2023 Annual Financial Report

ITALIAN EXHIBITION GROUP

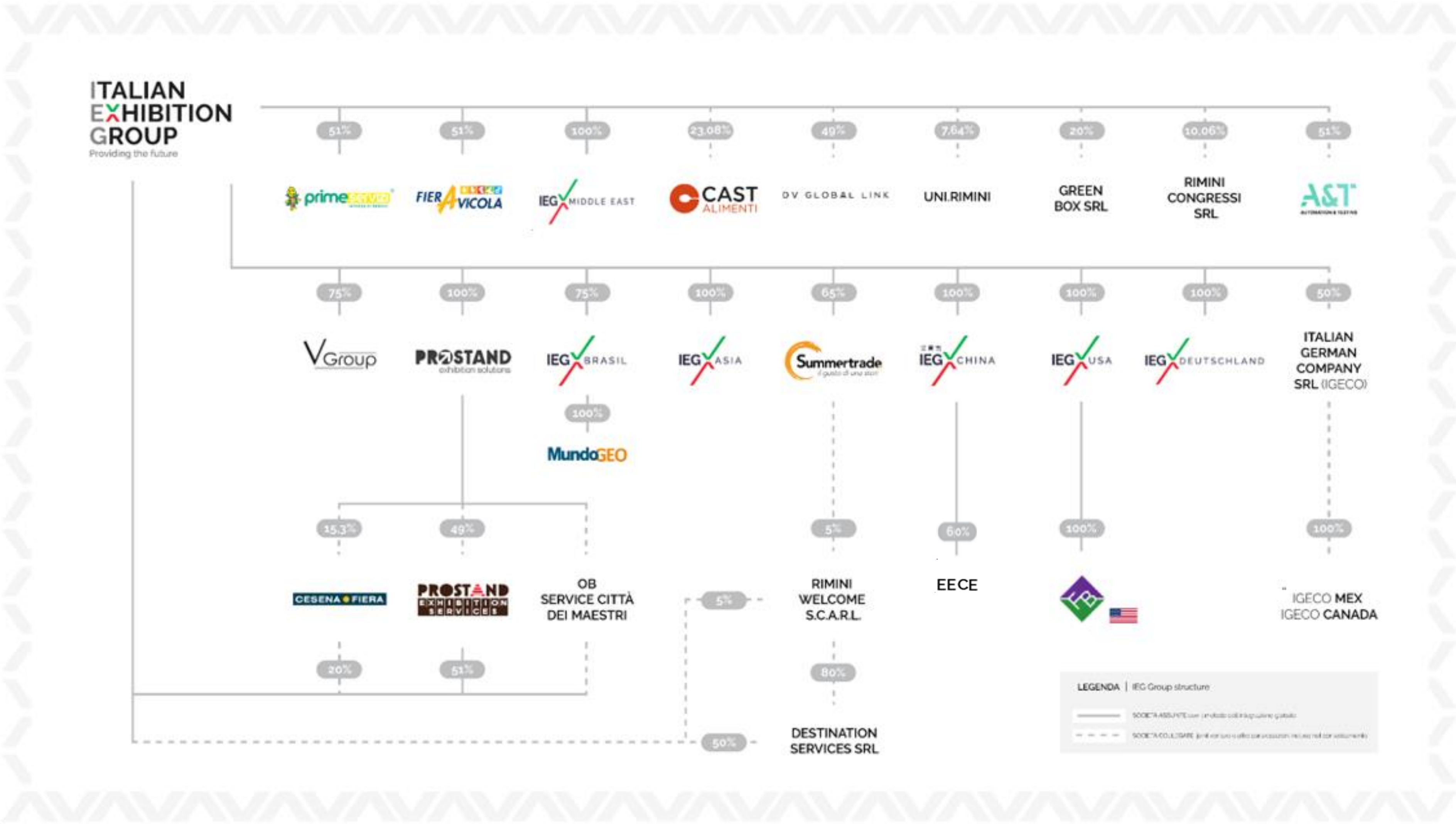
Providing the future

CONTENTS

DISCLAIMER

This document contains forward-looking statements relating to future events and operating, economic and financial results of the Group. These forecasts entail, by nature, a component of risk and uncertainty, as they depend on the occurrence of future events and developments. Actual results may deviate even significantly from those announced, depending on a variety of factors, the majority of which are beyond the Group's control.

GROUP STRUCTURE



CORPORATE BODIES

BOARD OF DIRECTORS[1]

Maurizio Renzo Ermeti	Chairman
Corrado Arturo Peraboni	Chied Executive Office
Daniela Della Rosa	Indipendent Director and Lead Indipendent Director
Gian Luca Brasini	Managing Director
Valentina Ridolfi	Indipendent Director
Andrea Pellizzari	Indipendent Director
Simona Sandrini	Indipendent Director
Alessandra Bianchi	Indipendent Directro

BOARD OF STATUTORY AUDITORS[2]

Luisa Renna	Chairwoman
Stefano Berti	Statutory Auditor
Fabio Pranzetti	Statutory Auditor
Meris Montemaggi	Alternate Auditor

CONTROL AND RISK COMMITTEE

Daniela Della Rosa	Chairwoman
Alessandra Bianchi	Full Member
Simona Sandrini	Full Member

APPOINTMENTS AND REMUNERATION COMMITTEE

Valentina Ridolfi	Chairwoman
Alessandra Bianchi	Full Member
Andrea Pellizzari	Full Member

INDIPENDENT AUDITORS[3]

PricewaterhouseCoopers S.p.A.

MANAGER RESPONSIBLE FOR PREPARING THE COMPANY'S FINANCIAL DOCUMENTS

Lucia Cicognani provisionally replacing Teresa Schiavina

(1) The Board of Directors shall remain in office until the Shareholders' Meeting called to approve the financial statements for the year at 31 December 2023.
(2) The Board of Statutory Auditors shall remain in office until the Shareholders' Meeting called to approve the financial statements for the year at 31 December 2025.
(3) PricewaterhouseCoopers S.p.A. has been appointed to perform the statutory audit for the nine years 2019 - 2027 and shall remain in office until the Shareholders' Meeting called to approve the financial statements for the year at 31 December 2027.

INTRODUCTION

This annual financial report has been prepared in compliance with Article 154 ter of the Consolidated Law on Finance and is prepared in accordance with the International Accounting Standards (IAS/IFRS) adopted by the European Union.

This version has been prepared for convenience of use and does not contain the ESEF information as specified in the ESEF Technical Regulatory Standards (EU Delegated Regulation 2019/815 as amended).

The Financial Report to the consolidated financial statements as at 31 December 2023 in ESEF format, including markings, is available on the Company's website https://www.iegexpo.it/.

GROUP PROFILE

The IEG Group handles the organisation of trade fair events, the hosting of trade fairs and other events in exhibition spaces, the promotion and management of conference centres, and the provision of services related to trade fair and conference events. The Group also works in the fields of publishing and exhibition services related to hosted sports events.

The Group confirmed its position as one of the leading national and European operators in the trade fair organisation sector: in particular, it is a leader in Italy in organising international events, focussing on those targeted to the professional sector (so-called B2B events).

It organizes and manages trade fairs primarily in the following structures:

- Quartiere Fieristico di Rimini (Trade Fair District), located in via Emilia n. 155, Rimini;
- Quartiere fieristico di Vicenza (Trade Fair District), located in via dell'Oreficeria n. 16, Vicenza;
- Palacongressi di Rimini, located in via della Fiera n. 23, Rimini;
- Vicenza Convention Center, located in via dell'Oreficeria n. 16, Vicenza.

The two trade fair districts are owned by the Parent Company Italian Exhibition Group S.p.A., the Rimini convention centre is leased while the one in Vicenza is part owned and part leased, based on a gratuitous loan for use agreement expiring on 31 December 2050.

The Parent Company also operates through local units located in Milan and Arezzo.

Aside from the Rimini and Vicenza sites, the Group organises trade fairs in the trade fair districts of other operators in Italy and abroad (e.g. Rome, Milan, Arezzo, Dubai, Chengdu, Leon, São Paulo, to mention just a few) also through subsidiaries, associated and joint control companies.

Italian Exhibition Group S.p.A. is a subsidiary of Rimini Congressi S.r.l., which, in turn, drafts the consolidated financial statements. The Company is not subject to management and coordination by Rimini Congressi S.r.l. pursuant to art. 2497 et seq. of the Italian Civil Code, as none of the activities typically entailing management and coordination within the meaning of Art. 2497 et seq. of the Italian Civil Code exist.

Directors' Report on Operations

FINANCIAL HIGHLIGHTS

The following table summarizes the main economic and financial results of the IEG Group as at 31 December 2023 and the comparison with the previous year. This Consolidated Annual Financial Report at 31 December 2023 has been prepared in compliance with Article 154 ter of the Consolidated Law on Finance and in accordance with the International Accounting Standards (IAS/IFRS) adopted by the European Union.

The amounts presented in this Report on Operations are expressed in thousands of euros; the notes commenting on them are expressed in millions of euros. The comparative figures for 2022 have been restated to reflect the final accounting of the purchase price allocation from the acquisition of V Group S.r.l. in accordance to IFRS 3, and a change in accounting policy for the classification of revenues from contribution received from ICE – the Italian Trade Agency for the promotion of Italian companies abroad and internationalization, in accordance to IAS 20, paragraph 29 and IAS 8. Details of these adjustments are provided in Annex 4.

	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.

Adjusted EBIT amounted to 31.6 million euros up 29.4 million euros compared to the previous year, marking the Group's best result ever, reaching 14.9% of revenues compared with 1.4% at 31 December 2022.

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.

ALTERNATIVE PERFORMANCE INDICATOR (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 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 Trade 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 Net Trade 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 GROUP ECONOMIC RESULTS

The following table shows the main economic components for the year compared with the previous year:

Reclassified Consolidated Income Statement	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%**

Group **Revenues** as of 31 December 2023 were 212.4 million euros, up 52.0 million euros (+32.4%) compared to 31 December 2022. Organic growth as of 31 December 2023 was 35.5 million euros (+22.2% compared to the previous period), mainly driven by higher volumes and, to a lesser extent, by price adjustments.

Revenues growth from changes in the scope of consolidation in 2023 was 7.3 million euros (+4.5% on the previous year), thanks to the acquisition of My Plant & Garden and A&T in Italy, Jewellery Event (SIJE), Cafè Asia and Sweets &Bakes Asia & Restaurant Asia (CARA) in Singapore, MundoGEO and DroneShow in Brazil.

The recovery of turnover after Covid ('Restart' effect) with the scheduling of events cancelled, suspended, or reduced in the first quarter of 2022 amounted to 14.1 million euros (+8.8% on the previous year).

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 December 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.

GROUP RECLASSIFIED ECONOMIC RESULTS FOR 4Q

Reclassified Consolidated Income Statement	Q423	%	Q422 Restated	%	Variation	Var. %
Revenues	**62,712**	**100.0%**	**55,833**	**100.0%**	**6,880**	**12.3%**
Operating Costs	(34,693)	-55.3%	(34,133)	-61.1%	(560)	1.6%
Contribution Margin	**28,019**	**44.7%**	**21,700**	**38.9%**	**6,320**	**29.1%**
Labour costs	(11,465)	-18.3%	(10,522)	-18.8%	(942)	9.0%
Depreciation and Amortisation	(7,571)	-12.1%	(2,817)	-5.0%	(4,754)	>100%
Non-Recurring Charges and Income	864	1.4%	(7)	0.0%	871	>100%
Adjusted Operating Income (EBIT)	**9,848**	**15.7%**	**8,353**	**15.0%**	**1,495**	**17.9%**
Non-Recurring Charges and Income	(864)	-1.4%	7	0.0%	(871)	>100%
Operating Income (EBIT)	**8,983**	**14.3%**	**8,360**	**15.0%**	**623**	**7.5%**
Financial Management	(2,935)	-4.7%	153	0.3%	(3,088)	>100%
Earning Before Taxes	**6,048**	**9.6%**	**8,513**	**15.2%**	**(2,465)**	**-29.0%**
Income Taxes	(2,357)	-3.8%	(445)	-0.8%	(1,912)	>100%
Group result for the period	**3,691**	**5.9%**	**8,068**	**14.5%**	**(4,377)**	**-54.2%**
Depreciation and Amortisation	(7,571)	-12.1%	(2,817)	-5.0%	(4,754)	>100%

EBITDA	**16,555**	**26.4%**	**11,177**	**20.0%**	**5,377**	**48.1%**
Non-Recurring Charges and Income	(836)	-1.3%	(7)	0.0%	(829)	>100%
Adjusted EBITDA	**15,719**	**25.1%**	**11,170**	**20.0%**	**4,549**	**40.7%**

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.

With reference to the Group's sole operating segment, namely "Hosting of trade fairs, events and performance of related services", the breakdown of the 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 risk and poorest results from Financial management driven by higher interest rates.

ANALYSIS OF RECLASSIFIED CONSOLIDATED BALANCE SHEET DATA

	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%**

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.

	31/12/2023	31/12/2022	Variation
Net financial position at the beginning of the year	**(95,354)**	(105,629)	**10,275**
Adjusted EBITDA	49,545	18,068	31,478
Change in Net Working Capital	4,713	15,178	(10,465)
Investments	(10,426)	(6,256)	(4,170)
Acquisitions	(3,258)	(6,631)	3,373
Taxes	(985)	(584)	(401)
Net financial income (expenses)	(4,121)	(2,572)	(1,549)
Sale (Purchase) of own shares	(446)	(127)	(319)
Dividends	-	-	-
Other non-monetary changes	(11,589)	(6,800)	(4,789)
Net financial position at year-end	**(71,921)**	(95,354)	**23,433**

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.

Net financial position [1]		**31/12/2023**	**31/12/2022**
A.	Cash and cash equivalents	48,885	50,586
B.	Cash equivalents	17,049	-
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)

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

L.	Non-current financial debt: (I) + (J) + (K)	(112,437)	(117,504)
M.	Total financial debt: (H) + (L)	(71,921)	(95,354)

RECLASSIFIED INCOME STATEMENT, BALANCE SHEET AND FINANCIAL POSITION OF THE PARENT COMPANY FOR THE YEAR

The following table shows the main reclassified financial and equity components as of 31 December 2023 compared to 31 December 2022 of the Parent Company IEG S.p.A.. For further information please refer to the Explanatory Notes to the Statutory Financial Statement of the Parent Company.

RECLASSIFIED ECONOMIC DATA OF ITALIAN EXHIBITION GROUP S.P.A.

Reclassified Consolidated Income Statement	31.12.2023	%	31.12.2022 Restated	%	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%**

	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%

	31.12.2023	31.12.2022	Variation	Var. %
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**	**(25,552)**	**-36.4%**
TOTAL SOURCES	**166,716**	**177,825**	**(11,110)**	**-6.3%**

RESEARCH AND DEVELOPMENT ACTIVITIES

Research plays an important part in pursuing the Group's objectives and maintaining competitiveness in a sector that is becoming increasingly competitive, characterised by a growing installed production capacity versus a market with more limited dynamics.

Research and Development activities were mainly organised in two ways. The development of the products and the ordinary activities of the various subsidiaries and associates is handled directly by the Managing Directors of these companies, while at IEG S.p.A. it is overseen by specially appointed resources who handle both the development of the products in the portfolio and the development analysis of new exhibitions and events. The management of IEG S.p.A. and of the Group works closely with the Board of Directors in the direct coordination of major projects and of the study of new sectors.

The research and development costs are fully expensed in the current financial year.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Human Resources Department of the parent company IEG S.p.A. handles the definition and supervision of the policies, functional processes and technical components under its responsibility, defining standards and KPIs relating to: talent acquisition, development and training (Talent Management), organisational development (Work Organisation) and remuneration systems (Compensation & Benefits).

Recruitment

The recruitment process is carried out to find and appoint strategic figures for the company's development in line with the needs of the various organisational levels. An Onboarding programme is set up for each resource to facilitate and accelerate the process of integrating the resource in the corporate structure, which begins with the recruitment and coaching of a person of reference (so-called Buddy), an interview with the Human Resources team about how the resource feels his work is going in the first months, and a cooking lab organised by the subsidiary Summertrade for new recruits to help them socialise and share in a team spirit.

Training

Various forms of training are provided to develop available talent and potential through individual and collective learning, helping to increase and update skills. The focus of the development of strategic activities is on the digitisation of the induction process, the execution of the training programme in a hybrid format (physical and digital) and the selection of programmes and highly qualified partners.

Performance assessment

The performance management process is a continuous process involving the employee and the people who assess his or her performance. It helps to keep the expectations of the company aligned with those of employees, valuing the commitment and contribution of individuals. Specifically, this process is managed on a specific platform where both the person assessed and the person who carries out the assessment can access their profile at any time. The steps of the process are: Assignment of Goals, Mid-Year Review, Self-Assessment, Assessment of the Manager, Calibration of Assessments and Feedback. Each employee can also express his or her future wishes and propose training activities in which he or she is interested.

Relationship with trade unions

In the last quarter of 2023, the new Supplementary Corporate Agreement came into force, introducing new elements to help improve the work-life balance. In this regard, the company worked closely with the trade unions and workers' representatives, and received valuable support from the Joint Committee.

During 2023, there was no record of occupational accidents resulting in death or serious injury to workers. The Risk Assessment Document (Documento Unico per la Valutazione dei Rischi da Interferenze (DUVRI)) was prepared and the safety operating plans of the suppliers working in the exhibition centre were examined, in compliance with the rules on occupational safety.

None of the companies of the Group have received complaints relating to occupational diseases of current or former employees and cases of mobbing.

Equity (equal opportunities) and gender non-discrimination

In December, the company obtained UNI/PdR 125:2022 certification, also known as Gender Equality Certification, which applies to all its sites in Italy. The award is the result of human capital management policies aimed at supporting female employment and which have created a corporate environment over the years that guarantees growth opportunities while maintaining a focus on work-life balance. The Company's objective is to ensure that all qualified persons, regardless of gender, are offered equal opportunities;

in addition, an inclusive working environment is created in which each person is respected and valued, considering the uniqueness of each individual.

Specifically, the Company:

- Creates a work environment without gender discrimination;
- Spreads the culture of inclusion through training and information;
- Adopts procedures for non-discriminatory recruitment, job rotation, training and career development, evaluating female and male CVs equally and providing equal pay for equal positions;
- Promotes a work-life balance during all stages of an employee's life, regardless of gender;
- Defines KPIs to assess and monitor gender equality and inclusion actions, verifying that they are properly managed within the company.

Work-life balance

For several years now, the Group has carried out many initiatives to improve work-life balance, particularly for the parent company and the Group's companies in Italy: from the management of weekly flexitime, to smart working, and from part-time work after maternity leave, to the management of the Welfare platform. The latter, in particular, allows employees to benefit from goods, services and arrangements for leisure time, paid for in full by the company. The amount available for each employee corresponds to the sum of two elements: a fixed amount established in the Supplementary Corporate Agreement with the IEG workers' representatives, and a second amount corresponding to the share of the result bonus possibly converted by the employee. Each employee, in fact, can decide to receive part of the result bonus not in monetary form, but as a welfare credit that can be spent on the special platform.

Following the introduction of the new supplementary corporate agreement in the last quarter of this year, employees can benefit from a new start time (brought forward to 08:00 to allow for an easier reconciliation of family and work commitments), multiple benefits on the occasion of the birth of a child (extension of the part-time post-maternity period, an increase in the optional maternity allowance, a 100% paid paternity leave for one continuous month), additional care leave for those caring for parents, and the so-called solidarity between colleagues, a tool that allows employees to give up their holiday hours to colleagues in need.

Employees can also make use of various services, such as the Summer Camp, a week-long summer camp for the children of employees aged between 6 and 12, and during which employees can help lead entertainment, games and cooking activities. There is also a recreation room where colleagues can socialise and play table tennis or table football, read shared books or simply have lunch together.

The company also arranges yoga classes which colleagues can sign up for.

Information on the training of employees

IEG considers its employees to be among its main assets and puts them first and foremost in its business model, represented mainly by events which it devises, develops and organises directly. This is why the company is constantly investing in the development of the skills needed to face and overcome new business challenges. The whole process of internal training is in fact strategic for the professional growth of employees, and is at the same time a very effective element of attraction and retention.

Since 2021, the Performance Management system has had a new, specific section for the development of skills; this section allows the employee to express his or her wishes in terms of training, and to reflect on his or her professional growth within the company. This information is used to prepare a training plan that is increasingly tailored to specific needs.

The regular feedback of employees and their supervisors has made it possible to organise a number of courses for improving the various professional skills and talents within a spirit of inclusivity, fostering motivation and a sense of belonging to the company. In this context, training in 2023 was offered in different forms, such as: in the classroom, on-demand, online, inter-company training, etc., and there were various work meetings for colleagues also from different departments, to encourage discussion, the exchange of information and the valuing of expertise.

During the year, a total of 7,208 hours of both compulsory and non-compulsory training was provided, averaging 21 hours per employee.

78%, corresponding to 5,621 hours (+10% compared to 2022), consisted of non-compulsory training mainly on the following topics:

- Improving managerial skills
- Digital knowledge through reskilling
- Upskilling, to gain new soft and hard skills
- Improvement of linguistic skills
- Project management

Two in-house Master's courses based on IEG's growth objectives were offered as part of the training in 2023:

- Manager Development Program: specifically for new managers. A total of 16 managers took part in the project, totalling 640 hours.
- IEG Skill Up Program: specifically for promising young people, with the aim of preparing IEG's future managers, thus ensuring continuity of leadership. 17 employees took part in the project, totalling 480 hours.

A training platform that all employees can use without restrictions was introduced in 2023, in line with the objective of improving internal skills. The platform offers a multimedia library, containing videos and clips on soft and hard topics, as well as live sessions with specialised lecturers.

