revenues, mainly referred to non-repayable grant for 9.8M€ from Simest, for covering of fixed costs from march to december 2020.
- **Restart, +26.4%:** events and related services that took place physically in 3Q thanks to the stop of restrictions. Some of them, which normally take place in the first half, have been relocated in 3Q. Among the main organized events: VicenzaOro September (in conjunction with the first autumn edition of Tgold), Rimini Wellness, Enada, Abilmente Autunno Roma and first edition as part of the Group for Fieravicola. Hosted events (Macfrut, Expodental) and congresses (Meeting, ANMCO) performed over 3Q 2019.

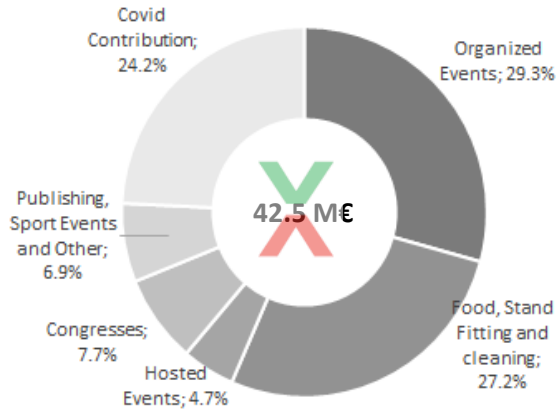
### CHANGE YoY IN REVENUES (M€)



### CHANGE IN 3Q 2021 (M€)



Revenues Breakdown



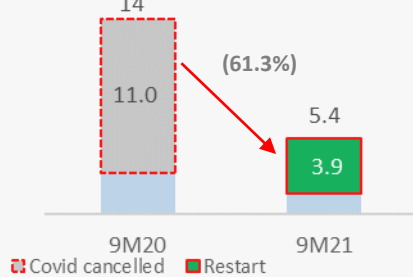
The change in trend has occurred also in Services business line thanks to carrying out of physical events.

Intentions of exhibitors to return and invest in physical events and visitors participation during the third quarter, are an encouraging signal of restart for the group related services.

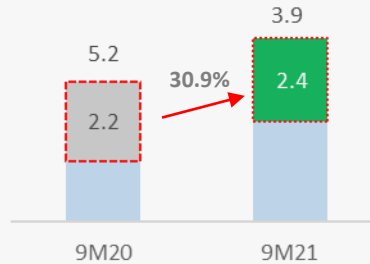
Service portfolio diversification activity (management of new refreshment points for Summertrade, new contracts at tenders for Prostand) is in progress.



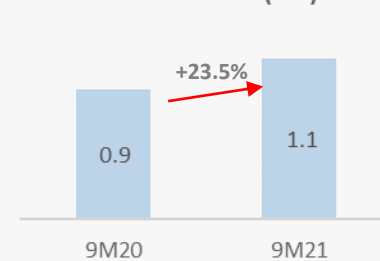
STAND FITTING Revenues (€M)



FOOD Revenues (€M)



CLEANING Revenues (€M)



## Strategic Actions Adopted

#safebusiness project and GABC STAR™ standard adoption



Smart working and PPE distribution, swab center at the entrance of the fairground



Containment Actions for Staff Costs (FIS until Dec.21) and fixed costs



New M&A activities: Agreement with SIMEST for the acquisition of a minority stake in the subsidiary HBG Events to support the new project.

New loan from Simest for 10M€ (of which 0.6M non-repayable)



Non-repayable grant for 9.8M€ from Simest, for covering of fixed costs from march to december 2020

New loan agreements subscribed, and state guarantees for subsidiaries



## STRONG BUSINESS RESTART

- 2Half 2021 events beyond expectations
- Faster recovery to pre-covid numbers
- Confidence of exhibition's operators
- Encouraging signals from next events



## External Factors



Vaccination Campaign

European Green Pass



No more limitations to exhibition's industry

Income Statement (M€)	3Q21	3Q20	% change	9M21	9M20	% change
Revenues	35.5	6.4	>100%	42.5	68.2	(37.7%)
Operating costs	(16.7)	(8.2)	>100%	(27.1)	(41.9)	(35.4%)
<b>Value Added</b>	<b>18.8</b>	<b>(1.8)</b>	<(100%)	<b>15.4</b>	<b>26.3</b>	(41.4%)
<i>% Value Added margin</i>	52.9%	(28.7%)		36.3%	38.6%	
Staff costs	(7.2)	(4.7)	52.1%	(17.9)	(17.2)	3.9%
<b>EBITDA</b>	<b>11.6</b>	<b>(6.6)</b>	<(100%)	<b>(2.5)</b>	<b>9.1</b>	<(100%)
<i>% Ebitda Margin</i>	32.7%	<(100%)		(5.9%)	13.3%	
Amortisation	(3.4)	(4.0)	(13.8%)	(11.4)	(12.6)	(8.9%)
Impairment of assets	(0.2)	0.0	na	(1.4)	(2.6)	(44.5%)
Other depreciation & Provision	(0.1)	(0.0)	>100%	(1.3)	(1.1)	21.9%
<b>EBIT</b>	<b>7.9</b>	<b>(10.5)</b>	<(100%)	<b>(16.6)</b>	<b>(7.1)</b>	>100%
<i>% Ebit Margin</i>	22.4%	<(100%)		(39.1%)	(10.4%)	
Equity Investments Results	(0.0)	(0.1)	(79.2%)	(0.3)	(0.3)	(8.1%)
Financial Results	(0.6)	(0.8)	<(100%)	(1.7)	6.8	<(100%)
<i>Financial Revenues (Charges)</i>	(0.6)	(0.5)	>100%	(1.9)	(1.4)	36.6%
<i>Changes in IRS MTM</i>	0.1	(0.1)	<(100%)	0.7	(0.2)	<(100%)
<i>IFRS16 Financial Charges</i>	(0.1)	(0.2)	(56.3%)	(0.2)	(0.5)	(57.9%)
<i>Remesuarement of PUT Options debts</i>	0.0	0.0	na	0.0	9.3	(100.0%)
<i>Financial charges on PUT Options</i>	(0.0)	(0.1)	<(100%)	(0.2)	(0.5)	(59.7%)
<i>Gain/(Losses) on Foreign Exchange</i>	(0.0)	0.1	<(100%)	(0.1)	0.1	<(100%)
<b>Profit before Tax</b>	<b>7.3</b>	<b>(11.4)</b>	<(100%)	<b>(18.6)</b>	<b>(0.6)</b>	>100%
<i>% PBT Margin</i>	20.5%	<(100%)		(43.8%)	(0.9%)	
Taxes	(0.1)	2.9	<(100%)	(0.4)	1.4	<(100%)
<i>Tax rate</i>	(0.4%)	<(100%)		(2.0%)	>100%	
<b>Net income</b>	<b>7.2</b>	<b>(2.5)</b>	<(100%)	<b>(19.0)</b>	<b>0.8</b>	<(100%)
<i>% Net Income Margin</i>	62.2%	38.0%		(53.6%)	2.3%	
<i>of which:</i>						
Minority Interests	(0.4)	(0.3)	15.0%	(1.6)	(0.7)	>100%
<b>Parent Company</b>	<b>7.6</b>	<b>(8.2)</b>	<(100%)	<b>(17.4)</b>	<b>1.6</b>	<(100%)