In 2023, about 60% of the economic investment in non-compulsory training was financed through the use of the inter-professional funds to which the company belongs (Fondimpresa and Fondirigenti).

The company is also committed to supporting families by introducing the children of employees to the world of work, offering training for young people in how to write CVs and/or how to sit for a job interview.

Health and safety and the environment

Italian Exhibition Group S.p.A. considers the attention to the needs and pursuit of the satisfaction of its Customers and Stakeholders, the respect and protection of the environment, and the protection of occupational health and safety as essential values for the development of its business activities.

These values are key aspects that do not conflict with the company's development, but rather promote it. They are elements of a productive investment and a practical and qualifying expression of a commitment to sustainable development and continuous improvement of activities and qualitative, environmental and safety performance.

To this end, Italian Exhibition Group S.p.A. has initiated a process to plan, develop and maintain an integrated company management system that complies with current regulations on the Environment (UNI EN ISO 14001:2015) and Occupational Health and Safety (UNI ISO 45001:2018). The exhibition centres currently have an Environmental Management System (EMS) and a certified Occupational Health and Safety Management System (OHSMS) that fulfils the requirements of current legislation, in order to protect the health of its workers and other operators working within the exhibition centres. In this regard, last year saw the completion of the process that led to the certification of the Rimini and Vicenza exhibition centres and the organisation of Ecomondo. During the second half of 2023 the process was also completed for the Rimini Palacongressi, according to the ISO 20121 international standard that defines the requirements of a sustainability management system for events. All this was achieved thanks to the consultancy of the Hera Group, one of Italy's largest multi-utility companies that manages the environmental, water and energy services for millions of citizens. The best practices introduced during the planning of the Ecomondo event included: the absence of carpeting in the internal areas of the pavilions, with an environmental saving of more than 140 tonnes of carpet per year; the collection and recovery of cigarette butts; the expansion of electric car recharging stations; the accessibility of the district to the disabled; and the increase in the installed power of photovoltaic systems.

The presence of personnel external to Italian Exhibition Group S.p.A. working inside the structures is monitored at all the premises managed by IEG and IEG provides them with all the information concerning the specific risks existing in the environment in which they are destined to work, and the prevention, protection and emergency management measures in place. In order to optimise the management of safety as a whole, Italian Exhibition Group S.p.A. has outsourced the role of the Health and Safety Manager (HSM) to a professionally recognised external person, but has qualified in-house health and safety officers (HSOs) to ensure the constant control of activities.

The Vicenza office has UNI EN ISO 14001:2015 environmental certification and UNI ISO 45001:2018 certification and is also implementing an Energy Efficiency Programme following the criteria of the UNI CEI EN ISO 50001:2011 standard to achieve the highest level of efficiency and effectiveness while respecting environmental protection, workers' health and safety, and quality of service.

The Rimini Exhibition Centre, which has UNI EN ISO 14001:2015 and UNI ISO 45001:2018 environmental certification, was designed and is managed with low environmental impact in mind (it received the prestigious international Elca 'Building with Green' award in Nuremberg). The wood used for the architectural features of the centre comes from Scandinavia where the reforestation cycle is continuous. Large windows and skylights in the ceiling allow for predominantly natural lighting, and there are 850 LED floodlights that save emissions of 120 tonnes of CO_2 per year and a consumption of 360,000 kWh. In addition, in the entrance areas, where constant lighting is required, LED lighting technology is predominantly used, saving 85 per cent of electricity. A photovoltaic system of 400 sqm, which has been in place on the roof of the main entrance since 2005, supplies energy to the central hall, 'saving' Rimini around 40 tonnes of carbon dioxide annually.

All the photovoltaic systems installed over the years guarantee the production of 8.5 million kWh of clean energy, equal to the amount needed to make the sites in Italy self-sufficient.

The centre is air-conditioned by means of a system that produces cool air at night and emits it during the day (a kind of 'ice bank' that allows a reduction in electricity commitment of about 50 per cent). For heating, instead, there is a thermal power plant with a condensing boiler that saves the city of Rimini 90 per cent of nitrogen oxide emissions compared to burner boilers. The indoor and outdoor green areas cover 160,000 square metres, with over 1,500 plants and 30,000 square metres of turf (and the irrigation systems use only groundwater).

The fountains are all recirculating water fountains, while the water jets in the toilets of the centre are pressure-controlled (altogether saving 23 million litres of water per year). There are many recycling points throughout the entire centre and in the outdoor areas, allowing visitors to sort the waste they produce.

Lastly, there is a train that stops outside the southern entrance and lightens the impact of traffic on the environment; in fact, the station is used by 20% of visitors.

The same attention to eco-sustainability issues can also be found in the Palacongressi structure. The structure is 100% eco-friendly. Its low environmental impact and integration into the urban context are perfectly combined with flexibility, functionality and aesthetic quality. Eco-friendly materials such as wood, glass and stone were used for the construction of its 39 halls and 9,000 seats. Large windows allow for mainly natural lighting of the rooms and spaces. The fluorescent lamps in the light fixtures are equipped with dimmable systems and the lights that indicate the escape routes use LED bulbs that provide maximum illumination with minimal energy consumption. A rainwater recovery system is used to irrigate the green areas around the building and alleviates the water load for rainwater and mixed sewers. One of the main eco-green features is the ice storage system. During the night, storage tanks accumulate the energy needed to generate cold air, which is used during the day to condition the building. The result is a 30% reduction of electricity. State-of-the-art boilers and transformers, instead, ensure energy savings and reduce smoke emissions into the environment.

During 2023, there was no record of occupational accidents resulting in death or serious injury to workers. The Risk Assessment Document (Documento Unico per la Valutazione dei Rischi da

Interferenze (DUVRI)) was prepared and the safety operating plans of the suppliers working in the exhibition centre were examined, in compliance with the rules on occupational safety.

None of the companies of the Group have received complaints relating to occupational diseases of current or former employees and cases of mobbing.

RISK MANAGEMENT POLICY

Effective risk management is a key factor in maintaining the value of the Group over time. In this regard, within the framework of the Corporate Governance system, IEG adopts a risk management policy that constitutes the set of organisational structures, rules and procedures for the identification, measurement, management and monitoring of the main corporate risks within the Group, contributing to a healthy, correct and coherent management of the business in accordance with the objectives defined by the Board of Directors and favouring the taking of conscious decisions consistent with the propensity to risk, as well as the diffusion of a correct knowledge of risks, legality and corporate values.

The Board of Directors has the task of defining guidelines so that the main risks to which IEG S.p.A. and its subsidiaries are exposed are correctly identified and duly measured, managed and monitored.

The Board of Directors identifies the following corporate functions in charge of risk management, defining their respective duties and responsibilities within the Internal Control and Risk Management System:

- Management Team that identifies and assesses operational risks directly associated with the strategy and related to achieving the strategic objectives in compliance with the operational responsibilities entrusted to them.
- The Control, Risks, Remuneration and Appointments Committee (composed, in line with the provisions of the Corporate Governance Code, of 3 Directors, independent and non-executive) has the task of supporting, with appropriate preliminary activity, the assessments and decisions of the Board of Directors relating to the internal control and risk management system.

The general principles of risk management and the bodies entrusted with assessing and monitoring risks are stated in the Corporate Governance Report, the Organisation, Management and Control Model pursuant to Legislative Decree no. 231/2001, and in the accounting and administrative control model (pursuant to art. 154 bis of the Consolidated Finance Act).

In order to allow the organisation to define the risk categories on which to focus its attention, the Group has adopted a model for identifying and classifying risks, based on classes of risk subdivided by type, in relation to the management level or business function at which they originate or which is responsible for monitoring and management.

The Internal Audit function systematically assesses the effectiveness and efficiency of the Internal Control and Risk Management System as a whole, reporting the results of its key control testing activities directly to the Chairman, the Chief Executive Officer, the Board of Statutory Auditors, the Control, Risks, Remuneration and Appointments Committee, and the Supervisory Board for the specific risks related to compliance with Legislative Decree no. 231/2001 and at least once a year to the Board of Directors, thus guaranteeing independence and autonomy.

Below are the main risks for each of the risk families listed above. The order in which they are listed does not imply any classification, neither in terms of the probability of their occurrence, nor in terms of their possible impact.

The first-level risk families identified on the basis of the Risk Management Policy are as follows:

- External and strategic risks;
- Operational risks;
- Risks of non-compliance;
- Financial risks.

EXTERNAL RISKS

Economic and Geopolitical context

The Group's economic and financial results are clearly exposed to the performance of the business cycle, as well as to global macroeconomic variables. The former influence the level of their customers' planned investments in trade fairs, conferences and related services. Macroeconomic variables, influenced by the geopolitical instability in the Balkans, to which the escalation in the Middle East has been added, have a bearingon prices and availability of raw materials and energy, as well as visitors and exhibitors chance to move, which could jeopardise economic performance and have negative effects on the Group's planned development activities and financial performance.

The mitigating actions implemented by the Group include constant monitoring of profitability levels necessary to guarantee the achievement of objectives of financial and equity balance, as well as the constant alignment with the budget and formulated plans. Furthermore, Group's product portfolio does not appear subject to the presence of visitors and exhibitors from territory involved in the conflicts that are shaping the current geopolitical landscape.

Competitive landscape and evolution of the trade fair market

The Group is exposed to the risk of a market characterised by the high concentration of an increasingly small number of players, which tends to limit a strategy of growth by external lines. The leading position achieved in the domestic market in some of the core business segments then leads to increased competition and the risk of new entrants that could negatively affect the market position.

The organisation and hosting of trade fairs and conferences are, by their very nature, subject to seasonality and cyclical demand. Seasonality, both due to the greater distribution of events in the first and fourth quarters of the year, and the biennial nature of some events, significantly affects the Group's distribution of revenues and margins, which is exposed to the risk of having levels of saturation of exhibition and conference facilities that are not optimal for the achievement of expected margins.

The Group's business is predominantly driven by trade fair activity, the revenues of which are distributed among a very large number of customers, concentrated, however, in a smaller number of events, some of which are organised on the basis of agreements with associations representing major exhibitors. In spite of the large number of events organised and hosted at trade fair venues, the utilisation of a considerable part of the exhibition space, and the associated revenues and margins, is linked to a limited number of specific events, both organised and hosted. There is therefore the possibility that these key events may experience negative trends that could jeopardise their continuity over time, or may be relocated (for hosted events) to other exhibition venues. While the risk arising from the possible loss of events organised by third parties is limited insofar as the revenues and margins associated with these events are limited, the potential risk associated with a change in relations with leading associations or customer groups that could lead to the loss of certain events is more significant.

The Group is constantly striving to stand out from the competition by continuously improving the offer and quality of the organised events, exploiting its high level of in-house expertise and know-how, the strength of its brand and content assets and the synergies between the businesses.

Climate Change

Climate risk, identified as a failure to mitigate and adapt to climate change, is an issue of increasing concern in the global economy. The main aspects are related to physical risks, i.e. impacts directly related to climate change and its manifestations, and transaction risks identified as those impacts resulting from the process of transition towards a low-carbon economy. At present, the Group does not have a high risk profile in relation to climate change, however within the framework of drafting the new Strategic Plan 2023-2028, the Group has taken into account, in addition to further investments related to the search for innovative solutions in sustainable business practices, also the prospective aspects and impacts related to climate change on the Group's business operations, without detecting significant financial impacts or recoverability issues of assets. Nevertheless, the Trustees felt so strongly about the issue that they promoted and signed The net zero carbon events initiative in July 2022, which aims to halve greenhouse gas emissions by 2030 and eliminate them by 2050 for all events held in Italy. In 2023, the company achieved ISO20121 certification for the Palacongressi in Rimini - certification it had previously obtained in 2022 for the Rimini and Vicenza exhibition centres and the Ecomondo event. The standard provides the structure and means to measure, minimise and eliminate the negative environmental, social and economic impacts of an event, optimising planning and processes. Among the many initiatives promoted by the Group to combat climate change, it is worth mentioning the collaboration launched in 2023 between Ecomondo and AWorld - the official UN platform created to encourage collective climate action - with the aim of engaging, educating and inspiring its stakeholders - through the launch of a challenge consisting in the execution of at least 100,000 positive actions within a 3-month timeframe. The partnership stipulated that upon completion of the challenge, Ecomondo would give a 'reward' dedicated to the planet. Thanks to the enthusiasm and participation of 296 people, 416,618 shares were registered, far exceeding expectations. Ecomondo decided to award the prize to Regusto, a portal for managing donations of products at risk of going to waste, based on a sharing for charity model that uses blockchain technology to generate positive social and environmental impacts. The positive impact, certified with an Impact Token, generated 6,000 meals, avoided the emission of 3,000 kg of CO_2, saved 6,000 m^3 of water and preserved 9,000 m^2 of soil.

The company is also working to raise awareness among its employees on the issue of climate change through the 'Bike to Work' project promoted by the Emilia-Romagna Region, encouraging the use of sustainable mobility; in fact, employees will be reimbursed for kilometres travelled on their bicycles between home and work.

OPERATIONAL RISKS

The main operational risks inherent to the nature of the business are those related to the supply chain, unavailability of production sites, marketing of products, information technology, health and safety at work, and environmental issues

Business Interruption

The Group is exposed to the risk of natural or accidental events (such as earthquakes or fires), malicious behaviour (acts of vandalism) or malfunctioning of plants, which may cause damage to assets, unavailability of production sites and operational discontinuity of the same. The Group has therefore strengthened the mitigation process aimed at reducing the risk of such events occurring as much as possible, as well as implementing safeguards to limit their impact, with the ongoing consolidation of the current continuity of business at the Group's production sites.

Cyber Security

The Group considers the operational continuity of its IT systems to be of paramount importance and has implemented risk mitigation measures in this regard to ensure network connectivity, data availability and data security, while at the same time guaranteeing the processing of personal data in compliance with the European GDPR regulation and applicable national regulations in individual EU member states.

The company employs an external, qualified and certified partner to whom it assigns cybersecurity monitoring responsibilities. Close cooperation allows careful monitoring and constant updates with regard to the latest cyber threats.

The company always entrusts an external partner with the constant monitoring of the health of the company's assets. A system is in place for controlling servers, switches, firewalls, storage, etc., in order to monitor the entire information infrastructure of the parent company, signalling any assets that are unavailable or near critical thresholds, according to predefined controls. The strong correlation between SOC and NOC allows for an even more effective service.

With the SOC (Security Operation Centre) service, active since 2022, the company introduced the following activities and technologies:

- XDR, the eXtended Detection & Response systems are security solutions that are more effective than normal antivirus, and involve the installation of an agent on the devices (at the moment PCs and servers, in the future also mobile devices). The systems allow constant monitoring of various control parameters that are subject to compromise, and immediately trigger alerts and activities towards the SOC that acts locally and isolates the client. The XDR system is extended to all assets of the Group companies that have access to the parent company's servers in various capacities;
- SIEM Qradar, the Security Information and Event Management system that correlates different and distant events so that suspicious or malicious activities emerge, and related activities preceding or leading to an attack can be identified in good time;
- Early Warning, the service managed directly by the SOC that reports new vulnerabilities as they are catalogued by certified bodies, such as NIST, the Italian CSIRT or MITRE. During the course of 2024, the company will implement its Vulnerability Management service (Connect Secure), which, within the company's risk perimeter, will intercept vulnerabilities and identify them according to the identified severity score, so that they can be isolated and corrected immediately;

- CTI, the Cyber Threat Intelligence service scans the dark web for leaks of sensitive or non-sensitive data traceable to the company.

The company has adopted a NIST framework to perform a more effective analysis of the company's security situation. The activities below will be implemented within the next financial year.

- Unification and standardisation of documentation, protecting it and making it available to relevant users;
- Adoption of Office365 Business Premium class licences, which will make it possible to fill certain gaps that have been deemed necessary to date, and the enabling of numerous security controls;
- Security Awareness, offering training courses in order to increase the security awareness of everyone working within the Group;
- Access & Log Management, the control of access and logs is today in part already covered by a specific software. Improvements will be made with the adoption of an industry-leading software communicating with SIEM, thus creating a more successful network.

It should also be noted that the company adopts various safeguards such as the dual authentication policy (MFA) for all access to the world of O365 and also for connections from outside via VPN, increased network segregation, and enhanced Password Policy.

All measures taken for security and privacy purposes fulfil the criteria of ISO/IEC 27001:2013.

Risks associated with dependance on key personnel

The Group relies heavily on the professional contribution of key personnel and highly specialised figures, mainly including (i) members of top management and (ii) exhibition directors, responsible for the organisation of individual events, by virtue of the specialised professional skills developed in the reference markets of exhibitions held; the Group is therefore exposed to the risk of not being able to retain or attract resources with the skills required to carry out the activities and adopt the Group's strategies, or to the risk of the interruption of professional relationships currently in place with key figures or specialised personnel.

To mitigate this risk, the Group has implemented the 'HR 360' project, which aims to systematise and integrate various HR management processes with the ultimate goal of retention and enhancement of Human Capital. The processes involved in this project are:

- *Risk Assessment Key Position;*
- *Compensation;*
- *Training;*
- *Performance Management.*

RISKS OF NON-COMPLIANCE

The main non-compliance risks to which the Group is exposed in relation to the nature of its business are those associated with occupational health and safety and the environment; the processing of personal data; and compliance with the regulatory provisions of the former Legislative Decree no. 231/01.

The activities carried out by the Group at the exhibition and conference facilities, and the number of people (employees, suppliers, exhibitors, visitors, conference participants, fitters, etc.) passing through and operating there, could expose it to the risk of accidents or violations of occupational health and safety regulations (Consolidated Law 81/2008). Should such violations occur, the Company could be exposed to the application of significant penalties or, in the case of injuries, to litigation, with possible negative economic and financial as well as reputational repercussions.

It should be noted that these risks are mitigated by both contractual protection mechanisms and the introduction of numerous procedural safeguards such as:

- monitoring the supplier selection and evaluation process, with verification of technical and professional suitability and attention to health and safety aspects in the workplace. The Company, in fact, demands the following from all suppliers (especially for those that could generate interference risks for occupational health and safety): Updated Chamber of Commerce visa, updated Unified Tax Compliance Certificate (DURC), self-declaration of technical and professional requirements. For specific cases and risks, employee training certificates and specific Risk Assessment Documents are also required.
  In addition, the Purchasing Department also requires suppliers to register with the Chamber of Commerce, to obtain the DURC, and to hold specific certifications, when required;

- the preparation of the Risk Assessment Document (Documento Unico per la Valutazione dei Rischi da Interferenze (DUVRI)) and the updating of the procedures concerned in order to comply with the provisions of Legislative Decree no. 81/2008 for each event, and preparation of a specific Risk Assessment Document for relations of a different nature, e.g. for ordinary and extraordinary maintenance activities.

- the adoption and delivery to suppliers and exhibitors of an "Exhibition Technical Regulation" containing the rules for fitters and suppliers. More specifically, for events organised directly by the Company, the Technical Regulation is signed by the exhibitor at the time of participation in the event and published in the "Exhibitor Reserved Area - Logistics/Documents section"; while for hosted events, the Technical Regulation is sent directly to the Organiser.

Italian Exhibition Group S.p.A. has adopted an organisational, management and control model pursuant to Legislative Decree 231/2001, lastly approved by the Board of Directors in its meetings of 26 February 2024 following the updating of the model for the extension to the predicate offences as from art. 25-octies, paragraph 1, 25-novies and as modified by the Law n. 93/2023, art. 25-undecies, by the Law n. 137/2023, art. 25-duodecies, by the Legislative Decree n. 20/2023, art. 25-sexiesdecies, art. 25-septiesdecies, art. 25-duodevicies.

The Code of Ethics of Italian Exhibition Group S.P.A., updated by the Board of Directors on 15 October 2020, clearly and precisely defines the set of Principles and Values that the Company recognises, accepts and shares, as well as the set of responsibilities that it assumes internally and externally in relation to all stakeholders.

In compliance with EU Regulation 679/2016 (GDPR), security measures applicable to IT systems and services were strengthened through the implementation of: SOC and NOC services, dedicated XDR application, upgrading of Office 365 service to the Business Premium version, and start-up of the project to adopt the NIST security framework.

The company also updated its internal and outsourced processing registers and began updating the Group's Privacy Policy for leads and customers, as well as a project to update the mapping of data flows between the Parent Company and Italian and foreign subsidiaries, for the purpose of drawing up updated intra-group service agreements and determining and implementing measures and controls for the transfer of data outside the EEA. Also in terms of the Privacy Policy, the Company has provided appropriate disclosures to all main categories of stakeholders and has published the Privacy Policy and Cookie Policy on the company website. Scouting was also carried out to identify automated services for the management and coordination of fulfilments relating to the legal bases, purposes, duration of storage and accountability on a nominative basis relating to the master data in the company's CRM management system.

Again in compliance with the GDPR, the Company has also appointed special Privacy and IT attorneys and issued instructions to authorised personnel by means of 'Appointments of data processors', dissemination of and training in the Marketing Procedure (accompanied by the relevant DPIA), dissemination of and training in the Procedure on image processing, and basic and special training for all employees. In addition, an External Data Processor was appointed for suppliers/consultants/collaborators who process data on behalf of the Company (complete with the obligation to maintain data confidentiality).

The Company has also adopted numerous procedures and protocols such as: development of the marketing procedure, privacy by design (i.e. data protection from the design of the service), definition of the Data Breach Procedure and of the Procedure on the rights of data subjects, sharing of an IT regulation, possession of the company's compliance status document with respect to Privacy obligations, activation of a procedure on electronic controls, updating of the Whistleblowing Procedure on the basis of the requirements of Legislative Decree 24/2023, Whistleblowing DPIA, use of software for collecting and managing reports of wrongdoing, appointment of Case Managers. Activities that are currently underway include the adoption of a procedure for managing the periodic deletion of data, the updating of the clauses of the IT Regulations with regard to the user change management process, and an assessment of compliance of automated monitoring and decision-making systems applicable to employees, pursuant to the Transparency Decree.