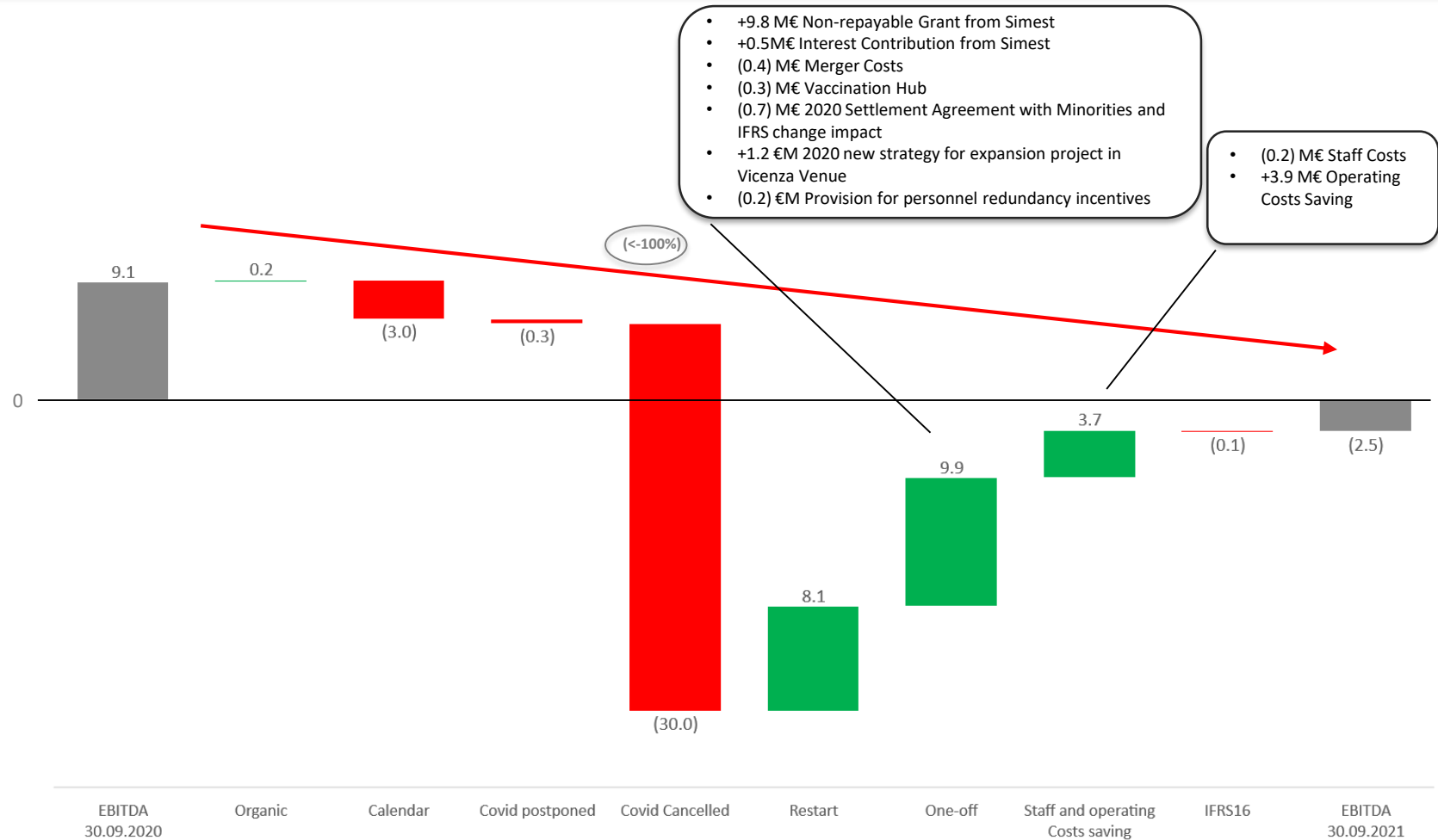
The results have been impacted by the following non-recurring items:

- Revenues: 9.8€M of non-repayable grant from Simest, 0.3M€ of utilities refunds for vaccinations, 0.5€M of interest contribution on Simest Loan (0.7 M€ ly about a settlement agreement with minorities and IFRS16 change impact);
- Operating Costs: (0.4)M€ of merger Project and (0.4) M€ of costs related to vaccinations (-1.2 €M ly for new strategy for expansion project in Vicenza Venue );
- (0.2)M€ Provision for personnel redundancy incentives
- Impairment of assets for (1.4)M€ (-2.6M€ ly)
- Depreciation of Vicenza Holding Receivable for -1.1M€
- Financial results: (0.2)€M of penalty for non-use of Rimini venue expansion loan (+9.3M€ ly for remesuarement of Put option debts)