The Company has also implemented and updated a procedure on video surveillance with a DPIA, appointing the relevant persons authorised to process the data and giving them the necessary instructions for Data Protection compliance. The company informs that it has renewed the appointment of the Data Protection Officer, who carries out, among other things, periodic audits to check compliance with the company's instructions on the proper processing of personal data.

Finally, the company states that it possesses the following protocols and certifications in the areas of health, safety and environment:

- GBAC STAR ACCREDITATION - allows the company to control cleaning, sanitisation and prevention of infectious diseases;
- ISO 14001 – environmental management system;
- ISO 45001 – occupational health and safety management system;
- ISO 20121 – management system for sustainable events.

FINANCIAL RISKS

The IEG Group is exposed to financial risks related to its business, and the following in particular:

- Credit risk;
- Liquidity risk.
- Market risk;

Credit risk

The Group is exposed to the credit risk associated with commercial transactions and has therefore put in place risk protection measures to minimise non-performing amounts, by means of timely monitoring of overdue receivables, management of customer credit limits, contracts that provide for payment of advances and collection of economic information of companies with higher exposure. The credit risk to which the IEG Group is subject is not particularly high, due to both the fragmentation of positions and the historically good credit quality. Positions considered to be at risk were, however, written down accordingly. In order to contain the risks arising from the management of trade receivables, each company has a credit management function supported by commercial, administrative, legal and debt collection specialist structures. The software implemented by the parent company IEG S.p.A. and used by the main subsidiaries keeps track of every reminder transaction.

Liquidity risk

The Group considers it of fundamental importance to maintain a level of available liquidity appropriate to its needs.

The two main factors that determine the Group's liquidity situation are, on the one hand, the resources generated or absorbed by operating and investing activities, and, on the other hand, the maturity and renewal characteristics of debt or the liquidity of financial investments and market conditions.

The Group has adopted a series of policies and processes aimed at optimising the management of financial resources and reducing liquidity risk:

- Maintaining a suitable level of available liquidity;
- Obtaining suitable credit lines;
- Monitoring of prospective liquidity conditions in relation to the company planning process.

In the context of this type of risk, in the composition of net financial debt, the IEG Group tends to finance investments with medium-/long-term debt, while it meets its current commitments both with the cash-flow generated by operations and by using short-term credit lines.

Market risk

The Group reserves the right to intervene with appropriate hedging instruments should market risk factors become significant.

The market risk consists of exchange rate risk, interest rate risk and price risk, as set out below.

Exchange rate risk

The IEG Group, operating in an international context, is naturally exposed to the translational and transactional exchange rate risk. The translational risk is related to the conversion into Euro when consolidating the financial statements of foreign companies that do not have the Euro as their functional and presentation currency: the most influential currencies are the US Dollar (USD), the UAE Dirham (AED), the Brazilian Real (BRL), the Singapore Dollar (SGD) and the Chinese Renminbi (CNY). The transactional risk is related to the commercial operations (receivables/payables in foreign currencies) and financial operations (loans drawn or granted in foreign currencies) of the companies of the Group in currencies other than the functional and presentation currency. The currency to which the Group is most exposed is the US dollar. The functional currency, defined as the currency of the economic environment in which the Group predominantly operates, is the Euro. The Group is not exposed to significant currency risks, as it does not have significant intragroup transactions.

Interest rate risk

To carry out its activities, the Group finances itself on the market by borrowing mainly at interest rates

variable interest rate (linked to Euribor), thus exposing themselves to the risk of rising rates. The objective of management of the interest rate risk is to limit and stabilise the liability flows due to interest paid mainly on medium-term debt so as to have a close correlation between the underlying and the hedging instrument.

Hedging, which is assessed and decided on a case-by-case basis, is mainly carried out by means of derivative financial instruments to transform the floating rate into a fixed rate.

Price risk

The type of activity carried out by the companies of the Group operating in the lines of business of Organised Events, Hosted Events and Conferences, essentially represented by services that do not require a process of purchasing-transformation of goods, is such that the risk of price fluctuations in ordinary macroeconomic conditions is marginal. Most of the purchases for the business activities, in fact, are services, the value of which can be influenced by macroeconomic changes in the prices of major commodities, in particular, the cost of energy needed for the air-conditioning of exhibition and conference venues. More immediately exposed to the risks of price changes are the companies operating in the Related Services sector (fit-outs and catering in particular), which are immediately affected by fluctuations in the costs of raw materials, transport and energy.

SHARE TREND

Italian Exhibition Group S.p.A. has been listed on the Italian Exchange since 19 June 2019 - main segment of the MTA Market of Borsa Italiana. During 2023, the share price reached a high of 3.14 euros per share on 13 and 18 December 2023 and a low of 2.36 euros on 15 February 2023. Average daily volumes traded in 2023 were around 10,875 shares, up from 6,220 in the previous year.

STOCK EXCHANGE DATA 2023

Segment	EURONEXT MILAN
Bloomberg Code	IEG:IM
Reuters Code	IEG.MI
Number of shares	30,864,197 (of which n. 228,363 treasury shares)
Official price as at 2 January 2023	Euro 2.47
Official price as at 29 December 2023	Euro 3.08
Minimum closing price for 2023 (January – December)	Euro 2.36 (15 February 2023)
Maximum closing price for 2023 (January – December)	Euro 3.14 (13 and 18 December 2023)
Stock market capitalisation as at 2 January 2023	76.23 million Euros as at 2 January 2023
Stock market capitalisation as at 29 December 2023	95.06 million Euros as at 29 December 2023

RELATIONS WITH INSTITUTIONAL INVESTORS AND SHAREHOLDERS

IEG aims to engage in dialogue with its shareholders and institutional investors by periodically holding meetings with members of the financial community. On the occasion of the release of its annual, half-year and quarterly results, IEG organises special conference calls with the financial community (analysts and institutional investors).

INFORMATION ON OWNERSHIP STRUCTURE/REPORT ON CORPORATE GOVERNANCE

Pursuant to and for the purposes of Article 123-bis, paragraph 3, of Legislative Decree no. 58 of 24 February 1998 (as amended), the Board of Directors of Italian Exhibition Group S.p.A. approved - for the financial year ending 31 December 2023 - a report on corporate governance and the ownership structure separate from the report on operations, containing the information set forth in paragraphs 1 and 2 of the same article 123-bis. This report is available to the public on the Company's website www.iegexpo.it.

OTHER INFORMATION

IEG S.p.A. indirectly controls a number of companies incorporated and regulated by the laws of non-EU countries, which are of significant importance within the meaning of Article 15 of Consob Regulation 20249/2017 (formerly Article 36 of Consob Regulation 16191/2007) concerning market regulations ("Market Regulations").

Also pursuant to the aforementioned regulatory provision, the Company monitors compliance with the provisions of the aforementioned Consob regulations, by means of internal procedures. In particular, the company departments concerned periodically and precisely identify the relevant 'non-EU' companies and, with the cooperation of the companies concerned, collect the data and information and ascertain the circumstances referred to in the aforementioned Article 15.

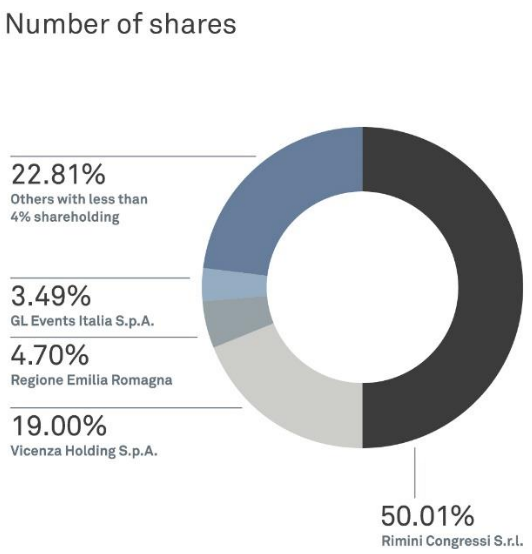
We therefore acknowledge the full compliance of Italian Exhibition Group S.p.A. with the provisions of Article 15 of the cited Consob Regulation 20249/2017 and the existence of the conditions required by the same article.

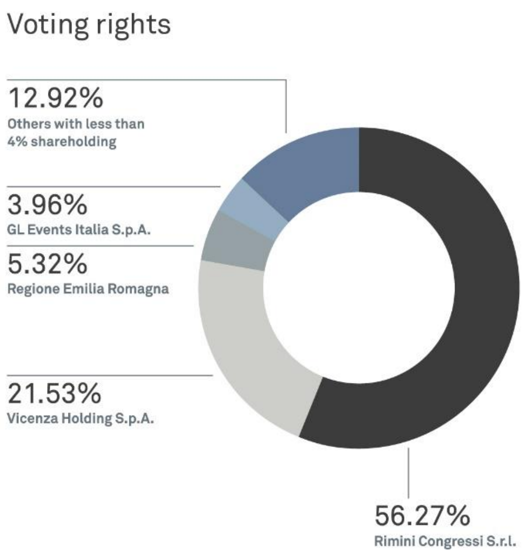
The Company has adhered to the opt-out provisions as envisaged by Article 70(8), and Article 71(1-bis), of the Issuers' Regulation (implementing regulation of the Consolidated Law on Finance, concerning the discipline of issuers, adopted by Consob with resolution No. 11971 of 14 May 1999, as amended), thus availing itself of the right to waive the obligations to publish prescribed disclosure documents in the event of significant mergers, spin-offs, capital increases by contribution in kind, acquisitions and disposals.

The Group, in accordance with Article 5(3)(b) of Legislative Decree 254/2016, has prepared the Consolidated Non-Financial Statement, which constitutes a separate report. The Consolidated Non-Financial Statement 2023, prepared according to the 'GRI Standards', is available on the Group's website.

SHAREHOLDING STRUCTURE

The shareholding structure as at 31 December 2023 is shown below.





The number of voting rights to which each shareholder is entitled (and the percentage thereof) may differ from the number of shares held, as a result of one or more shareholders obtaining the Increased Vote, as provided for in the Company's Articles of Association.

The Regulation for the Increased Vote is available in the "Corporate Governance" section of the Company's website iegexpo.it.

NUMBER AND VALUE OF OWN SHARES HELD

On 29 April 2023, the Shareholders' Meeting of the Italian Exhibition Group resolved to suspend the plan for the purchase and disposal of treasury shares approved on 29 April 2022 and gave authorisation to adhere to a new plan for the purchase of treasury shares up to a maximum of 10% of the share capital. The purchase may be made in one or more tranches and also on a revolving basis within 18 months from the date of the resolution. As at 31 December 2023, the total number of ordinary shares was 30,864,197, of which 228,363 were held as treasury shares representing 0.74% of the voting share capital, so that the number of shares outstanding at that date was 30,635,834.

The shares have no par value and are fully subscribed.

	Balance as at	**Changes in the 2023 financial year**		***Balance as at***
	31/12/2022	Purchases	Sales	**31/12/2023**
Ordinary shares	30,864,197			30,864,197
Own shares	64,000	164,363	-	228,363
Outstanding shares	**30,800,197**	**164,363**	**-**	**30,635,834**

2024 CALENDAR OF CORPORATE EVENTS

With reference to Article 2.6.2 of the Rules of Borsa Italiana S.p.A., Italian Exhbition Group S.p.A. (the "Company") disclosed on 14 November 2023, and amended on 11 January 2024, the calendar of scheduled corporate and institutional events foreseen for the year 2024. The calendar is published in the "Investor Relations" section of the Company's website at iegexpo.it, which may be consulted for any changes.

Date	Corporate Event
25/01/2024	Meeting of the Board of Directors for the approval of the Business Plan 2023- 2028
19/03/2024	Meeting of the Board of Directors to approve the Draft Individual and Consolidated Financial Statements as at 31 December 2023
29/04//2024	First call of the Shareholders' Meeting to approve the Financial Statements as at 31 December 2023. Second call of the meeting scheduled for 30 April 2024.
15/05/2024	Meeting of the Board of Directors to approve the interim report for the quarter ending 31 March 2024
08/08/2024	Meeting of the Board of Directors to approve the half-yearly financial report as at 30 June 2024
14/11/2024	Meeting of the Board of Directors to approve the interim report for the quarter ending 30 September 2024

TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties disclosed in the financial statements, and described in detail in Note 33) to which reference should be made, are neither atypical nor unusual, falling within the normal course of business of the companies of the Group and are carried out on market terms.

With regard to the procedure for Related Party Transactions, please refer to the documentation published in the "Corporate Governance" section of the website www.iegexpo.it .

Pursuant to Article 5(8) of the Consob Regulations, it is noted that, in the period from 01.01.2023 to 31.12.2023, the Company's Board of Directors did not approve any transactions of major significance as defined by Article 3(1)(b) of the Consob Regulations, but did approve a related party transaction qualified as less material with respect to the materiality ratios indicated in the Related Party Transactions procedure.

TAX CONSOLIDATION

The parent company IEG S.p.A. and its subsidiaries signed, on 25 February 2021, a National Tax Consolidation Agreement governed by Article 117 et seq. of the Consolidated Income Tax Act (TUIR) for a three-year term for the financial years 2020-2022, automatically renewable at the end of the three-year period unless revoked to be exercised in the tax return of the third year in which the option is valid.

The renewal of this contract is confirmed.

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 (to meet the Article 2386, comma 1 of the Civil Code and the Article 14.14 of the Company Statute).

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. During the next Shareholders' Meeting, the Company will integrate the Board of Statutory Auditors in accordance with the current legislative and regulatory provisions. The new Board of Statutory Auditors will be in charge until the approval of the Financial Statements as of 31 December 2025.

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.

After the appointment as Chairman of the Board of Directors, Mr. Ermeti renounced his role as member of the Appointments and Remuneration Committee. Ms Alessandra Bianchi took his position.
Although the preliminary activities for the co-option, pursuant to Article 2386 of the Italian Civil Code, of a new director to replace Mr. Cagnoni have been started, given the approach of the Shareholders' Meeting that will appoint a new Board of Directors, according to the requirements of the Articles of Association, no new appointment has been finalised.

Acquisitions

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, whose fair value 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.

Other events

It should be noted that on 18 April 2023 the Sentence of the Council of State, Sec. VI, 18 April 2023, no. 3880 issued against the Municipality of Rimini, the Province of Rimini and the Chamber of Commerce of Romagna - Forlì, Cesena, Rimini, public shareholders of the controlling shareholder of IEG Rimini Congressi S.r.l. was published on the subject of shareholdings indirectly held by public entities through IEG. The above-mentioned law did not prescribe any obligation on IEG and was only addressed to the above-mentioned public shareholders. However, the assumptions underlying the Council of State's decision, which required public shareholders to reorganise their investee companies, were decisively clarified in Article 19 of Law 214 of 30 December 2023, which amended the text of Article 4, paragraph 7, of the Consolidated Law on publicly owned companies, confirming the possibility for public entities to be able to carry out, both directly and indirectly, activities related to the main business of managing exhibition spaces and organising exhibition events. The relevant implementing regulation is still being drafted; this will provide the guidelines between principals and the association of fitters, with a view to pursuing the principles of free competition and open markets in any case.

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.

OUTLOOK

In the first part of the financial year 2023, the Group confirmed the acceleration of the post-pandemic recovery, demonstrating that it was able to recover faster than expected, as well as 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 and equity situation, upon which 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 forecasts for 2024 included in the strategic plan with a growth in turnover and margins, respectively expected to range between 234 and 239 million Euros, and an operating margin between 56 and 58 million Euros.

ALLOCATION OF THE ANNUAL RESULT

Dear Shareholders,

We confirm that the draft financial statements for the year ended 31 December 2023, submitted for your examination and approval at this meeting, have been prepared in accordance with current legislation. In submitting the financial statements for the year ended 31 December 2023 of Italian Exhibition Group S.p.A. to shareholders for approval, the company's Board of Directors proposes the following allocation of the profit for the year, amounting to 14,160,861 euros:

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

Rimini, 19 March 2024

Consolidated Financial Statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS (Values in Euro/000)	Notes	31/12/2023	31/12/2022 Restated
NON-CURRENT ASSETS			
Property, plant and equipment	1	196,584	191,032
Intangible fixed assets	2	42,813	38,346
Equity investments valued using the equity method	3	5,387	8,874
Other equity investments	4	10,581	9,349
of which with related parties		*10,443*	*9,248*
Deferred tax assets	5	1,599	4,885
Non-current financial assets for rights of use	6	86	290
Non-current financial assets	7	1,761	3,011
of which with related parties		*615*	*731*
Other non-current assets	8	1,261	271
TOTAL NON-CURRENT ASSETS		260,072	256,058
CURRENT ASSETS			
Inventories	9	845	852
Trade receivables	10	30,996	30,041
of which with related parties		*980*	*1,182*
Tax receivables for direct taxes	11	338	468
Current financial assets for rights of use	12	202	197
Current financial assets	13	83	137
of which with related parties		*49*	*93*
Other current assets	14	8,636	6,914
Cash and cash equivalents	15	65,885	50,586
TOTAL CURRENT ASSETS		106,985	89,195
TOTAL ASSETS		367,057	345,253

Please refer to Annex 4 for details of the restatement of balances as at 31 December 2022

LIABILITIES (Values in Euro/000)	Notes	31/12/2023	31/12/2022 Restated
SHAREHOLDERS' EQUITY			
Share capital		51,829	52,110
Share premium reserve		13,759	13,925
Other reserves		29,979	30,434
Profit (loss) for previous years		(2,149)	(938)
Profit (Loss) for the period attributable to shareholders of the Parent Company		12,803	724
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY		106,221	96,254
Share capital and reserves attributable to minority interests		111	(374)
Profit (loss) attributable to minority interests		529	(1,562)
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO MINORITY INTERESTS		640	(1,936)
TOTAL GROUP SHAREHOLDERS' EQUITY	16	106,861	94,318
NON-CURRENT LIABILITIES			
Payables due to banks	17	73,868	84,846
Non-current financial liabilities for rights of use	18	36,284	29,516
Of which with related parties		*11,589*	*12,624*
Other non-current financial liabilities	19	3,301	5.378
Provisions for non-current risks and charges	20	8,017	2.174
Employee provisions	21	3,354	2.959
Other non-current liabilities	22	1,704	1.805
TOTAL NON-CURRENT LIABILITIES		126,528	126,678
CURRENT LIABILITIES			
Payables due to banks	17	19,595	18.488
Current financial liabilities for rights of use	23	4,154	4.779
Of which with related parties		*1,390*	*1,001*
Other current financial liabilities	24	1,789	5.503
Trade payables	25	43,318	42.807
Of which with related parties		*15*	*40*
Tax payables for direct taxes	26	3,780	438
Other current liabilities	27	61,032	52.242
TOTAL CURRENT LIABILITIES		133,668	124,257
TOTAL LIABILITIES		367,057	345,253

Please refer to Annex 4 for details of the restatement of balances as at 31 December 2022

CONSOLIDATED INCOME STATEMENT

Values in Euro/000	NoteS	*31/12/2023*	31/12/2022 Restated
REVENUES			
Revenues from contracts with customers	28	208,027	156,032
Of which with related parties		*3,606*	*2,366*
Other revenues	29	4,397	4,412
Of which with related parties		*100*	*127*
TOTAL REVENUES		212,424	160,445
OPERATING COSTS			
Change in inventories		(67)	19
Costs for raw materials, consumables and goods for resale		(17,504)	(14,661)
Costs of services		(98,865)	(86,632)
Of which with related parties		*(528)*	*(105)*
Costs for use third-party assets		(815)	(370)
Personnel costs		(41,539)	(38,102)
Other operating costs		(4,375)	(4,871)
TOTAL OPERATING COSTS		(163,165)	(144,617)
GROSS OPERATING PROFIT (EBITDA)		49,259	15,828
Amortisation, depreciation and impairment		(23,532)	(15,882)
Of which with related parties		*(555)*	*0*
OPERATING PROFIT (EBIT)		25,726	(54)
FINANCIAL INCOME AND EXPENSE			
Financial income		5,522	3,594
Of which with related parties		*24*	*0*
Financial charges		(6,833)	(3,119)
Exchange rate gains and losses		(213)	(327)
TOTAL FINANCIAL INCOME AND EXPENSE		(1,523)	149
TOTAL GAINS AND LOSSES FROM EQUITY INVESTMENTS		(3,458)	388
PRE-TAX RESULT		20,746	483
TOTAL INCOME TAXES		(7,414)	(1,320)
PROFIT/(LOSS) FOR THE YEAR		13,332	(837)
PROFIT (LOSS) ATTRIBUTABLE TO MINORITY INTERESTS		529	(1,562)
PROFIT (LOSS) ATTRIBUTABLE TO THE PARENT COMPANY		12,803	724
EARNINGS PER SHARE		0.4170	0.0235
DILUTED EARNINGS PER SHARE		0.4170	0.0235

Please refer to Annex 4 for details of the restatement of balances as at 31 December 2022

COMPREHENSIVE CONSOLIDATED INCOME STATEMENT

Values in Euro/000	Note	31/12/2023	31/12/2022 Restated
PROFIT/(LOSS) FOR THE PERIOD		**13,332**	**(837)**
Other comprehensive income which will be subsequently reclassified under profit/(loss) for the year:			
Gains/(losses) on cash flow hedging instruments		(545)	1,672
Gains/(losses) on translation of financial statements in foreign currency		46	448
Total other comprehensive income which will be subsequently reclassified under profit/(loss) for the year		**(499)**	**2,120**
Other Comprehensive Income which will not be subsequently reclassified under profit/(loss) for the year:			
Actuarial gains/(losses) from defined benefit plans for employees – IAS 19		(33)	515
Gains/(losses) on financial assets measured at Fair Value through OCI		1,195	(1,522)
Total other Comprehensive Income which will not be subsequently reclassified under profit/(loss) for the year		**1,162**	**(1,007)**
TOTAL PROFIT/(LOSS) BOOKED TO SHAREHOLDERS' EQUITY		**663**	**1,113**
COMPREHENSIVE INCOME/LOSS FOR THE YEAR		**13,995**	**276**
Attributable to:			
Minority interests		**535**	**(1,562)**
Shareholders of the Parent Company		**13,460**	**1,837**

Please refer to Annex 4 for details of the restatement of balances as at 31 December 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Values in Euro/000	Share Capital	Share Premium Reserve	Revaluation Reserve	Legal Reserve	Statutory Reserve	Other Reserves	Retained earnings (Losses) carried forward	Profit (Loss) for the period	Shareholders' Equity of shareholders of the Parent Company	Share Capital and reserves attributable to minority interests	Profit (Loss) attributable to minority interests	Total Shareholders' equity
Balance as at 31/12/2021	**52,215**	**13,947**	**67,160**	**10,401**	**2,532**	**(50,836)**	**(2,507)**	**1,638**	**94,550**	**1,139**	**(2,311)**	**93,378**
Allocation of profit for the year:									0			0
- Allocation to reserves				42	8	20	1,568	(1,638)	0	(2,311)	2,311	0
Change in scope of consolidation									0	162		162
Shareholder Payment									0	353		353
Other variations	(105)	(22)							(127)	275		148
Comprehensive income/loss for the period						1,106		724	1,830	7	(1,562)	276
Balance as at 31 December 2022 Restated	**52,110**	**13,925**	**67,160**	**10,443**	**2,540**	**(49,710)**	**(938)**	**724**	**96,254**	**(375)**	**(1,562)**	**94,318**
- Allocation to reserves					30	303	391	(724)	0	(1,562)	1,562	0
Change in scope of consolidation									0	8		8
Shareholder Payment									0	448		448
Other variations	(281)	(164)				(1,446)	(1,601)		(3,493)	1,585		(1,908)
Comprehensive income/loss for the period						657		12,803	13,460	6	529	13,995
Balance as at 31 December 2023	**51,829**	**13,759**	**67,160**	**10,443**	**2,570**	**(50,195)**	**(2,149)**	**12,803**	**106,221**	**111**	**529**	**106,861**

Please refer to Annex 4 for details of the restatement of balances as at 31 December 2022

CONSOLIDATED CASH FLOW STATEMENT

Values in Euro/000	Note	31/12/2023	31/12/2022 Restated
Pre-tax result		**20,746**	**483**
Of which with related parties		*2,647*	*924*
Adjustments to trace profit for the year back to the cash flow from operating activities:			
Amortisation, depreciation and impairment of property, plant and equipment and intangible assets	30	16,791	15,396
Provisions and write-downs	10	1,679	5,599
Other provisions	19	6,209	457
Charges/(income) from valuation of equity investments in other companies with the equity method	32	3,458	(388)
Write-down of financial assets		532	29
Of which with related parties		*532*	*-*
Net financial charges	31	1,523	(149)
Costs for use of third-party assets (IFRS 16)		(4,803)	(4,195)
Effect on EBIT - financial charges for put options		-	(42)
Other non-monetary changes	28	(194)	(194)
Cash flow from operating activities before changes in working capital		**45,941**	**16,996**
Change in working capital:			
Inventories	9	8	(121)
Trade receivables	10	(2,560)	(9,529)
Of which with related parties		*202*	*(369)*
Trade payables	24	387	9,426
Of which with related parties		*(25)*	*34*
Other current and non-current assets		(2,164)	(1,001)
Other current and non-current liabilities	21 - 26	7,762	13,993
Receivables/payables for current taxes	11 – 25	43	(388)
Prepaid/deferred taxes		24	173
Cash flow from change in working capital		**3,499**	**12,553**
Income tax paid		(985)	0
Employee provisions and provisions for risks		(98)	(397)
Cash flow from operating activities		**48,356**	**29,152**
Cash flow from investment activities			
Net investments in intangible fixed assets	2	(1,041)	(1,403)
Net investments in property, plant and equipment	1	(9,472)	(4,913)
Disinvestments in property, plant and equipment	1	87	59
Change in current and non-current financial assets		(361)	(451)
Of which with related parties		*160*	*114*
Net equity investments in subsidiaries		(3,233)	(2,869)
Changes in equity investments in associated companies and other companies		(25)	(3,762)
Cash flow from investment activities		**(14,045)**	**(13,338)**
Cash flow from financing activities			
Change in other financial payables	23	(4,784)	(2,268)
Payables due to shareholders	23	-	341
Obtainment/(repayment) of short-term bank loans	16	(105)	(2,509)
Loans	16	-	0
Loan repayment	16	(9,891)	(8,611)
Net financial charges paid	31	(4,121)	(2,572)
Purchase of treasury shares	15	(446)	(127)
Change in Group reserves	15	336	316
Payable due for the exercise of the put option		-	(2,449)
Cash flow from financing activities		**(19,012)**	**(17,879)**
Net cash flow for the period		**15,299**	**(2,066)**
Opening cash and cash equivalents		50,586	52,651
Closing cash and cash equivalents		65,885	50,586

Explanatory Notes to the Consolidated Financial Statements

GENERAL INFORMATION

Italian Exhibition Group SpA (hereinafter "IEG", the "Company" or the "Parent Company", together with its subsidiaries, associated companies and/or jointly controlled companies, the "Group" or the "IEG Group") is a joint-stock company domiciled in Italy, with registered office in Via Emilia 155, Rimini, and organised according to the legal system of the Italian Republic. IEG is the Parent Company, created as a result of the transfer of Fiera di Vicenza SpA to Rimini Fiera SpA and the simultaneous change of the latter's company name to Italian Exhibition Group SpA.

The company successfully completed the process of listing on the Euronext Milan market (formerly the Electronic Stock Exchange - MTA) organised and managed by Borsa Italiana SpA on 19 June 2019.

It should be noted that, pursuant to Articles 70(8) and 71(1-bis) of the Regulation adopted by CONSOB with Resolution No. 11971/1999, as supplemented and amended, (the "Issuers' Regulation"), the company signed up to the opt-out system set forth in the aforementioned articles, availing itself of the option to depart from the obligations of publication of the information documents set out in Annex 3B of the Issuers' Regulation, at the time significant transactions are being carried out incorporating mergers, demergers, share capital increases through contribution of assets in kind, acquisitions and sales.

Italian Exhibition Group SpA is controlled by Rimini Congressi Srl, which holds 50.01% of the share capital and holds voting rights for 56.27%. However, the Company is not subject to management and coordination by Rimini Congressi Srl pursuant to Art. 2497 et seq. of the Italian Civil Code. In fact, none of the activities typically entailing management and coordination pursuant to Art. 2497 et seq. of the Italian Civil Code, as, by way of example and not limited to:

- Rimini Congressi does not exercise any significant influence over the management decisions and operations of the Issuer, but limits it relations with said entity to the normal exercise of administrative and equity rights owing to its status of holder of voting rights; there is no connection between the members of the administration, management control bodies of the two companies;
- the Company does not receive - and in any case is not subject in any way to - directives or instructions on financial or credit matters from Rimini Congressi;
- the Company has an organisational structure composed of expert professionals who, based on the powers conferred and the positions held, operate independently in line with the indications of the Board of Directors;
- the Company prepares the strategic, industrial, financial and/or budget plans of the Issuer and of the Group independently, and autonomously implements these;
- the Company operates fully independently, from a contractual perspective, in relations with its customers and its suppliers, without any external interference from Rimini Congressi.

At the date of drafting of this document, it should also be noted that: (i) there are no acts, resolutions or communications of Rimini Congressi that lead us to reasonably believe that the company's decisions are the result of a domineering and commanding will of the parent company; (ii) the company does not receive centralised treasury services (cash pooling) or other functions of financial assistance or coordination from Rimini Congressi; (iii) the company is not subject to regulations or policies imposed by Rimini Congressi.

The Group's activities consist of the organisation of trade fairs (Exhibition Industry) and hospitality for trade fairs and other events, through the design, management and provision of fitted-out exhibition spaces (mainly in the "trade fair districts"), the supply of services connected to trade fairs and conferences, as well as the promotion and management, in both its own locations and those of third parties, of conferences, conventions, exhibitions, cultural events, shows and leisure activities, including not related to organised events and conferences.

For the purposes of economic and financial comparability of the IEG Group, it should be noted that:

- the profit trend of the Group is influenced by seasonality factors, characterised by more significant events in the first and fourth quarters of the year, as well as the presence of important two-yearly trade fairs, in even-numbered years.
- The Group's financial dynamics are therefore characterised by an increase in working capital in the first half of the year, while the fourth quarter generally shows a significant improvement in the net financial position, thanks to advances received on events organised at the beginning of the following period.

The publication of this closed financial report as at 31 December 2023 of the IEG Group was authorised by resolution of the Board of Directors on 19 March 2024.

STRUCTURE AND CONTENTS OF THE ACCOUNTING STATEMENTS

Pursuant to Art. 25 of Law no. Pursuant to article 306 of Law No. 31 of 2003 October 38 and the associated application regulations contained in Legislative Decree No. 28 of 2005 February 31, in exercise of the option provided therein, the IEG Group (hereinafter also "the Group") adopted the **International Accounting Standards** (IFRS) issued by the I.A.S.B – International Accounting Standard Board for financial statements for the year ended as at 2015 December 2015. More specifically, International Accounting Standards mean all International Financial Reporting Standards (IFRS), all International Accounting Standards (IAS), all interpretations of the International Financial Reporting Standards Interpretations Committee (IFRIC), previously named the Standard Interpretations Committee (SIC) which, at the date of approval of the Separate Financial Statements as at 31 December 2016, had been approved by the European Union in accordance with the procedure laid down in Regulation (EC) no. 1606/2002, by the European Parliament and the European Council of 19 July 2002.

To prepare these Consolidated Financial Statements, the subsidiaries of the IEG Group, which continue to draft their financial statements according to Italian accounting standards or local ones applicable in the country of residence, have prepared the financial positions in compliance with the international standards.

With regard to the preparation of the separate financial statements of ITALIAN EXHIBITION GROUP SpA, the Company has exercised its right under Art. 25 of Law no. 306 of 31 October 2003, to adopt international accounting standards on the same FTA date as the consolidated financial statements.

The **statement of financial position** was classified on the basis of the operating cycle, separating current and non-current items. Based on this distinction, the assets and liabilities are considered current if they are expected to be realised or extinguished in the normal operating cycle of the

IEG Group. Non-current assets held for sale and the related liabilities, where present, are shown in the appropriate items.

The **income statement layout** reflects the analysis of aggregated costs by nature given that this classification was considered more significant for the purposes of understanding the Group's economic result. The revenue and costs items recognised in the year are presented through two tables: an income statement table for the year, which reflects the analysis of the aggregated costs by nature, and a table of comprehensive income.

The result of discontinued operations and/or assets held for disposal, where present, is shown in the appropriate item of the consolidated income statement.

Lastly, the **cash flow** statement was prepared by using the indirect method for the determination of the cash flows from operating activities. With this method, the operating profit/loss (EBIT) is adjusted for the effects of non-monetary transactions, any deferral or provision of previous or future operating collections or payments and by elements of revenues or costs connected with cash flows from investment or financing activities.

The functional and presentation currency for the IEG Group consolidated financial statements is the Euro, expressed in thousands, unless specified otherwise.

SCOPE OF CONSOLIDATION AND ITS CHANGES

The consolidated financial statements as at 31 December 2023 includes the income statement and balance sheet data of Italian Exhibition Group SpA (Parent Company) and all companies which it directly or indirectly controls within the meaning of IFRS 10.

The corporate year of Italian Exhibition Group SpA and all the Group companies is the calendar year (1/1 - 12/31).

The consolidated financial statements have been drafted on the basis of the accounting positions as at 31 December 2023 prepared by the consolidated companies and adjusted, where necessary, in order to bring them into line with the accounting standards and classification criteria of the Group compliant with the IFRS.

The list of the equity investments included in the scope of consolidation, with an indication of the method used for consolidation is provided in Annex 1 of the Explanatory Notes.

The balance sheet and income statement figures as at 31 December 2023 also include the share of profits and losses of companies measured using the equity method on the date on which the company gained its significant influence over management up to its cessation.

The consolidation area at 31 December 2023 differs from that at 31 December 2022 due to the inclusion in the consolidation scope of:

- Mundogeo Eventos & Consultoria Ltda, a company under Brazilian law acquired by the subsidiary IEG Brasil Ltda, on 5 July 2023, and of which it holds 100% of the share capital;
- A&T Srl, a company acquired by the Parent Company on 18 October 2023 and of which it holds 51% of the share capital.

GOING CONCERN

The Company considers the assumption of business continuity to be appropriate and correct, considering its ability to meet its obligations in the foreseeable future and in particular in the next 12 months, having adequately considered the economic and financial situation of the 2023 financial year, the external context and the impact that the conflicts currently in existence may generate on the Group's business, as well as the forecasts reflected in the new 2023-2028 Strategic Plan, approved by the Board of Directors on 25 January 2024, and taking into account the forecasts of the trend of working capital and the foreseeable evolution of the cash situation, the financial statements have been prepared on a going concern basis.

MEASUREMENT CRITERIA

Tangible Fixed Assets

Property, Plant and Equipment (Tangible Fixed Assets) are booked to the financial statements at purchase or production cost, including directly attributable expenses, and adjusted for the respective accumulated depreciation.

The cost includes any expense incurred directly to prepare the assets for use plus any dismantling and removal costs that will be incurred to restore the asset to its original conditions and the financial charges related to construction or production which require a significant period of time to be ready for use and sale (qualifying assets).

Property, plant and equipment are amortised systematically in every period on a straight-line basis, based on the economic-technical rates determined in relation to the residual possibility of use of the assets.

Ordinary maintenance costs are charged to the income statement when they are incurred.

Maintenance costs which determine an increase in value, or functionality, or useful life of the assets, are directly attributable to the assets to which they refer and amortised in relation to the residual possibility of use of said assets.

Improvements to third-party assets are classified in the item 'Other assets"; the depreciation period corresponds to the lower of the residual useful life of the tangible fixed asset and the residual duration of the lease agreement.

The depreciation rates applied are as follows:

Items	Rates %
Land	-
Buildings	1.9% - 5%
Plant and machinery	7.5% - 30%
Industrial and commercial equipment	15% - 27%
Other assets	12% - 25%

If indicators of impairment emerge, the property, plant and equipment are subject to an impairment test through the procedure outlined in the section "impairment of assets".

Following the entry into force of new IFRS 16, from 1 January 2019, leases are accounted for in the financial statements based on a single accounting model similar to the one governed by IAS 17 regarding the accounting of financial leases.

At the moment of the stipulation of each contract, the Group:

- determines whether the contract is or contains a lease, a circumstance that is verified when said contract gives the right to control the use of an identified asset for a period of time in exchange for a consideration. This measurement is repeated in the event of the subsequent change to the terms and conditions of the contract.
- separates the components of the contract, by distributing the consideration of the contract between the lease and non-lease component.
- determines the duration of the lease as the period that cannot be cancelled of the lease, augmented by any periods covered by a lease extension or termination option.

At the date of effectiveness of each contract in which the Group is the lessee of an asset, the asset consisting of the right of use, measured at cost, and the financial lease liability, equal to the present value of the residual future payments discounted by using the implicit interest rate of the lease or, alternatively, the marginal financing rate of the Group, are recognised in the financial statements. Subsequently, the asset consisting of the right of use is measured by applying the cost model, or netted of amortisation/depreciation and any accumulated impairment and adjusted to take account of any new lease measurements or amendments. By contrast, the lease liability is measured by increasing the book value to take account of interest, decreasing the book value to take account of the payments due made and redetermining the book value to take into account any new lease measurements or amendments.

The assets are depreciated on the basis of a period of depreciation represented by the duration of the lease agreement, except where the duration of the lease is less than the useful life of the asset based on the rates applied for property, plant and equipment and there is a reasonable certainty of the transfer of ownership of the leased asset on the natural expiry of the contract. In that case, the depreciation period will be calculated on the basis of the criteria and rates indicated for the property, plant and equipment.

For leases ending within 12 months of the date of initial application and that do not make provision for renewal options, and for leases for which the underlying asset is of low value, lease payments are booked to the income statement on a linear basis for the duration of the respective contracts.

Intangible Fixed Assets

An intangible asset is recognised in the accounts only if it is identifiable and controllable, it is likely to generate future economic benefits and if its cost can be reliably determined. The booking of an intangible asset is based on its useful life, an intangible asset with a defined useful life is amortised, whilst an intangible asset with an undefined useful life, is not.

Goodwill and intangible assets with an indefinite useful life

Goodwill and intangible assets with an indefinite useful life are no longer amortised from the date of first time adoption (1 January 2014). Goodwill and other intangible assets with an indefinite useful life relating to the acquisitions completed after 1 January 2014 are, nonetheless, not amortised. An intangible asset is considered as having an undefined useful life when, on the basis of an analysis of the relevant factors, no limit can be estimated as to when the asset will cease generating net incoming cash flows for the group.

Goodwill

Goodwill represents the excess of the purchase cost with respect to the portion pertaining to the purchaser of the fair value of the net identifiable assets and liabilities of the entity acquired. After initial recognition, goodwill is valued at cost, less any impairment deriving from the impairment test (see paragraph "impairment of assets").

Other intangible assets

Intangible assets with a definite useful life are measured at purchase or production cost, including any accessory charges, and are amortised systematically on a straight-line basis during the period of their expected future use. If indicators of impairment emerge they are subject to an impairment test which is outlined in the section "impairment of assets".

Industrial patent and intellectual property rights are amortised over a period of 3 and 5 years, licences and concessions are amortised starting from when the cost is incurred and for the duration of the licence or concession envisaged contractually, while trademarks have a useful life which may vary between ten and twenty-five years.

Compared with last year, there have been no changes made to amortisation/depreciation periods; there are therefore no changes to the rates applied.

Impairment of non-financial assets

Property, plant and equipment and intangible assets with a definite useful life, subject to amortisation/depreciation, are subject to an impairment test only if indicators of impairment emerge.

The recoverability of the values recognised is verified by comparing the carrying amount with the net sale price and the value in use of the asset, whichever is higher. The net sale price is the amount which can be obtained from the sale of an asset in a transaction between independent, informed and willing parties, less disposal costs; in the absence of binding agreements, reference must be made to the prices expressed by an active market, or the best information available, by taking into account, among other things, recent transactions for similar assets carried out in the same business sector. The value in use is defined on the basis of the discounting at an appropriate rate, which expresses the cost of capital of an entity not indebted with a homogeneous risk profile, the expected cash flows from use of the asset (or from an aggregation of assets - the so-called cash-generating units) and its disposal at the end of its useful life.

Subsequently, when an impairment loss on an asset other than goodwill ceases to exist or decreases, the book value of the asset is increased to the new estimated recoverable value and cannot exceed the value that would have been calculated if no impairment loss had been recorded. The reversal of impairment is recognised to the income statement.

Goodwill and the other intangible assets with an indefinite useful life are subject to a systematic verification of recoverability ("impairment test") carried out on an annual basis, at the date of year-end, or more frequently if there are indicators of impairment.

Goodwill impairment is calculated by assessing the recoverable value of the cash-generating unit (or group of cash-generating units) to which the goodwill relates. If the recoverable amount of the cash-generating unit is less than the carrying amount of the cash-generating unit to which the goodwill was allocated, impairment is recognised. The decrease in value to goodwill cannot be restored in future periods.

Business combination

Business combinations are accounted for using the acquisition method set out in IFRS 3 revised in 2008. According to this method, the consideration transferred in a business combination is measured at fair value, determined as the sum of the fair values of the transferred assets and liabilities assumed by the purchaser at the acquisition date and capital instruments issued in exchange for the control of the acquired entity. Transaction accessory costs are recognised in the statement of comprehensive income when incurred.

The contingent considerations, considered part of the transfer price, are measured at fair value at the acquisition date. Any subsequent fair value changes are booked to the statement of comprehensive income.

At the date of acquisition, the identifiable assets acquired and the liabilities assumed are booked at fair value. Goodwill is determined as the excess between the sum of the considerations transferred in the business combination, of the portion of shareholders' equity pertaining to minority interests and of the fair value of any equity investment held previously in the acquired entity, with respect to the fair value of the net assets acquired and liabilities assumed at the acquisition date. If the value of the net assets acquired and liabilities assumed at the acquisition date exceeds the sum of the considerations transferred, of the portion of shareholders' equity pertaining to minority interests and the fair value of any equity investment held previously in the acquired entity, this excess is booked immediately to the statement of comprehensive income as income deriving from the transaction concluded.

NCI can be measured at fair value or at its proportionate share of the fair value of the net assets of the acquiree at the acquisition date. The measurement method is decided on a transaction by transaction basis.

In the process of fair value measurement of business combinations, the Group avails itself of the available information, and for the most significant *business* combinations, also of the support of external evaluations.

Financial assets

At the time of initial recognition, financial assets must be classified into one of the three categories indicated below based on the following elements:

- the business model of the entity for the management of financial assets; and
- the characteristics relating to the contractual cash flows of the financial asset.

Financial assets are derecognised from the financial statements only if the sale involved the substantial transfer of all risks and benefits related to them. Conversely, whenever a significant part of the risks and benefits related to the financial assets sold have been maintained, these continue to be recognised in the financial statements, even if legal ownership of the assets has effectively been transferred.

Financial liabilities designated at amortised cost

This category includes financial assets that meet both of the following conditions:

- the financial asset is held in accordance with a business model whose objective is achieved through the collection of contractually agreed cash flows ("Hold to Collect" business model); and
- the contractual terms of the financial asset envisage, at certain dates, cash flows represented solely by payments of principal and interest on the amount of principal to be repaid (the "SPPI test" passed).