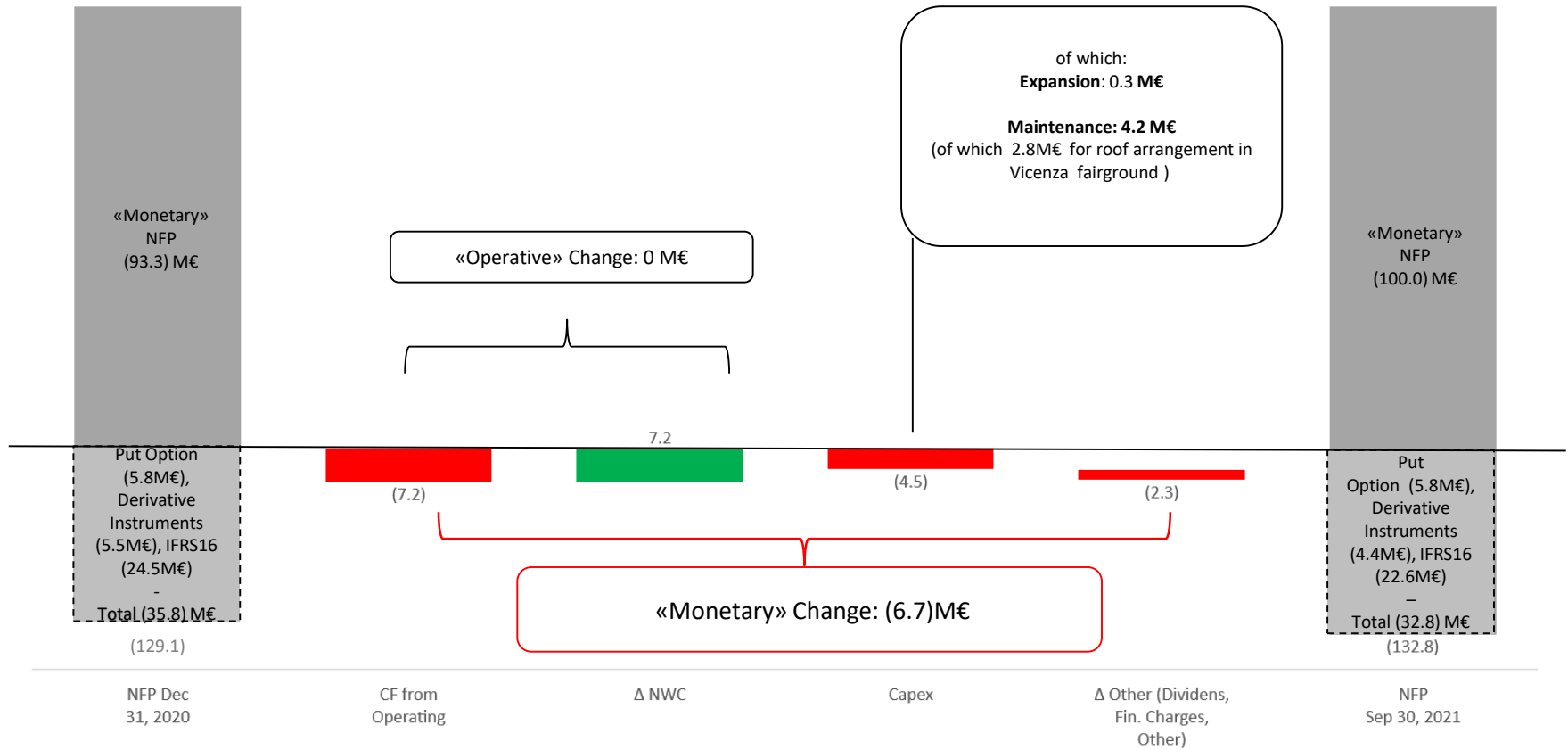


### Net of non- recurring effects

	3Q21	3Q20	Δ	9M21	9M20	Δ
Revenues	25.2	6.0	19.2	31.9	67.5	(35.6)
EBITDA	1.3	(5.8)	7.1	(12.1)	9.6	(21.7)



# Net Financial Position (M€)





**4Q21  
Outlook**

- The Council of Ministers will probably extend the state of emergency beyond Dec 31th, 2021, in consideration of arrival of winter season and increase of contagions in many European countries and in Russia. Despite the good signs of a Restart, different methods adopted by authorities to regulate international mobility and to boost vaccination campaign, cause uncertainty especially about the organization of international exhibitions.



- Ongoing renegotiation of loan (covered by SACE guarantee) maturities (50M€)
- Communication by Minister of Tourism of a «theoretical amount» of grant for the 2020 period: 4,8 €M to IEG and 2.9€M to Prostand. These imports, added to Simest Contribution on 2020 fixed costs (cashed in August) cover most of 2020 loss (caused by the pandemic, net of the first quarter result).
- Contribution for 2021 losses are being defined.



- Working on 4x4 Strategy to develop our business lines in the world;
- Working on potential acquisitions on domestic area;
- Positive signals regarding reservations for next year first exhibitions (Sigep, VicenzaOro January, Beer&Food Attraction)



Very busy calendar in the fourth quarter:

- **Excellent results of organized events:** TTG-SIA-SUN in the sector of Tourism and Hospitality, Ecomondo-Key Energy and the first edition of Superfaces in the Sector of Green&Technology (last October);
- Expansion of Abilmente world (B2C) with a first edition in Milan, besides the usual autumn edition in Vicenza (November)
- First edition of Fimast in Brescia (B2B fair about socks and footwear)
- Dubai Active Industry, Dubai Active and Dubai Muscle Show, the major fitness exhibition in Middle East, organized by HBG Events in Dubai with a significant growth in terms of spaces, exhibitors and visitors (October/November);
- **Postponement to the 4Q of trade fairs**, usually positioned in the first half, which couldn't take place before due to the restrictive measures (Koinè, Pescare);
- **New events:** Superfaces, Abilmente Autunno Milano, Fimast;
- **Confirmation of 38 congresses**, 24 of which already held.

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