Financial assets are initially recognised at fair value, considering the transaction costs and revenues directly attributable to the instrument itself. Subsequent to their initial recognition, financial assets under examination are measured at amortised cost, using the effective interest rate method. The amortised cost method is not used for assets - valued at historical cost - whose short duration makes the effect of applying the discounting logic negligible, for those without a defined maturity date and for revocable receivables, such as trade receivables, which, not having a financial component, are recognised at the price specified in the transaction, as provided for in IFRS 15 Revenue from Contracts with Customers

Financial assets designated at fair value through comprehensive income

This category includes financial assets that meet both of the following conditions:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets ("Held to Collect and Sell" Business Model); and
- the contractual terms of the financial asset envisage, at certain dates, cash flows represented solely by payments of principal and interest on the amount of principal to be repaid (the "SPPI test" passed).

This category includes equity interests, not qualifying as controlling, associated or jointly controlled, which are not held for trading purposes, for which the option of designation at fair value through comprehensive income is exercised.

Financial assets are initially recognised at fair value, considering the transaction costs and revenues directly attributable to the instrument itself. Subsequent to initial recognition, equity interests that are non-controlling, associated or of joint control, are measured at fair value and the amounts recorded as a balancing entry to shareholders' equity (Statement of comprehensive income) must not be subsequently transferred to the income statement, even in the event of disposal. The only component relating to the equity securities in question that is recorded in the income statement is represented by the relative dividends.

For equities included in this category, not listed in an active market, the cost criterion is used as an estimate of the fair value only in a residual manner and in limited circumstances, i.e. when the most recent information available for measuring the fair value is insufficient, or there is a wide range of possible valuations of the fair value and the cost represents the best estimate of the fair value in that range of values.

Financial assets designated at fair value through profit and loss

This category includes financial assets other than those classified under financial assets measured at amortised cost and financial assets designated at fair value through comprehensive income.

This category includes financial assets held for trading and includes derivative contracts not classifiable as hedging derivatives (which are represented as assets if the fair value is positive and as liabilities if the fair value is negative).

On initial recognition, financial assets measured at fair value through profit or loss are recorded at fair value, without considering the transaction costs or revenues directly attributable to the instrument itself. At subsequent reference dates, they are measured at fair value and the effects of the measurement are booked to the income statement.

Impairment of financial assets

In accordance with the provisions of IFRS 9, the Group applies a simplified approach to estimate expected credit losses over the entire life of the instrument and takes into consideration its past experience regarding credit losses, corrected on the basis of specific forward-looking factors of the nature of Group receivables and the economic context.

In brief, the Group measures the expected losses of the financial assets so as to reflect:

- a target amount weighted on the basis of the probabilities determined by evaluating a range of possible results;
- the time value of money; and
- reasonable and demonstrable information that is available without undue costs or efforts at the reporting date on past events, current conditions and forecasts of future economic conditions.

The financial asset is impaired when one or more events are verified that have a negative impact on the future cash flows estimated from the financial asset. Observable data relating to the following events (it may be the case that a single event cannot be identified: the impairment of financial assets may be due to the combined effect of different events) constitute proof that the financial asset is impaired:

a) significant financial difficulty of the issuer or debtor;
b) breach of contract, such as non-fulfilment of an obligation or failure to respect an expiry;
c) for economic or contractual reasons relating to the debtor's financial difficulty, the creditor grants the debtor a concession that the creditor would not otherwise have considered;
d) the probability that the debtor will file for bankruptcy or other financial restructuring procedures;
e) disappearance of an active market for that financial asset due to financial difficulties; or
f) the purchase or creation of the financial asset with huge discounts that reflect the credit losses incurred.

For financial assets measured using the amortised cost method, when impairment has been identified, its value is measured as the difference between the asset's carrying amount and the present value of expected future cash flows, discounted on the basis of the original effective interest rate. This value is recognised in the income statement.

Derivative financial instruments

The derivative financial instruments are accounted for in accordance with the provisions of IFRS 9.

At the date of stipulation of the contract, the derivative financial instruments are initially accounted for at fair value, as financial liabilities at fair value through profit and loss when the fair value is positive or as a financial liability designated at fair value through profit and loss when the fair value is negative.

If the financial instruments are not accounted for as hedging instruments, the fair value changes recognised after the initial recognition are treated as components of the result for the year. If, by contrast, the derivative instruments satisfy the requirements to be classified as hedging instruments, subsequent fair value changes are accounted for by applying the specific criteria outlined below.

A derivative financial instrument is classified as a hedge if formal documentation exists of the relationship between the hedging instrument and the hedged element, including the risk management objectives, the strategy for carrying out the hedge and the methods which will be used to check the prospective and retrospective effectiveness of the hedge. The effectiveness of each hedge is verified both at the time each derivative instrument is entered into and during its life, and in particular, at the close of the financial year or interim period. Generally, a hedge is considered highly "effective" if, both at the inception and during its life, fair value changes, in the event of a fair value hedge, or hedge of expected future cash flows, in the event of cash flow hedges, in the hedged element are essentially offset by fair value changes in the hedging instrument.

IFRS 9 provides the possibility of designating the following three hedging relationships:

a) fair value hedge: when the hedge concerns the fair value changes of assets and liabilities booked to the financial statements, both the fair value changes in the hedging instrument and the changes in the object of the hedge are booked to the income statement.
b) cash flow hedges: in the event of hedges aimed at neutralising the risk of changes in cash flows originating from the future fulfilment of obligations defined contractually at the reporting date, the fair value changes in the derivative instrument recorded after the initial recognition are accounted for, limited solely to the effective portion, in the statement of comprehensive income and, therefore, in a shareholders' equity reserve called "Reserve for cash flow hedges". When the economic effects originating from the object of the hedge materialise, the portion accounted for in the statement of comprehensive income is reversed to the income statement. If the hedge is not fully effective, the change in fair value of the hedging instrument relating to the ineffective portion of the same is immediately recognised in the income statement.
c) hedge of a net investment in a foreign operation (net investment hedge).

If the checks do not confirm hedge effectiveness, as from that moment, accounting for the hedging transactions is suspended and the derivative contract is reclassified under financial assets designated at fair value through profit and loss or under financial liabilities designated at fair value through profit and loss. The hedging relationship also ceases when

- the derivative expires, is sold, cancelled or exercised;
- the element being hedged is sold, expires or is reimbursed;
- it is no longer highly probable that the future hedged transaction will be carried out.

A financial asset (or, where applicable, part of a financial asset or part of a group of

similar financial assets) is derecognised from the financial statements when:

- the rights to receive the cash flows from the asset are extinguished;
- the company has transferred the right to receive the cash flows from the asset or assumed the contractual obligation to pay them in full and without delay to a third party and (a) has transferred substantially all rights and benefits of ownership of the financial asset, or (b) has neither transferred nor retained substantially all risks and benefits of the asset, but has transferred control of it.

In cases in which the company has transferred the rights to receive the cash flows from an asset and has not substantially transferred or retained all the risks and benefits or has lost control of the asset, the asset is recognised in the company's financial statements to the extent of its continuing involvement in said asset. In this case, the company also recognises an associated liability. The asset transferred and the associated liability are measured to reflect the rights and obligations that the company has retained.

Equity investments

Equity investments in associated and jointly-controlled companies, according to IAS 28, are initially entered at cost and, following acquisition, are adjusted as a result of changes in the investor's share in the investee company's net assets. The profit or loss of the investor reflects its own share of the profit (loss) for the year of the investee and other comprehensive income (expense) of the investor reflects its own share of other comprehensive income (expense) of the investee.

According to the provisions of IFRS 9 and IAS 32, the equity investments in companies other than subsidiaries, associated companies and jointly-controlled companies are classified as assets at fair value and entered in the income statement or shareholders' equity reserve depending on whether they fall into the FVOCI or FVPL measurement categories. Gains and losses deriving from value adjustments are therefore booked to the income statement or a shareholders' equity reserve respectively.

Inventories

Inventories are measured at purchase cost, including any accessory expenses, determined in accordance with the FIFO method, and the presumed net realisable value drawn from market trends, whichever is the lower. IEG Group inventories are composed primarily of consumables and products held for sale in bars and catering services.

Cash and cash equivalents

Cash and cash equivalents include cash on hand as well as on-demand bank deposits and other treasury investments with an original envisaged maturity of no more than three months.

The definition of cash and cash equivalents of the cash flow statement corresponds to that of the balance sheet.

Provisions for risks and charges

Allocations to provisions for risks and charges are made whenever the Group must meet a present obligation (legal or implicit) as the result of a past event, whose amount can be estimated reliably and involving a probable outlay of resources to meet the obligation. If the expectations of the use of resources go beyond the next year, the obligation is booked at the present value, determined by discounting the expected future cash flows discounted at a rate which also takes into account the cost of borrowing and the risk of the liability.

Risks for which the occurrence of a liability is only possible are indicated in the appropriate section on "guarantees given, commitments and other contingent liabilities" and no allocation is made.

Employee benefits

The employee benefits provided on or after the termination of the employment contract are composed of employee severance indemnity or retirement provisions.

Law no. 296 of 27 December 2006, the "2007 Finance Law" introduced major changes to the allocation of amounts of the provision for employee severance indemnity. Until 31 December 2006, employee severance indemnity fell under post-employment plans known as "defined-benefit plans" and were measured according to IAS 19, using the projected unit credit method carried out by independent actuaries.

This calculation consists of estimating the amount of the benefit that an employee will receive at the presumed date of termination of employment by using demographic assumptions (e.g. mortality rate and staff turnover rate) and financial assumptions (e.g. discount rate and future salary increases). The amount determined in this way is discounted and reproportioned on the basis of the length of service accrued with respect to total length of service and represents a reasonable estimate of the benefits that each employee has already accrued based on their work services.

Following said reform, the provision for employee severance indemnity, for the part accrued from 1 January 2007, is to be considered essentially similar to a "defined contribution plan". In particular, these changes introduced the possibility for the worker to choose where to allocate their employee severance indemnity being accrued: the new flows of the employee severance indemnity can, in companies with more than 50 employees, be allocated by the worker to pre-established pension funds or maintained in the company and transferred to the INPS (Italian National Social Security Institute). In short, for the employee severance indemnity accrued prior to 2007, the IEG Group carried out an actuarial evaluation, without subsequently including the component relating to future salary increases. The part subsequently accrued was instead accounted for according to the methods attributable to defined contribution plans.

During 2012, EC Regulation No. 475/2012 was issued, which acknowledged, at EU level, the revised version of IAS 19 (Employee Benefits) applicable, as per mandatory requirements, from 1 January 2013 according to the retrospective method. Therefore, the IEG Group applied said revised version of IAS 19 from the date of transition to the IAS/IFRS, or 1 January 2014.

Financial liabilities

Financial liabilities are initially recognised at their fair value, equal to the consideration received at the relevant date, augmented, in the case of payables and loans, by the directly attributable transaction costs. Subsequently, non-derivative financial liabilities are measured using the amortised cost criterion, by using the effective interest rate method.

Financial liabilities that are included in the scope of application of IFRS 9 are classified as payables and loans, or as hedging derivatives, depending on the case. The Company determines the classification of its financial liabilities on initial recognition.

Gains and losses are recognised in the income statement when the liability is extinguished as well as through the amortisation process.

The amortised cost is calculated by recognising all discounts or bonuses on the purchase and the fees or costs that are an integral part of the effective interest rate. Amortisation at the effective interest rate is included among financial charges in the income statement.

A financial liability is derecognised when the obligation underlying the liability is discharged, cancelled, or expires.

In the event that an existing financial liability is replaced by another from the same lender, in substantially different conditions, or the conditions of an existing liability substantially change, the exchange or amendment is treated as an accounting derecognition of the original liability and the recognition of a new liability, with any differences in the carrying amount recorded in the income statement.

Put options on minority interests

As regards EU-IFRS, the treatment applicable to put options regarding minority interests is not fully regulated. While, in fact, it has been established that the accounting of a put option on minority interests gives rise to the recognition of a liability, its contra-entry has not been governed. In this regard, when an entity becomes party to a contract as a result of which it assumes an obligation to pay cash or another financial asset in exchange for one of its equity instruments, in compliance with the provisions of paragraph 23 of IAS 32, it must record a financial liability. At the moment of initial recognition, the financial liability will be recognised to the extent corresponding to the amount, appropriately discounted, which must be paid for the exercise of the put option. The subsequent changes in the value of the liability will be recognised in the consolidated income statement.

In order to identify the contra-entry of the recognition of the liability, the company must evaluate whether the risks and benefits of ownership of the minority interests forming the object of the put option have been, due to the conditions of exercise of the option, transferred to the parent company or have remained with the owners of said interests. Based on the results of this analysis, it will depend whether the minority interests forming the object of the put option continue to be represented or not in the consolidated financial statements. They will be if the above-mentioned risks and benefits are not transferred to the parent company through the put option, vice versa, where the transfer has occurred, these minority interests will cease to be represented in the consolidated financial statements.

Therefore, the accounting treatment of the put options on the shares of the parent company can be summarised as follows:

- in the event in which the minority interests do not need to be represented in the financial statements given that the related risks and benefits have been transferred to the parent company, the liability relating to the put option will be recognised:
  - with goodwill as consideration, if the put option is granted to the seller as part of a business combination; or
  - with contra-entry of minorities' shareholders' equity to these interests in the event in which the contract is signed outside this scope; vice versa
- if the transfer of the risks and benefits has not occurred, the contra-entry for the recognition of the aforementioned liability will always be the shareholders' equity pertaining to the Parent Company.

Tax payables for direct taxes and other liabilities

Payables are recognised at nominal value. The elimination of debts from the balance sheet occurs when they are

the underlying financial obligations were extinguished.

The liabilities, if expiring after twelve months, are discounted in order to bring them back to the current value through the use of a rate as such to reflect the market evaluations of the present value of money and the specific risks connected with the liability. Discounting interest is classified under financial charges.

Hedging instruments

The IEG Group uses derivative financial instruments to hedge its exposure to interest rate risk. The Group has never owned speculative financial instruments. These financial instruments are accounted for using the rules of hedge accounting when:

- At the inception of the existing hedge, the formal designation and documentation of said hedging relationship;
- It is presumed that the hedge is highly effective;
- The effectiveness can be reliably measured and said hedge is highly effective during the designated periods.

The IEG Group applies the accounting of cash flow hedges in the event in which there is formal documentation of the hedging relationship of the changes in cash flows originating from an asset or liability or a future transaction (underlying element hedged) considered highly likely and which could impact the income statement.

The measurement criterion of the hedging instruments is represented by the fair value at the designated date. The fair value of the interest rate derivatives is determined by their market value at the designated date when it refers to future cash flow hedges. It is booked to the hedging reserve of shareholders' equity and transferred to the income statement when the underlying financial charge/income materialises.

In cases in which the instruments do not meet the required conditions for the accounting of hedging instruments set out in IAS 39, the fair value changes are booked to the income statement as financial charges/income.

Translation of foreign currency items

Transactions in foreign currency are initially recognised in the functional currency, using the spot exchange rate at the transaction date. Monetary assets and liabilities, denominated in foreign currency, are translated into the functional currency at the exchange rate at the end of the reporting period. The differences are posted to the income statement.

Net assets

Share capital

The amount of Share Capital to be entered in the financial statements coincides with that of Capital Issued; the latter must be stated on the Balance Sheet at nominal value, i.e. the number of shares (ordinary, preferential and savings) multiplied by their nominal value, net of any part of the Share Capital Subscribed that has not yet been paid-up.

Own shares

Treasury shares are entered as a reduction of the share capital for the nominal value and the share premium reserve for the excess amount, the original cost of the treasury shares and the revenues from any subsequent sales are recognised as changes in shareholders' equity.

With reference to the IAS/IFRS, and more specifically to IAS 32, when purchasing treasury shares, the amount equal to the nominal value of the securities is used as a direct reduction of share capital while the amount ranging between this and the purchase price affects the share premium reserve. In the event of sale, the share capital is re-formed, as is the share premium reserve, thereby assigning the same amounts as had been respectively reduced during purchase and noting any gains/losses brought about by the differences between the purchase price and price of sale, directly to other reserves.

The transaction costs of these transactions are booked as a reduction of the shareholders' equity, without any impact on the income statement.

Acknowledging the proceeds

Revenues from contracts with customers, in accordance with IFRS 15, are recognised when the following conditions are met:

- the contract with the customer has been identified;
- the performance obligations contained in the contract have been identified;
- the price has been determined;
- the price has been allocated to the individual performance obligations contained in the contract;
- the performance obligation contained in the contract has been satisfied.

The Group recognises revenues from contracts with customers when (or as) it fulfils the obligation by transferring the promised good or service (or asset) to the customer. The asset is transferred when (or as) the customer acquires control over it.

The Group transfers control of the good or service over time, and therefore fulfils the performance obligation and recognises the revenues over time, if one of the following criteria is satisfied:

- the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs;
- the Group's performance creates or enhances the asset (for example, work in progress) that the customer controls as the asset is created or enhanced;
- the Group's performance does not create an asset that has an alternative use to the Group and the Group has an enforceable right to payment for performance completed to the date considered.

If the performance obligation is not fulfilled over time, it is fulfilled at a point in time. In that case, the Group recognises the revenue at the moment in which the customer acquires control of the promised asset.

Revenue is recorded at fair value equal to the amount received or due, taking into account any trade discounts granted or reductions linked to quantities sold.

The Group considers that the customer acquires control of all services provided to it at the end of the event, given its short duration.

Public grants are only noted where we can be reasonably certain that they will be received and all related conditions have been met, regardless, therefore, of the presence of any formal concession resolution. Grants are noted as income in the year in which they fall due and when correlated with an asset, they are recognised as income on a straight-line basis, throughout the expected useful life of the underlying asset.

During the financial year, the Company made a change to the classification of contributions granted by ICE - Italian Trade Agency, applying a different criterion, i.e., recording the contributions received as costs for services, among those required by paragraph 29 of IAS 20, which states "Grants are presented as components of profit (loss) for the year, either separately or within a generic item such as "Other income" alternatively, they are deducted from the related cost". Accordingly, the Company has, in compliance with IAS 1 41, restated the comparative figures for the financial statements for the year ended 31 December 2022; for more details on the quantification of this item, please refer to paragraph 23 of these notes.

Operating Costs

Costs are recognised when they relate to goods and services sold or consumed in the period or for systematic allocation or when their future use cannot be identified.

Personnel expenses also include, on an accruals basis, taking into account the period of actual service, the fees to directors, both fixed and variable.

Sundry tax other than income tax and rates are noted directly as profit or loss and therefore come under the item of operating costs.

Costs that do not meet the conditions to be recognised under balance sheet assets are booked to the income statement in the period in which they are incurred.

Financial income and expense

Financial income and expense are recognised according to a time criterion that takes into account the actual return/expense of the relevant asset/liability.

Dividends

Revenues for dividends are recognised when the shareholder's right to receive payment is established, which normally coincides with the date of the annual shareholders' meeting that resolves on the distribution of the dividends, taking into account treasury shares held.

Earnings per share

Basic earnings per share is calculated by dividing the Group's earnings per share by the weighted average number of ordinary shares outstanding during the year, thus excluding treasury shares.

Diluted earnings per share is calculated by dividing the Group's earnings per share by the weighted average number of ordinary shares outstanding during the year, thus excluding the Company's own shares, but including all instruments that could create dilution, such as stock options, shares and convertible bonds, warrants and other securities, thus assuming the exercise by all grantees of rights that potentially have a dilutive effect.

Taxes

Taxes for the period include current and deferred taxes. Income tax are generally booked to the income statement, except where they relate to events recorded directly in shareholders' equity. In this case, the income taxes are also booked directly to shareholders' equity.

Current taxes are taxes expected to be paid on taxable income for the year

and are calculated in accordance with the regulations in force at the date of the financial statements.

Deferred tax liabilities are calculated based on the liability method applied to the temporary differences between the amounts of assets and liabilities in the consolidated financial statements and the corresponding values recognised for tax purposes. Deferred tax liabilities are calculated using tax rates that are expected to apply at the moment in which in which the asset is realised or the liability settled.

Deferred tax assets are recognised only if it is likely that taxable income sufficient for said assets to be realised will be generated in the following years.

Deferred tax assets and liabilities are only offset when there is a legal right to offset and when they refer to taxes due to the same tax authorities.

The tax provisions that may be generated by the transfer of non-distributed profit from the subsidiaries are made only when there is a real intention to transfer said profit.

USE OF ESTIMATES

The preparation of the consolidated financial statements requires Directors to use accounting principles and methods that, in some instances, require the use of complex and subjective valuations and estimates drawn from historical experience and assumptions that, in each case, are deemed to be reasonable and realistic under the circumstances existing at that time.

The use of these estimates and assumptions has an impact on the amounts reported in the financial statements, which include the statement of financial position, the income statement and the cash flow statement, as well as the explanatory notes.

The final amounts shown in the consolidated financial statements for which the above-mentioned estimates and assumptions were used may differ from the amounts reported in the financial statements of the individual companies due to the uncertainty that is inherent in the assumptions and the conditions upon which the estimates were based.

The financial statements items that, more than others, require greater subjective input by the Directors in the preparation of estimates and for which a change in the conditions underlying the assumptions used could have a material impact on the company's separate financial statements mainly concern:

- the measurement of fixed assets (amortisation/depreciation and any write-downs due to impairment, price allocations);
- the measurement of receivables.
- the recognition and quantification of contingent assets and liabilities;

- the determination of deferred tax assets/liabilities and income taxes;
- the determination of liabilities relating to "Employee severance indemnity" accrued prior to 2007, which was carried out by making use of the actuarial evaluation prepared by independent actuaries.
- Financial payables on purchase options and contingent consideration;
- risk provisions;
- fair value of financial instruments.

With reference to fixed assets, notice is hereby given that, for the impairment test, the processes and measurement methods and the methods for calculating the estimates are based on complex assumptions relating to revenues, operating costs, margins, investments, rates of growth in the terminal value and discount rates differentiated for each of the CGUs identified, to which the different scenarios subject to sensitivity analysis are applied.

With reference to the measurement of receivables, notice is hereby given that the bad debt provisions reflects the estimates of expected losses for the Group's loan portfolio. Allocations were made to cover expected losses on loans, estimated on the basis of previous experience with reference to loans with similar credit risk, to amounts of current and historical unpaid amounts, as well as careful monitoring of the quality of the loan portfolio and the current and expected conditions and reference markets. The estimates and assumptions are periodically reviewed and the impact of any change recognised in the income statement in the relevant year.

With reference to the measurement of financial instruments, notice is hereby given that the fair value of unlisted financial assets is determined through financial measurement techniques used that require basic assumptions and estimates. These assumptions may not materialise in the times and methods envisaged. Therefore, the estimates prepared by the Group may differ from the final data.

The parameters used to draw up the estimates are commented on in the Explanatory notes to the consolidated financial statements. The estimates and assumptions are periodically reviewed and the impact of any change recognised immediately in the income statement. For matters not specifically addressed, please refer to the respective paragraphs in "Measurement criteria".

FINANCIAL RISK MANAGEMENT

The IEG Group is exposed to financial risks related to its business, and the following in particular:

- *credit risk*, deriving from commercial transactions or financing activities;
- *liquidity risk*, relating to the availability of financial resources and access to the credit market;
- *market risk* (composed of exchange rate risk, interest rate risk, price risk), with particular reference to interest rate risk, relating to the exposure to the Group on financial instruments that generate interest.

Credit risk

The credit risk to which the IEG Group is subject falls under normal commercial activities, both owing to the fragmentation of positions and the excellent credit quality historically recorded. Positions considered to be at risk were, however, written down accordingly. In order to contain the risks deriving from the management of trade receivables, each company has identified an office or a person responsible for the systematic coordination of the reminder activities, managed jointly by the commercial and administrative departments, legal representatives and companies specialised in credit recovery. The software implemented by the Parent Company Italian Exhibition Group SpA and used by the main subsidiaries keeps a track of each reminder.

The table below shows the breakdown by past due brackets, of the receivables past due as at 31 December 2023 and 31 December 2022 and the overall value of the Bad Debt Provision.

Analysis of due 2023

	Balance as at 31/12/2023	Falling due	Past due	0-90 days	91-180 days	181-365 days	Over 365 days	Bad debt provision
TRADE RECEIVABLES	**30,996**	**11,089**	**29,440**	17,254	1,028	836	10,322	**(9,533)**

Analysis of past due 2022

	Balance as at 31/12/2022	Falling due	Past due	0-90 days	91-180 days	181-365 days	Over 365 Days	Bad debt provision
TRADE RECEIVABLES	**30,041**	**10,910**	**27,375**	14,487	1,262	910	10,716	**(8,244)**

The bad debt provision is calculated on the basis of the criteria of presumed recoverability, through both internal evaluations and with the support of external legal representatives. For more details on changes in the Bad debt provision, please refer to Note 10) Trade receivables.

Liquidity risk

The Group considers it of fundamental importance to maintain a level of available liquidity appropriate to its needs.

The two main factors that determine the Group's liquidity situation are, on the one hand, the resources generated or absorbed by operating and investing activities, and, on the other hand, the maturity and renewal characteristics of debt or the liquidity of financial investments and market conditions.

The Group has adopted a series of policies and processes for optimising the management of financial resources, reducing liquidity risk:

- *maintaining an suitable level of available liquidity;*
- *obtaining suitable credit lines;*
- *monitoring of prospective liquidity conditions in relation to the corporate planning process.*

As part of this type of risk, as regards the composition of net financial debt, the IEG Group tends to finance investments with medium/long-term payables, while it meets current commitments with both the cash flow generated by operations and by using short-term credit lines. The table below shows the breakdown and maturity of financial payables and trade payables:

	Within 1 year	From 1 to 5 years	Due after 5 years	Total
31.12.2023				
Payables due to banks	19,595	55,971	17,897	93,463
Financial liabilities on rights of use	4,154	15,029	21,255	40,438
Financial liabilities for put options		1,446		1,446
Other financial liabilities	1,789	1,856		3,644
Trade Payables	43,318			43,318
TOTAL	**68,856**	**74,302**	**39,151**	**182,309**
31.12.2022				
Payables due to banks	18,488	64,869	19,977	103,334
Financial liabilities on rights of use	4,779	16,215	13,302	34,295
Financial liabilities for put options		4,741		4,741
Other financial liabilities	5,502	5,377		10,879
Trade Payables	42,807			42,807
TOTAL	**71,576**	**91,202**	**33,279**	**196,057**

For further information on the breakdown of the items reported in the table, please refer to Notes 15, 16, 20 and 21.

As at 31 December 2023, the IEG Group can rely on approximately 19.5 million euros of uncommitted unused credit lines, cash and cash equivalents of 65.9 million euros; it therefore has sufficient liquid funds to cope with the short-term financial needs, even taking into account the general economic context.

Market risk

The Group reserves the right to intervene with appropriate hedging instruments should market risk factors become significant.

The market risk consists of exchange rate risk, interest rate risk and price risk, as set out below.

Exchange rate risk

The IEG Group, operating in a global context, is naturally exposed to exchange rate risk deriving from the fluctuation in exchange rates, in particular, vis-à-vis the US Dollar for the investment made in the subsidiary FB International Inc., vis-à-vis the United Arab Emirates for the investment made in IEG Middle East, vis-à-vis the Brazilian Real for the investment made in the subsidiary IEG Brasil eventos LTDA, Mundogeo Eventos & Consultoria Ltda, and vis-à-vis the Chinese Renminbi for the investment made in the Subsidiary IEG China Ltd and vis-à-vis the Singapore dollar following the recent establishment of IEG Asia Pte Ltd, based in the Republic of Singapore.

The exchanges rates against the Euro (foreign currency for euro units) adopted to translate the items denominated in another currency are shown below:

Currency (code ISO)	Amount of currency per 1 Euro			
	December 2023	December 2023	December 2022	December 2022
	Spot rate	Average rate	Spot rate	Average rate
US Dollar (USD)	1.1050	1.0813	1.0666	1.0530
Chinese Renminbi (CNY)	7.8509	7.6600	7.3582	7.0788
Singapore Dollar (SGD)	1.4591	1.4523	1.4300	1.4512
Real Brasiliano (BRL)	5.3618	5.4010	5.6386	5.4399
Dirham Emirati Arabi (AED)	4.0581	3.9710	3.9171	3.8673

The functional currency, defined by IAS 21 as the currency of the economic environment in which the Group mainly operates, is the euro.

As at 31 December 2023, a change of +/- 1% in the above rates versus the Euro, based on all other variables remaining the same, would not have involved significant differences to the pre-tax result and, therefore, to the corresponding variation in shareholders' equity.

Below are the values expressed in currencies other than the euro of the net assets included in the consolidated financial statements closed at 31 December 2023:

	Values in USD/000	Values in AED/000	Values in Reals/000	Values in CNY/000	Values in SGD/000
	31/12/2023	31/12/2023	31/12/2023	31/12/2023	31/12/2023
Intangible Fixed Assets	-	-	1,262	-	3,966
Tangible Fixed Assets	18,257	140	191	10	298
Equity investments	7,140	-	10,529	2,054	-
Financial assets	714	-	-	-	-
Inventories	178	-	-	-	-
Receivables from customers	4,269	823	2,109	51	3
Tax receivables and deferred tax assets	95	-	-	-	-
Other Activities	765	240	6,746	83	186
Cash and cash equivalents	1,201	5,756	4,566	285	649
Provisions	- 260	- 337	-	-	-
Payables due to banks	- 73	-	- 208	-	-
Financial payables for rights of use	- 18,202	-	-	-	- 187
Other financial liabilities	- 3,834	- 907	- 5,599	-	- 3,204
Trade payables	- 5,331	- 1,333	- 498	- 44	- 29
Tax payables	-	-	- 10	-	-
Other liabilities	- 2,797	- 999	- 9,027	- 36	- 592

Interest rate risk

In order to carry out its activities, the Group obtains finance on the market by taking out primarily floating rate debt (linked to the Euribor), hence exposing itself to the risk deriving from an increase in interest rates. The objective of interest risk management is to limit and stabilise flows of expenses due to interest paid primarily on medium-term payables to ensure close correlation between the underlying and the hedging instrument.

The hedging activity, evaluated and decided on a case by case basis, is carried out predominantly through derivative contracts targeted at transforming a variable rate to a fixed rate.

In 2023, following a hypothetical increase or decrease of 100 basis points in the interest rate, based on all other variables remaining the same, the higher or lower pre-tax charge (and therefore a corresponding change in shareholders' equity) would have been for an insignificant amount.

Price risk

The type of activity performed by the Group, essentially represented by the provision of services that do not require a process of purchase-transformation of assets, is such that the risk of fluctuations in prices is not particularly significant. The majority of the purchases made in relation to business activities is represented by the provision of service whose value is not immediately influenced by macroeconomic changes in the prices of the main commodities. In addition, as stated in relation to exchange rate risk, sales are almost all in the accounting currency and purchases not in Euro are negligible.

For the sake of complete disclosure, it should be noted that, as at 31 December 2023, the Group is exposed to a minimal extent to the price risk associated with investments in listed equities, as it has made a small investment in the shares of the company Gambero Rosso, classified to the financial statements under financial assets at "Fair Value through Profit & Loss".

Climate change

On this subject, please refer to what has already been discussed in the specific section of the Report on Operations.

Fair Value

IFRS 13 defines the following three levels of fair value to which to refer the measurement of financial instruments recognised in the statement of financial position:

- *Level 1:* prices quoted on an active market;
- *Level 2:* inputs other than the listed prices described for Level 1, which can be directly (price) or indirectly (price derivatives) observed on the market;
- *Level 3:* inputs that are not based on observable market data.

The following tables show the classification of financial assets and liabilities and the level of inputs used for the fair value measurement, as at 31 December 2023 and 31 December 2022.

31/12/2023						
	Notes	Level Fair Value	Amortised cost	Fair value through OCI	Fair value through profit and loss	Total
ASSETS						
Other equity investments	4	2-3		10,443	138	10,581
Non-current financial assets	7	1-2	614	1,039	194	1,847
Other non-current assets	8		1,261			1,261
Trade Receivables	10		30,996			30,996
Current financial assets	12	2	285			285
Other Current Assets	13		8,636			8,636
Cash and cash equivalents	14		65,885			65,885
TOTAL ASSETS			**107,677**	**11,482**	**332**	**119,491**
LIABILITIES						
Non-current payables due to banks	16		73,868			73,868
Other non-current financial liabilities	18	2	39,585			39,585
Other non-current liabilities	21		1,704			1,704
Current payables due to banks	16		19,595			19,595
Other current financial liabilities	23		5,943			5,943
Trade Payables	24		43,318			43,318
Other current liabilities	26		61,032			61,032
TOTAL LIABILITIES			245,046	**0**	**0**	245,046

31/12/2022						
	Notes	Level Fair Value	Amortised cost	Fair value through OCI	Fair value through profit and loss	Total
ASSETS						
Other equity investments	4	2-3		9,248	101	9,349
Non-current financial assets	7	1-2	1,330	1,756	215	3,301
Other non-current assets	8		270			270
Trade Receivables	10		30,041			30,041
Current financial assets	12	2	334			334

Other Current Assets	13		6,914			6,914
Cash and cash equivalents	14		50,586			50,586
TOTAL ASSETS			89,475	**11,004**	**316**	**100,795**
LIABILITIES						
Non-current payables due to banks	16		84,846			84,846
Other non-current financial liabilities	18	2	34,893			34,893
Other non-current liabilities	21		1,805			1,805
Current payables due to banks	16		18,488			18,488
Other current financial liabilities	23		10,282			10,282
Trade Payables	24		42,807			42,807
Other current liabilities	26		52,242			52,242
TOTAL LIABILITIES			**245,363**	**0**	**0**	**245,363**

Change in liabilities deriving from financing activities

The reconciliation of liabilities deriving from financing activities, as reported in the cash flow statement, for the periods ended respectively as at 31 December 2022 and 31 December 2023 is reported below. It should be noted that changes in the fair value of Other current and non-current financial payables refer to the remeasurement of the call option on the minority interest in the capital of the subsidiary FB International Inc. and the remeasurement of contingent consideration. Other non-cash changes includethe impacts of IFRS 16 on current and non-current financial liabilities.

In Euro/000	Balance as at 31 December 2022	Change in cash flow	Change in fair value	Other non-monetary changes	Balance as at 31 December 2023
Current bank payables	18,488	1,107			19,595
Non-current bank payables	84,846	(10,979)			73,867
Other current financial payables	10,282	(4,821)	125	357	5,942
Other non-current financial payables	34,893	(60)	(3,907)	8,658	39,585

In Euro/000	Balance as at 31 December 2021	Change in cash flow	Change in fair value	Other non-monetary changes	Balance as at 31 December 2022
Current bank payables	22,157	(3,667)			18,488
Non-current bank payables	92,277	(7,430)			84,846
Other current financial payables	8,230	(1,242)		3,293	10,282
Other non-current financial payables	36,549	(705)	(3,582)	2,633	34,893

**Current and non-current financial payables also include the related liabilities for rights of use*

OPERATING SEGMENTS

An operating segment is defined by IFRS 8 as a component of the entity that: i) carries out business activities which generate revenues or costs (including revenues or costs regarding transactions with other components of the same entity); ii) whose operating results are periodically reviewed by the entity's highest operating decision-maker for the purposes of taking decisions regarding resources to be allocated to the segment and the assessment of results; iii) for which separate financial statements information is available.

For the purposes of IFRS 8 - Operating segments, the activities performed by the Group are incorporated in a single operating segment.

In fact, the Group structure identifies a strategic and unitary business vision and this representation is consistent with the methods used by management to take its decisions, allocate resources and define the communication strategy, making the assumptions of a division-based business drive financially ineffective at the current state of play.

CONSOLIDATION PRINCIPLES

These consolidated financial statements include the Parent Company Italian Exhibition Group SpA, the subsidiaries and the jointly controlled companies.

The consolidated financial statements have been prepared at 31 December 2023 on the basis of the separate financial statements approved by the competent Administrative Bodies for the individual companies and suitably adjusted, where necessary, to ensure compliance with the Group's accounting standard, in accordance with the IASs/IFRSs.

The list of companies included in the scope of consolidation as of 31 December 2022 is shown in Annex 1.

Subsidiaries

Companies are defined as subsidiaries when the Parent Company has the power, directly or indirectly, to exercise management so as to obtain the benefits from the exercise of said activities. More specifically, control is obtained when the Group is exposed, or has the right to variable returns deriving from its involvement with the entity invested in and, in the meantime, is also able to impact those results by exercising its power over that entity. Specifically, the Group controls an investee if, and only if, the Group has:

- power over the investee (i.e. the Group has existing rights that give it the ability to direct the relevant activities of the investee);

- exposure, or rights, to variable returns from its involvement with the investee;
- the ability to exercise its power over the entity invested in to impact the amount of its returns.

Generally, the assumption is that the majority of voting rights entails control. Supporting this assumption, and when the Group holds less than the majority of voting rights (or similar rights), the Group considers all the relevant facts and circumstances to establish whether it controls the entity invested in, including:

- contractual agreements with other holders of voting rights;
- rights deriving from contractual arrangements;
- voting rights and potential voting rights of the Group.

The Group reconsiders whether it has control over an investee if the facts and circumstances indicate that there have been changes in one or more of the three relevant factors for the purpose of defining control.

The financial statements of subsidiaries are consolidated on a line-by-line basis from the moment of the acquisition of control until the date of its cessation. According to the provisions of IFRS 3, subsidiaries acquired by the Group are accounted for using the acquisition method, based on which:

- the consideration transferred in a business combination is measured at fair value, determined as the sum of the fair values of the transferred assets and liabilities assumed by the Group at the acquisition date and the capital instruments issued in exchange for the control of the acquired entity; transaction accessory expenses are booked to the income statement at the moment they are incurred;
- the excess of the acquisition cost with respect to the market value of the amount pertaining to the Group of the net assets is recorded as goodwill;
- if the acquisition cost is lower than the fair value of the amount pertaining to the Group of the net assets of the acquired subsidiary, the difference is recognised directly in the income statement.

The reciprocal payables and receivables, costs and revenues between consolidated companies and the effects of all significant transactions between them were eliminated.

In particular, profits still not yet realised with third parties deriving from intercompany transactions were eliminated.

The portion of shareholders' equity attributable to minority interests is recognised in a specific item, while their portion of net income is shown separately in the consolidated income statement.

Subsidiaries are consolidated from the date on which control is effectively acquired by the Group and cease to be fully consolidated from the date on which control is transferred to companies outside the Group.

Associated companies

Associated companies are those over which the Group exercises significant influence, but in which they do not have management control.

This influence is presumed to exist when the Group holds between 20% and 50% of voting rights. The consolidated financial statements include the share of profits and losses of associated companies, measured using the equity method from the date on which significant influence over management was obtained, up until its cessation.

The portion pertaining to the Group of profits or losses following the acquisition of associated companies is recognised in the income statement.

The equity investment in associated companies is accounted for based on the acquisition method and any excess of the acquisition cost with respect to the portion pertaining to the Group of the current value of the net assets of the acquired entity is included in the value of the equity investment.

Joint ventures

These are companies in which the Group shares contractually established control, or for which there are contractual agreements under which two or more parties undertake an economic activity subject to joint control. Equity investments in jointly controlled companies are valued using the equity method.

BUSINESS COMBINATION

During the year, the acquisition of the business units relating to the Café Asia / Sweets & Bakes Series & Restaurant Asia ("CARA") and Singapore International Jewelry Expo ("SIJE") exhibitions by the subsidiary IEG Asia Pte Ltd was finalised.

The consideration for the transaction was approximately S$3,112 thousand; the agreed amount is variable based on the results the two events will achieve for the 2022-2024 editions. The consideration paid at the closing was S$1,556 thousand.

As required by IFRS 3, the differential between the purchase cost of the two events and the net assets acquired by the Group and amounting to 559 thousand euros was provisionally allocated to goodwill to the IEG Asia CGU, pending the completion of the Purchase Price Allocation phase.

A specific analysis of the fair value of the net assets acquired and the consideration transferred will be carried out by 31 March 2024. If, at the end of the measurement period, tangible and intangible assets with a definite life are identified, the provisional amounts recorded at the time of acquisition will be adjusted, with retroactive effect to the acquisition date. The table below shows the provisional values for the transaction in question.

"*CARA*" & "*SIJE*" - SGD/000	(A) - Book values at the acquisition date	(B) - Fair value at the acquisition date (*provisional values*)
Receivables due from others	600	600
Advance costs for services	404	404
Advances from customers	(1,004)	(1,004)
Other payables	0	(237)
Total net assets acquired	**-**	**(237)**
Cost of the acquisition		**3,112**
Provisional goodwill		3,349

Below are the provisional values for this transaction converted into Euro at the exchange rate on the date of the transaction:

"*CARA*" & "*SIJE*" - EUR/000	(A) - Book values at the acquisition date	(B) - Fair value at the acquisition date (*provisional values*)
Receivables due from others	422	422
Advance costs for services	284	284
Advances from customers	(706)	(706)
Other payables	-	(167)
Total net assets acquired	**-**	**(167)**
Cost of the acquisition		**2,190**
Provisional goodwill in euro		**2,357**

On 5 July 2023 the acquisition of Mundogeo Eventos e Consultoria Ltda by the subsidiary Italian Exhibition Group Brasil Eventos Ltda was finalised. The acquired company, founded in 1997, has been organising exhibitions and online events in the fields of space, eVLOTs, drones, autonomous robots and geotechnology since 2011.

The consideration for the transaction was approximately Real 10,528 thousand; the agreed amount is variable based on the company's performance in the 2022-2025 financial years. The consideration paid at the closing was Real 5,179 thousand.

At the date of this document, as required by IFRS 3, the Purchase Price Allocation of this acquisition was provisionally completed, whereby the "Customer Relationship" was identified and valued as an intangible asset with a useful life defined as ten years. A specific analysis of the fair value of the net assets acquired and the consideration transferred will be carried out within 12 months of the acquisition. If, at the end of the measurement period, value differences are identified in tangible and intangible assets with a finite life that have already been recognised, the provisional amounts recorded at the time of acquisition will be adjusted, with retroactive effect to the acquisition date. The provisional values expressed at fair value acquired in the combination transaction, the fair value of the consideration paid and the definitive goodwill allocated to the IEG Brazil CGU, whose flows are represented by the entire business acquired, are shown in the following table:

Mundogeo Eventos e Consultoria Ltda - BRL/000	(A) - Book values at the acquisition date	(B) - Fair value at the acquisition date (*provisional values*)
Intangible Fixed Assets	-	6,732
Trade Receivables	54	54
Other Current Assets	756	756
Cash and cash equivalents	1,112	1,112
Customers advance receivables	(2,458)	(2,458)
Trade Payables	(150)	(150)

Payables due to banks	(244)	(244)
Tax payables for direct taxes	(30)	(30)
Total deferred tax liabilities	-	(2,289)
Other current liabilities	(139)	(139)
Total net assets acquired	**(1,101)**	**3,342**
Cost of the acquisition		**10,528**
Provisional goodwill		**7,186**

Below are the final values for this transaction converted into Euro at the exchange rate on the date of the transaction:

Mundogeo Eventos e Consultoria Ltda - EUR/000	(A) - Book values at the acquisition date	(B) - Fair value at the acquisition date (*provisional values*)
Intangible Fixed Assets	0	1,250
Trade Receivables	10	10
Other Current Assets	140	140
Cash and cash equivalents	206	206
Customers advance receivables	(456)	(456)
Trade Payables	(28)	(28)
Payables due to banks	(45)	(45)
Tax payables for direct taxes	(6)	(6)
Total deferred tax liabilities	0	(425)
Other current liabilities	(26)	(26)
Total net assets acquired	**(208)**	**621**
Cost of the acquisition		**1,955**
Provisional goodwill in euro		**1,334**

On 18 October 2023, the acquisition of 51% of the capital of A&T Srl was finalised. The company owns and organises the A&T - Automation & Testing event, dedicated to innovation and industrial technologies in a 4.0 perspective.

The consideration for the transaction was 567 thousand 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 value of the Net Financial Position. The acquisition by the Group is financed by its own means.

As required by IFRS 3, the differential between the acquisition cost of the two events and the net assets acquired by the Group and amounting to 2,357 thousand euros was provisionally allocated to goodwill in the A&T CGU, pending the completion of the Purchase Price Allocation phase.

A specific analysis of the fair value of the net assets acquired and the consideration transferred will be carried out within 12 months of the acquisition. If, at the end of the measurement period, tangible and intangible assets with a definite life are identified, the provisional amounts recorded at the time of acquisition will be adjusted, with retroactive effect to the acquisition date. The table below shows the provisional values for the transaction in question.

A&T Srl - EUR/000	(A) - Book values at the acquisition date	(B) - Fair value at the acquisition date (*provisional values*)
Tangible Fixed Assets	3	3
Intangible Fixed Assets	10	10
Financial fixed assets	2	2
Trade Receivables	64	64
Other Current Assets	385	385
Other tax assets	50	50
Cash and cash equivalents	190	190
Severance indemnity	(94)	(94)
Customers advance receivables	(247)	(247)
Trade Payables	(117)	(117)
Payables to credit institutions	(140)	(140)
Tax payables for direct taxes	(7)	(7)
Other current liabilities	(84)	(84)
Total net assets acquired	**15**	**15**
Minority interests measured at fair value (49%)		**(7)**
Cost of the acquisition		**567**
Provisional goodwill		**559**

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 consideration for the acquisition was 603 thousand Singapore dollars, for a Euro equivalent of 418 thousand. The agreed amount is not subject to change on the basis of the company's performance, but has been set as a fixed amount and paid in full.

The acquisition was financed with own financial resources.

As required by IFRS 3, the differential between the acquisition cost of the events and the net assets acquired by the Group was provisionally allocated to goodwill to the IEG Asia CGU, pending the completion of the Purchase Price Allocation phase. The net assets acquired by the Group are zero and therefore the entire amount paid for the acquisition of the events has been provisionally allocated to goodwill.

A specific analysis of the fair value of the net assets acquired and the consideration transferred will be carried out within 12 months of the acquisition. If, at the end of the measurement period, tangible and intangible assets with a definite life are identified, the provisional amounts recorded at the time of acquisition will be adjusted, with retroactive effect to the acquisition date.

At the date of this document, the Purchase Price Allocation of the acquisition of VGroup Srl was completed, whereby the "Customer Relationship" was identified and valued as an intangible asset with a useful life defined in 12 years and the non-competition agreement was valued. The final fair values acquired in the business combination, the fair value of the consideration paid and the definitive goodwill allocated to the CGU V Group, whose flows are represented by the entire business acquired, are shown in the following table:

VGroup Srl - EUR/000	Book values at the acquisition date	Fair value at date of acquisition (final)
Property, plant and equipment IFRS16	0	191
Intangible Fixed Assets	71	1,597
Advance taxes	12	12
Trade Receivables	48	48
Other Current Assets	170	170
Other tax assets	194	194
Cash and cash equivalents	771	771
Severance indemnity	(3)	(4)
Customers advance receivables	(207)	(207)
Trade Payables	(271)	(294)
Financial payables IFRS16	0	(191)
Tax payables for direct taxes	0	(106)
Total deferred tax liabilities	0	(426)
Other current liabilities	(5)	(7)
Total net assets acquired	**781**	**1,749**
Minority interests measured at fair value (25%)		**437**
Cost of the acquisition		**3,380**
Final launch on 1 June 2022		**2,068**

IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLIED FROM 1 JANUARY 2023 OR APPLICABLE IN ADVANCE

In 2023, the IEG Group adopted the following new accounting standards, amendments and interpretations, revised by the IASB.

- IFRS17 Insurance Contracts: The standard introduces a new accounting approach to insurance contracts by insurance companies, previously set out in IFRS 4. These amendments aim to make the accounting of insurance products more transparent and to improve the consistency of their accounting representation. The application of this standard had no impact on the financial statements for the year ended 31 December 2023.
- Amendment to IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors. This document, issued by the IASB on 12 February 2021, is intended to address the difficulties that arise when an entity has to distinguish between changes in accounting standards and changes in estimates. The application of this amendment to the consolidated financial statements of the IEG Group had no impact on the financial statements for the year ended 31 December 2023.
- Amendment to IAS 1 Presentation of Financial Statements, to IFRS Practice Statement 2: Disclosure of Accounting policies. The amendment issued by the IASB on 12 February 2021 is intended to help financial statement preparers understand which accounting policies to disclose in their financial reports. The application of this amendment to the consolidated financial statements of the IEG Group had no impact on the financial statements for the year ended 31 December 2023.
- Amendment to IAS 12 - Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction. The amendment issued by the IASB on 7 May 2021 is intended to clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The application of these Annual Improvements on the consolidated financial statements of the IEG Group had no significant impact on the financial statements for the year ended 31 December 2023.
- Amendment to IFRS 17 Insurance Contracts - Initial Application of IFRS 17 and IFRS 9 - Comparative Information. The amendment issued by the IASB on 9 December 2021 is intended to provide additional information to financial statement preparers on how to present prior period comparative information on the initial application of IFRS 17. The application of this amendment to the consolidated financial statements of the IEG Group had no significant impact on the financial statements for the year ended 31 December 2023.

NEW IFRS AND IFRIC ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT YET APPLICABLE AND NOT ADOPTED EARLY BY THE IEG GROUP

New accounting standards, amendments and interpretations not yet endorsed by the relevant European Union bodies are set out below. The IEG Group is assessing the impacts that the application of these will have on the consolidated financial statements. The new accounting standards, amendments and interpretations will be adopted according to the effective dates of introduction as reported below.

- Amendment to IAS 1 Presentation of Financial Statements - Classification of Liabilities as Current or Non-current, Deferral of Effective Date - Non-current liabilities with covenants. The aforementioned amendment issued by the IASB on 23 January 2020, 15 July 2020 and 31 October 2022 is intended to clarify the conditions under which an entity may recognise a short-term or long-term liability. The amendment will enter into force on 1 January 2024.
- Amendments to IFRS 16 Leases - Lease Liabilities in a Sale and Leaseback: this amendment issued by the IASB on 22 September 2022 is intended to clarify how the seller and lessee may measure the sale and leaseback transaction to comply with the requirements of IFRS 15 to account for the sale. The amendment will enter into force on 1 January 2024.
- Amendment to IAS 12 Income Taxes: International Tax Reform - Pillar Two Model Rules, this amendment issued by the IASB on 23 May 2023 clarifies tax accounting related to the OECD "Pillar Two" rules. The amendment is effective as of 1 January 2024 and is not expected to have a significant impact on the Group's economic, financial and balance sheet situation.

COMMENTS ON MAIN ASSET ITEMS

NON-CURRENT ASSETS

1) Tangible Fixed Assets

Property, plant and equipment amounted to 196,584 thousand euros at 31 December 2023, a net increase of 5,552 thousand euros compared to 31 December 2022, when they amounted to 191,032 thousand euros. The main changes occurred in the period related to capital expenditures of 9,472 thousand euros, depreciation of 9,500 thousand euros, asset write-downs of 827 thousand euros, the increase in assets in right-of-use of 10,680 thousand euros, and depreciation related to assets in right-of-use of 4,332 thousand euros.

The following tables show the changes during the current and previous financial year.

		Changes as at 31 December 2023						
	Balance as at 31/12/2022	Increases	Decreases/Write-downs	Ammort.	Trans.	Exchange rate effect	Area var.	Balance as at 31/12/2023
Land and buildings								
Book value	265,021	2,993						267,941
Amortisation	(124,585)			(5,004)				(129,581)
Total land and buildings	**140,436**	**2,993**	**-**	**(5,004)**	**-**	**-**	**-**	**138,360**
Plant and machinery								
Book value	81,775	1,700	(114)			(5)		83,429
Amortisation	(72,049)		110	(1,541)		1		(73,487)
Total plant and machinery	**9,727**	**1,700**	**(4)**	**(1,541)**	**-**	**(4)**	**-**	**9,943**
Industrial and commercial equipment								
Book value	33,699	1,689	(521)			(65)	1	34,803
Amortisation	(30,812)		169	(1,912)		52	(1)	(32,504)
Total industrial and commercial equipment	**2,887**	**1,689**	**(353)**	**(1,912)**	**-**	**(13)**	**-**	**2,298**
Other assets								
Book value	25,117	1,545	(1,409)		2	(52)	47	25,250
Amortisation	(20,217)		988	(1,043)		35	(44)	(20,280)
Total other assets	**4,900**	**1,545**	**(421)**	**(1,043)**	**2**	**(17)**	**3**	**4,970**
Rights of Use Leased Assets								
Book value	53,481	4,983				50		58,514
Amortisation	(20,883)	5,697		(4,322)		29		(19,479)
Total rights of use of leased assets	**32,598**	**10,680**	**-**	**(4,322)**	**-**	**79**	**-**	**39,035**
Total Fixed assets under construction and payments on account	**485**	1,544	(50)		(2)			**1,978**
TOTAL	**191,032**	**20,152**	**(827)**	**(13,822)**	**-**	**45**	**3**	**196,584**

	Balance as at 31/12/2021	Changes as at 31 December 2022						Balance as at 31/12/2022
		Increases	Decreases/ Write-downs	Ammort.	Trans.	Exchange rate effect	Area var.	
Land and buildings								
Book value	264,381	623			17			265,021
Amortisation	(119,607)			(4,978)				(124,585)
Total land and buildings	**144,774**	**623**	**-**	**(4,978)**	**17**	**-**	**-**	**140,436**
Plant and machinery								
Book value	79,027	2,163			585			81,775
Amortisation	(70,425)			(1,624)				(72,049)
Total plant and machinery	**8,601**	**2,163**	**-**	**(1,624)**	**585**	**-**	**-**	**9,727**
Industrial and commercial equipment								
Book value	34,459	1,180	(2,085)		(83)	228		33,699
Amortisation	(30,710)		2,085	(1,950)	(57)	(179)		(30,812)
Total industrial and commercial equipment	**3,748**	**1,180**	**-**	**(1,950)**	**(140)**	**49**	**-**	**2,887**
Other assets								
Book value	24,547	773	(426)		126	96	1	25,117
Amortisation	(19,234)		367	(1,362)	57	(44)	(1)	(20,217)
Total other assets	**5,313**	**773**	**(59)**	**(1,362)**	**183**	**52**	**-**	**4,900**
Rights of Use Leased Assets								
Book value	42,403	10,881				198		53,481
Amortisation	(18,094)	872		(3,517)		(143)		(20,883)
Total rights of use of leased assets	**24,309**	**11,752**	**-**	**(3,517)**	**-**	**54**	**-**	**32,598**
Total Fixed assets under construction and payments on account	**3,928**	174	(2,971)		(645)			**485**
TOTAL	**190,674**	**16,665**	**(3,031)**	**(13,432)**	**-**	**155**	**-**	**191,032**

The item **"Land and Buildings"** as of 31 December 2023 amounted to approximately 138,360 thousand euros, a net decrease of 2,076 thousand euros compared to 31 December 2022. This change is due to increases of 2,993 thousand euros incurred mainly by the Parent Company and referring to improvements at the Rimini and Vicenza Exhibition Centre and work to expand the parking areas at the Rimini Exhibition Centre. Depreciation of 5,004 thousand euros was recorded in the period.

The item **"Plant and machinery"** as of 31 December 2023 was 9,943 thousand euros, showing a net increase of 216 thousand euros compared to 31 December 2022, mainly due to new investments made for 1,700 thousand euros, mainly incurred for improvements at the Rimini and Vicenza exhibition centres and, in particular, the construction of automated accesses to the car parks at the Romagna exhibition centre, and to the recognition of depreciation for the period of 1,541 thousand euros.

The item **"Industrial and commercial equipment"** shows a balance of 2,298 thousand euros, with a net decrease of 589 thousand euros compared to the previous year. The main changes occurred in the period related to capital expenditures of 1,689 thousand euros, mainly related to the purchase of structures for the construction of exhibition stands by the subsidiaries Prostand Srl and FB International Inc., to write-downs of fixed assets for 353 thousand euros, and to the recognition of depreciation for the period of 1,912 thousand euros.

"Other assets" to4,970 thousand euros at 31 December 2023, a net increase of 70 thousand euros compared to the previous period. The change was mainly due to new capital expenditures of 1,545 thousand euros, mainly related to leasehold improvements, depreciation of fixed assets of 421 thousand euros and depreciation for the period of 1,043 thousand euros.

Finally, **"Fixed assets under construction and advances"** showed a balance of 1,978 thousand euros as of 31 December 2023, with a net increase of 1,493 thousand euros compared to the previous year. Capital expenditures in the period amounted to 1,544 thousand euros, incurred mainly by the Parent Company and largely referring to preparatory works for the redevelopment of the Vicenza exhibition centre, while the portion referring to the previous year refers to geological survey works for the expansion of the Rimini exhibition centre.

The item **"Rights of Use for Leased Assets"** amounted to39,035 thousand euros as of 31 December 2023, and included the values of the rights of use claimed by the Group recognised in accordance with IFRS 16. This item recorded a net increase of 6,437 thousand euros compared to the previous period, due to the recognition of new lease agreements, mainly by the subsidiary FB International Inc. and the recognition of depreciation for the period of 4,332 thousand euros.

The building at Via Emilia 155 (Rimini Exhibition Centre) is encumbered by a first mortgage for 150 million euros issued to guarantee the loan granted by the pool of banks led by Credit Agricole Italia SpA. The mortgage is granted equally in favour of each of the Original Secured Creditors in the amounts shown below:

- in reference to Crédit Agricole Italia, within the total limit of 50 million;
- in reference to BNL, within the total limit of 26 million;
- in reference to Banco Popolare - BPM, within the total limit of 22 million;
- in reference to BPER, within the total limit of 26 million;
- in reference to Credito Sportivo, within the total limit of 26 million.

The property in Vicenza, via dell'Oreficeria 16 (Vicenza trade fair district) is encumbered by a first mortgage of 84 million euros to guarantee the loan granted by Banca Popolare di Vicenza and drawn down in 2008.

It is specified that the mortgages are noted at the time the entry is made in the register of properties.

2) Intangible Fixed Assets

Intangible fixed assets amounted to 42,813 thousand euros as at 31 December 2023 and recorded a net increase of 4,467 thousand euros compared to the previous year. The incremental change was mainly due to the recognition of new goodwill in the amount of 4,660 thousand euros, the recording of investments in the amount of 1,032 thousand euros, and depreciation and amortisation in the amount of approximately 2,048 thousand euros.

The following table shows the movements during the year.

	Balance as at	Changes as at 31 December 2023							Balance as at
	31/12/2022	Incr.	Decr.	Depr	Wt-dns	Trans.	Exchange rate effect	Area var.	31/12/2023
Industrial patent and intellectual property rights									
Book value	5,093	477							5,570
Accumulated amortisation	(4,571)			(300)		14			(4,857)
Total industrial patent and intellectual property rights	**522**	**477**	**0**	**(300)**	**0**	**14**	**0**	**0**	**712**
Concessions, licenses, trademarks and similar rights									
Book value	12,333	27	(49)				14	3	12,327
Accumulated amortisation	(4,743)			(555)		(14)	(2)		(5,313)
Total concessions, licenses, trademarks and similar rights	**7,590**	**27**	**(49)**	**(555)**	**0**	**(14)**	**12**	**3**	**7,014**
Goodwill	**24,861**	**4,660**					(276)		**29,245**
Fixed assets under construction and payments on account	**644**	**477**							**1,121**
Book value	12,235	1,307	(132)					10	13,420
Accumulated amortisation	(7,506)			(1,193)					(8,699)
Total other intangible fixed assets	**4,729**	**1,307**	**(132)**	**(1,193)**	**0**	**0**	**0**	**10**	**4,721**
TOTAL INTANGIBLE FIXED ASSETS	**38,346**	**6,947**	**(181)**	**(2,048)**	**0**	**0**	**(264)**	**13**	**42,813**

	Balance as at	Changes in the 2022 financial year						Balance as at
	31/12/2021	Incr.	Decr.	Amort./Depr.	Trans.	Exchange rate effect	Var. Area	31/12/2022
Industrial patent and intellectual property rights								
Book value	4,711	377					5	5,093
Accumulated amortisation	(4,195)			(361)			(14)	(4,571)
Total industrial patent and intellectual property rights	**515**	**377**	**0**	**(361)**	**0**	**0**	**(9)**	**522**
Concessions, licenses, trademarks and similar rights								
Book value	11,861	340			47		85	12,333
Accumulated amortisation	(4,179)			(560)		1	(5)	(4,743)
Total concessions, licenses, trademarks and similar rights	**7,682**	**340**	**0**	**(560)**	**47**	**1**	**80**	**7,590**
Goodwill	**22,112**	2,375				**374**		**24,861**
Fixed assets under construction and payments on account	**190**	**644**			**(190)**			**644**
Other intangible fixed assets								
Book value	10,524	1,568			143			12,235

Accumulated amortisation	(6,505)	(88)		(913)				(7,506)
Total other intangible fixed assets	**4,019**	**1,480**	**0**	**(913)**	**143**	**0**	**0**	**4,729**
TOTAL INTANGIBLE FIXED ASSETS	**34,519**	**4,602**	**0**	**(1,834)**	**0**	**375**	**71**	**38,346**

The item **"Industrial Patent and Intellectual Property Rights"** amounted to712 thousand euros as at 31 December 2023 and contains capitalised costs for the purchase of software licences and legally protected intellectual property rights. The net change for the period was 190 thousand euros and was mainly due to new investments of 477 thousand euros for the purchase of new software for Group companies, and depreciation and amortisation of 300 thousand euros.

The item **"Concessions, licences, trademarks and similar rights"** of 7,014 thousand euros as of 31 December 2023, recorded a decrease of 575 thousand euros compared to the previous year, mainly related to the recognition of amortisation for the period of 555 thousand euros, investments of 27 thousand euros and write-downs of 49 thousand euros.

"Fixed assets under construction and advances" showed a balance of 1,120 thousand euros at 31 December 2023, an increase of 477 thousand euros compared to 31 December 2022. The balance relates to expenses incurred for the development of new data ecosystem projects in the web area.

The item **"Other intangible assets"** was 4,721 thousand euros at 31 December 2023, a net decrease of 8 thousand euros compared to the previous year. The change for the period mainly consisted of the recognition of intangible assets following the "Purchase Price Allocation" relating to the acquisition of the company *Mundogeo Eventos & Consultoria Lt* da by the subsidiary IEG Brasil Eventos Ltda for 1,255 thousand euros, write-downs for 132 thousand euros and recognition of amortisation for the period for 1,193 thousand euros.

The item **"Goodwill"** includes the values generated by the surplus between the cost of the business combinations and the fair value of the assets, liabilities and contingent liabilities acquired. As at 31 December 2023, the balance of Goodwill was 29,245 thousand euros, an increase of 4,384 thousand euros compared to the previous year.

The increase was mainly due to the recognition of new goodwill recognised following the acquisitions of Jewellery Events (SIJE), Café Asia and Sweets & Bakes Asia & Restaurant Asia (CARA) for 2.3 million euros, "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 remaining change relates to the adjustment of goodwill in foreign currencies to the current exchange rate.

At the date of this document, the difference between the cost of acquisitions of "SIJE" and "CARA", "Speciality Food & Drinks Asia", "Food2go" and "Speciality Coffee & Tea" and A&T and the related net assets acquired was fully allocated to provisional goodwill; given that the Purchase Price Allocation phase has still not been completed and given the events indicative of possible impairment of the net assets acquired, as set forth in IAS 38, have not been verified, it was not necessary to test said goodwill for impairment. A specific analysis of the fair value of the net assets acquired and the consideration transferred will be carried out within twelve months of the acquisition. If, at the end of the measurement period, tangible and intangible assets with a definite life are identified, the provisional amounts recorded at the time of acquisition will be adjusted, with retroactive effect to the acquisition date.

Euro/000	Description	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Goodwill arising from the transfer of Fiera di Vicenza	IEG CGU	7,948	7,948	-
Other goodwill	IEG CGU	355	355	-
Goodwill arising from the purchase of FB International Inc.	FB CGU	863	894	(31)
Goodwill arising from the purchase of Pro.Stand Srl and Colorcom Srl	Italy CGU	8,847	8,847	-
Goodwill arising from the acquisition of IEG Middle East (formerly HBG Events)	Emirates CGU	4,289	4,443	(153)
Goodwill arising from the acquisition of V Group Srl	VGroup CGU	2,068	2,068	-
Goodwill arising from the acquisition of IEG China	China CGU	270	306	(36)
(Provisional) goodwill emerging from the acquisition of "CARA" and "SIJE"	Asia CGU	2,295	-	2,295
(Provisional) goodwill from the acquisition of "Speciality Food & Drinks Asia", "Food2go" and "Speciality Coffee & Tea"	Asia CGU	410	-	410
Goodwill arising from the acquisition of Mundogeo Eventos & Consultoria Ltda	Brazil CGU	1,340	-	1,340
(Provisional) goodwill emerging from the acquisition of A&T	A&T CGU	559	-	559
TOTAL GOODWILL		**29,245**	**24,861**	**4,384**

As outlined in the chapter relating to the "Measurement criteria", goodwill, excluding that emerged from the recent acquisitions indicated previously, is subject to impairment testing at the date of year-end (or more frequently if there are indicators of impairment), using the methodology described in the paragraph "Impairment of non-financial assets". In particular, the impairment test verifies the recoverability of goodwill by comparing the Net Capital Invested, including the value of the goodwill, of the CGU/group of CGUs to which the goodwill was allocated, with the Recoverable value of said CGU/group of CGUs, represented by the higher of the fair value, less disposal costs, and the value in use. The CGUs not tested for impairment, as they are part of recent acquisition transactions are the Asia, Brazil and A&T CGUs.

Goodwill emerging from the transfer of Fiera di Vicenza was allocated to the "IEG CGU" as the recipient of the benefits of the business combination. These benefits refer to the acquired capacity to be recognised on the market as an aggregator, the synergies deriving from the use and optimisation of the workforce with the elimination of duplications, the sharing of mutual best practices, the comparison of the services provided by the suppliers with price savings, the acquisition of specific expertise to grow on the foreign market.

All CGUs represented in the detail table each represent the flows generated by the individual subsidiaries, with the exception of **Italy CGU**, which represents the flows generated by the group of IEG CGU, Pro.Stand CGU and Summertrade CGU.

For each of the goodwill tested for impairment, the value in use of the CGU or groups of CGU's to which the goodwill was allocated was determined using the Discounted Cash Flow (DCF) method.

Operating cash flows (unlevered free cash flow) were determined using the new 2023-2028 Strategic Plan approved by the IEG Board of Directors on 25 January 2024 and published in the Presentations section of the Parent Company's website.

To determine the Terminal Value, a long-term growth rate "g" differentiated for each individual country in which the CGU or groups of CGUs operate and develop their flows was used, according to the International Monetary Fund"s estimate of expected inflation in 2028 in the different countries in which the CGU operates, and in particular, the following parameters were used:

- 2% for flows produced by Italian companies and IEG Middle East (CGU Emirates);
- 2.1% for flows produced by FB;
- 2.2% for flows produced by IEG China.

Also with regard to the discounting parameters for explicit cash flows and Terminal Value, an analysis differentiated by country was performed and, in particular, a WACC rate of 11.91% was used for the flows produced by the Italian entities, 12.06% for the FB CGU and 12.50% for the Emirates CGU and 10.81% for the China CGU. In constructing all the WACCs, a Small Size Premium of 3.00% was used, in consideration of the smaller size of the Group with respect to comparable companies (Source: Duff & Phelps).

The impairment tests carried out on all the CGUs described, at the reference date based on the methods specified above, brought to light higher recoverable values than the book values of the net capital invested (including goodwill), therefore excluding the need to reduce the value of the goodwill.

In support of the analysis, the company"s Directors in line with the requirements dictated by the accounting standards, decided to further test the recoverable value of each CGU and the groups of CGUs described above and two separate sensitivity analyses were conducted, through which the WACC, the "g rate" and the estimates of the Operating Cash Flow were subject to assumptions of change. More specifically:

- assumption 1: change in the WACC (+/- 1%) combined with the change in the g rate (+/- 0.4%)
- assumption 2: percentage change in operating cash flow (+/- 10%) combined with the change in the WACC (+/- 1%)

The sensitivity analyses described herein did not bring to light any critical issues in terms of recoverability of the goodwill booked in the consolidated financial statements. The parameters that, taken individually or keeping all other elements constant, zero the cover are:

CGU	WACC	g	Reduction in cash flow
IEG CGU	19.8%	-12.4%	74.2%
Italy CGU	19.7%	-12.7%	69.1%
FB CGU	25.8%	n.a.	48.9%
HBG CGU	17.0%	-6.4%	79.7%
VGroup CGU	27.8%	-74.0%	54.7%
China CGU	34.5%	-69.5%	27.3%

The assumptions used for impairment purposes and the results achieved, were approved by the Board of Directors of Italian Exhibition Group SpA respectively on 25 January 2024 and 26 February 2024, independently and before these financial statements.

3) Equity investments valued using the equity method and other equity investments

Associated companies and jointly controlled companies, stated in the table below, are booked and measured in compliance with IAS 28 or using the equity method. Movements in the period are detailed in the following table.

	% held	Balance as at	Changes as at 31 December 2023					Balance as at
	31/12/2023	31/12/2022	Incr.	Decr.	Evaluation using the PN method	Exchange rate effect	Transfers	31/12/2023
Cesena Fiera SpA	35.30%	1,891			136		(13)	2,014

CAST Alimenti Srl	23.08%	1,526			(71)			1,455
Destination Services srl	50.00%	36			86			122
Rimini Welcome Scarl	48.00%	15			3			18
IGECo Srl	50.00%	5,127			(3,612)			1,516
EECE	60.00%	279				(18)		262
TOTAL EQUITY INVESTMENTS MEASURED USING THE EQUITY METHOD		**8,874**	**-**	**-**	**(3,458)**	**(18)**	**(13)**	**5,387**

Investments in **"Equity-accounted investees"** amounted to 5,387 thousand euros, and recorded a net positive change of 3,487 thousand euros compared to the previous year, mainly due to the effect of the equity valuation as of 31 December 2023, of which the largest change was due to the write-down carried out in the investee company IGECo Srl, whose net equity in the period decreased due to the write-down of the value of the investment in its subsidiary IGECo USA.

4) Equity investments in other companies

Investments in other companies amounted to 10,581 thousand euros as of 31 December 2023, a net increase of 1,233 thousand euros compared to 31 December 2022, when they amounted to 9,349 thousand euros.

The movements in the period for the item in question are reported below.

	Balance	Changes as at 31 December 2023				Balance as at
	31/12/2022	Increases	Valuation at FV to OCI	Decreases	Transfers	31/12/2023
Uni Rimini SpA	62					62
Rimini Congressi Srl	9,248		1,195			10,443
Observice - Città dei maestri	27	25			13	65
BCC Alto Vicentino	1					1
BCC San Giorgio	10					10
TOT. EQUITY INVESTMENTS IN OTHER COMPANIES	**9,349**	**25**	**1,195**	**0**	**13**	**10,581**

The incremental change of 1,233 thousand euros mainly related to the result of the adjustment of the value of the investment in Rimini Congressi Srl for 1,195 thousand euros. This investment is valued at Fair Value (through OCI without recycling).

Among others, the Group as at 31 December 2023 holds:

- A shareholding in Uni.Rimini S.p.A, a consortium company with the aim of promoting university education in the Rimini area.
- An equity investment in the consortium Observice Città dei Maestri, a corporate academy specialised in training for trade fair stand fittings through paths aiming to train highly

specialised professional figures. This equity investment was increased with a further payment of 13 thousand euros in 2022.

- Two investments (each < 0.5%) in BCC San Giorgio and BCC Alto Vicentino, unchanged on 31 December 2022.

5) Deferred tax assets

"Deferred tax assets" amounted to 1,599 thousand euros as of 31 December 2023 and recorded a net decrease of 3,287 thousand euros compared to the previous year mainly due to the utilisation of deferred tax assets recognised on tax losses generated in previous years.

"Deferred tax assets" are recognised up to the limits in which future taxable income will be available against which to utilise the temporary differences. Deferred tax assets and liabilities are offset given that they refer to the same tax authority. During the period, no additional Deferred tax asset provisions have been made on the reported loss booked for 2021 by the IEG Group.

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Credits for advance IRES/IRAP	4,816	8,464	(3,649)
Provision for deferred IRES	(3,217)	(3,579)	362
TOTAL DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES	**1,599**	**4,885**	**(3,287)**

Net deferred tax assets mainly related to temporary differences between the carrying values of assets and liabilities in the balance sheet, while the values recognised for tax purposes of tax consolidation losses amounted to EUR 2,748 thousand euros as at 31 December 2023.

6) Financial assets for rights of use

Financial assets for rights of use' amounted to 288 thousand euros as at 31 December 2023 and refer to financial receivables for subleases of rights of use.

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Current financial assets for rights of use	202	197	5
Non-current financial assets for rights of use	86	290	(204)
TOTAL FINANCIAL ASSETS FOR RIGHTS OF USE	**288**	**487**	**(199)**

The decrease from 31 December 2022 of 199 thousand euros relates to the normal course of the sublease agreement.

7) Non-current financial assets

The changes in the item in question are shown below.

	Balance as at 31/12/2022	Changes in the 2023 financial year			Balance as at 31/12/2023
		Increases/	decreases	Exchange rate effect	
Other titles	25		4		30
Insurance policies	309		(5)		303
Receivables from jointly controlled companies	731	450	(563)	(4)	615
Derivative assets	1,945		(1,132)		814
TOTAL NON-CURRENT FINANCIAL ASSETS	**3,011**	**450**	**(1,695)**	**(4)**	**1,761**

Non-current financial assets amounted to 1,761 thousand euros as of 31 December 2023, a decrease of 1,250 thousand euros compared to 31 December 2022.

Receivables from joint ventures amounted to 615 thousand euros as at 31 December 2023, a net decrease of 116 thousand euros compared to the previous year. This change was due to the combined effect of the recognition of a write-down for receivables deemed uncollectable for 563 thousand euros, the disbursement of a loan of 450 thousand euros to the subsidiary IGECo Srl and the recognition of exchange rate effects for 4 thousand euros.

The nature and classification according to the categories established by IFRS 9 of "Non-current financial assets" is reported in the Fair value section of these Explanatory notes. For the measurement of the fair value of the Gambero Rosso shares, the prices quoted on active markets at the measurement date were used.

The item "Derivative financial instruments receivable" amounted to 814 thousand euros and decreased by 1,132 thousand euros compared to 31 December 2022, as a result of their adjustment to fair value at 31 December 2023. As at 31 December 2023, the Group had the following derivative contracts in place:

The derivative entered into by the Parent Company on 4 November 2011 with Banca Popolare di Vicenza, now Banca Intesa Sanpaolo SpA, which provides for the exchange of the six-month Euribor benchmark rate with a fixed rate of 2.95%, initially entered into for the purpose of hedging against the risk of an increase in the interest rate of a portion of the underlying loan. Following the change in the loan repayment schedule from the original repayment schedule, extending the pre-amortisation period on the derivative, this contract was no longer considered for hedge accounting, but was classified as an instrument measured at fair value with an impact on the Parent Company's income statement.

Derivative entered into by the Parent Company on 7 December 2018 with Banca Intesa Sanpaolo to hedge the residual amount of the loan mentioned in the previous point, in order to mitigate probable interest rate fluctuations. The contract has the following features:

- trading date: 07 December 2018;
- effective date: 29 June 2018;
- maturity date: 30 June 2036;
- interest payment dates: six-monthly, 31 December and 30 June of each year;
- total notional: €9,635,397.46

- fixed rate (pay IEG): 0.96400%
- floating rate (receive IEG): Euribor 6M (Actual/360)

Derivatives entered into by the Parent Company on 16 April 2020 against a new loan agreement with the pool of banks represented by Credit Agricole for a total debt of 15 million euros maturing on 30 June 2028. Following this agreement, four new IRS contracts were executed for a partial cover of the debt, in the total nominal value of 10.5 million euros. Information is provided below on the four contracts stipulated during the year, respectively with Credit Agricole, BPER, BNL, Banco Popolare di Milano, which have the same characteristics:

- Trading date: 23 June 2020;
- Effective date: 31 December 2020;
- Maturity date: 18 April 2028;
- Interest payment dates: six-monthly, 31 December and 30 June of each year;
- Total notional (of the four contracts): €10,546,876
- Fixed rate (pay IEG): -0.01%
- Floating rate (receive IEG): Euribor 6M (Actual/360)

Derivative entered into by subsidiary Summertrade Srl on 18 May 2021 to hedge against the risk of interest rate fluctuations on the loan agreement with Credit Agricole. The derivative contract entered into has the following characteristics:

- Trading date: 18 May 2021;
- Effective date: 18 May 2021;
- Maturity date: 19 May 2025;
- Interest payment date: quarterly aligned with the underlying;
- Total notional: €1,500,000
- Fixed rate (pay IEG): -0.01%
- Floating rate (receive IEG): Euribor 6M (Actual/360)

The table below shows the impacts of the change in the fair value of the seven derivative instruments as at 31 December 2023.

VALUATION DATE	Fair Value IRS	Financial income (charges) through profit and loss	Change in CFH reserve
31/12/2022	1,945	3,328	2,200
31/12/2023	814	(414)	(717)

8) Other non-current assets

A detailed breakdown of "Other non-current assets" is set out below:

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Security Deposits	829	226	603

Other non-current assets	432	45	387
TOTAL OTHER NON-CURRENT ASSETS	**1,261**	**271**	**990**

Other non-current assets' amounted to 1,261 thousand euros and increased by 990 thousand euros compared to 31 December 2022. The change is largely due to higher security deposits paid on new real estate leases entered into by the subsidiary FB International Inc. during 2023.

Other non-current assets, which amounted to 432 thousand euros as at 31 December 2023, included non-financial receivables with long-term maturities.

CURRENT ASSETS

9) Inventories

Details are given below.

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Raw materials and consumables	510	446	63
Finished goods and goods for resale	335	406	(71)
TOTAL INVENTORIES	**845**	**852**	**(8)**

The item "Inventories" is composed of finished products and goods relating to the stand fitting company Prostand Srl and FB International Inc. and raw materials relating to the catering activities performed by Summertrade Srl. The balance at 31 December 2023 was 845 thousand euros, substantially in line with the balance at 31 December 2022, when it was 852 thousand euros.

10) Trade Receivables

The composition of the balance of trade receivables is detailed below:

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Receivables from customers	30,016	28,828	1,188
Receivables from associated companies	40	84	(44)
Receivables from jointly controlled companies	61	268	(207)
Receivables from parent companies	879	861	18
TOTAL TRADE RECEIVABLES	**30,996**	**30,041**	**955**

The item "Trade receivables" represents the balance of receivables from organisers and exhibitors for services related to the provision of exhibition/congress space and the provision of services related to events and was 30,996 thousand euros as of 31 December 2023, an increase of 955 thousand euros compared to the previous year.

For more information on the past due brackets, please refer to the section "Credit risk", while as regards the estimate evaluations, please see the section "Use of estimates".

"Receivables from associated companies" totalled 40 thousand euros and refer primarily to trade receivables due to the subsidiary Summertrade Srl and to the Parent Company in respect of Cesena Fiera SpA. Receivables from jointly controlled companies' include the Parent Company's receivables from DV Global Link LLC and IGECo Mexico, while "Receivables from parent companies" shows the Parent Company's share of receivables from Rimini Congressi Srl in the amount of Euro 879 thousand euros.

Receivables are stated net of the bad debt provision, whose changes are reported in the table below.

	Balance as at 31/12/2022	Changes as at 31 December 2023					Balance as at 31/12/2023
		Uses	Provisions	Exchange difference	Transfers	Var. Area	
Bad debt provision	2,739	(52)	724	(37)	0	0	3,374
Bad debt provision - taxed	5,505	(256)	955	(45)	0	0	6,159
TOTAL BAD DEBT PROVISION	**8,245**	**(308)**	**1,679**	**(82)**	**0**	**0**	**9,533**

As regards the measurement of receivables, the provision for doubtful debt reflects the hypothesised losses expected on the Group's customer portfolio. Provisions have been estimated on the basis of past experience of receivables with similar credit risk levels and the careful monitoring by the Group companies' debt collection department, which also consider the historic and economic context of the reference market. The estimates and assumptions, which are reviewed from time to time, are posted directly on profit and loss in the year to which they pertain.

11) Tax receivables for direct taxes

The item "Tax receivables for direct taxes" amounted to 338 thousand euros as of 31 December 2023, with a net decrease of 130 thousand euros compared to 31 December 2022, and mainly refers to receivables for direct taxes claimed by the Parent Company and the subsidiaries V Group Srl and Prostand Exhibition Services Srl.

12) Current financial assets

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Current financial receivables from associates	49	93	(44)
Other current financial receivables	33	43	(10)
CURRENT TOTAL FINANCIAL ASSETS	**83**	**137**	**(54)**

Current financial assets amounted to 83 thousand euros and decreased by 54 thousand eurosd, mainly due to the collection of receivables during the year.

13) Other Current Assets

Details are given below.

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Other tax receivables	854	1,203	(349)
Receivables due from others	1,530	1,470	61
Accrued income and prepaid expenses	1,045	1,184	(139)
Costs paid in advance pertaining to subsequent years	5,206	3,057	2,149
TOTAL OTHER CURRENT ASSETS	**8,636**	**6,914**	**1,722**

Other current assets amounted to 8,636 thousand eurosat 31 December 2023, an increase of 1,722 thousand euroscompared to the previous period.

The item "Costs paid in advance pertaining to future years" of 5,206 thousand eurosas of 31 December 2023 is the most significant within Other current assets. This item contains costs already incurred in connection with trade fairs that will take place after 31 December and are therefore fully accrued in subsequent years. The increase of 2,149 thousand euroscan be explained by the increase in costs incurred due to organic growth and the presence of important biennial events.

The item "Prepaid expenses" refers to portions of costs not pertaining exclusively to the year 2023 that have already had their numerical manifestation. The item "Accrued income" refers to revenues pertaining to the period that will be recognised in a subsequent period. Overall, the item amounted to 1,045 thousand eurosas of 31 December 2023, a net decrease of 139 thousand euroscompared to 31 December 2022.

The item "Other tax receivables", totalling 854 thousand eurosas at 31 December 2023, represents VAT receivables and tax credits to be used for offsetting.

The item "Receivables from others" amounted to 1,530 thousand eurosd, an increase of 61 thousand euroscompared to the previous year, and consisted largely of advances paid to suppliers for services to be rendered in the following year.

Below are details of "Other receivables":

	Balance as at 31/12/2023	Balance as at 31/12/2022	**Variation**
Down payments	18	19	(1)
Suppliers - advances	1,042	1,040	3
Trade receivables	88	90	(2)
Receivables due from employees	47	29	18
Receivables due from social security institutions	28	9	19
Agents - advances	47	47	0
Sundry receivables	260	237	24
TOTAL Receivables due from others	**1,530**	**1,470**	**61**

14) Cash and cash equivalents

The item "Cash and cash equivalents" as at 31 December 2023 amounted to 65,885 thousand euros, an increase of 15,299 thousand euros compared to the previous year, and included almost exclusively short-term deposits bearing interest at variable rates. It should be noted that the Group had no cash overdrafts as of 31 December 2023 and that the balance includes bank deposits of 17 thousand eurosd, which represent short-term uses of company liquidity.

The trend in cash flows with respect to the previous year has been reported in the "Consolidated Cash Flow Statement" to which reference should be made.

COMMENTS ON THE MAIN ITEMS OF LIABILITIES AND SHAREHOLDERS' EQUITY

NET ASSETS

15) Net assets

	Balance as at 31/12/2022 Restated	*Changes as at 31 December 2023* Increases	Decreases	Allocation of profit	Period result	Balance as at 31/12/2023
Share capital	52,110		(281)			51,829
Share-premium reserve	13,924		(165)			13,759
Revaluation reserves	67,160					67,160
Legal reserve	10,443					10,443
Statutory reserves	2,540			30		2,570
Unrealised capital gains reserve	20			304		324
Capital grants	5,878					5,878
First time adoption reserve	(46,306)					(46,306)
CFH reserve	1,334		(551)			783
Actuarial reserve	(12)		(32)			(44)
Translation reserve	730	*46*				776
FVOCI Reserve	(1,387)	1,195				(192)
Put option reserve	(9,967)		(1,446)			(11,412)
Retained earnings (losses carried forward)	(938)		(1,601)	390		(2,149)
Profit (loss) for the year	724			(724)	12,803	12,803
NET ASSETS OF MAINLAND COMPANIES	**96,254**	***1,241***	**(4,077)**	**0**	**12,803**	**106,221**
Capital and reserves pertaining to minority interests	(364)	*2,047*		(1,562)		122
First-time adoption reserve of minority interests	8					8
Actuarial reserve of minority interests	(19)					(20)
Profit (loss) attributable to minority interests	(1,562)			1,562	529	529
SHAREHOLDERS' EQUITY PERTAINING TO MINORITY INTERESTS	**(1,936)**	***2,047***	**0**	**0**	**529**	**640**
TOTAL GROUP SHAREHOLDERS' EQUITY	**94,318**	***3,288***	**(4,077)**	**0**	**13,332**	**106,861**

The Group's total shareholders' equity as of 31 December 2023 was 106,861 thousand euros, of which 106,221 thousand euros was attributable to shareholders of the Parent Company and 640 thousand euros to minority shareholders.

Shareholders' equity attributable to the shareholders of the Parent Company increased by 9,967 thousand euros compared to the previous year. Increases were mainly due to the adjustment of the *fair value* reserve *to OCI* for 1,195 thousand euros, which reflects the higher valuation of the shares held in the capital of the parent company Rimini Congressi Srl.

The decreases were 4,077 thousand euros and were mainly due to the purchase of treasury shares for 446 thousand euros, the adjustment of the cash flow hedging reserve for 551 thousand euros, which reflects the changes in the fair value of hedging derivatives, the recognition of a put option reserve for 1.446 thousand euros following the signing of an option agreement for the purchase of the residual 49% of the capital of the subsidiary A&T Srl, and to the reclassification of minority interests following the exercise of the option to purchase the residual 49% of the subsidiary FB International Inc.

The result for the period pertaining to the shareholders of the parent company was 12,803 thousand euros.

Minority interest in shareholders' equity was 640 thousand euros as of 31 December 2023 and increased by 2,576 thousand euros compared to 31 December 2022, mainly due to the reclassification of non-controlling interests following the exercise of the option to purchase the remaining 49% of the subsidiary FB International Inc. and capital increases subscribed by non-controlling interests for 448 thousand euros. Minority interests in profit for the period amounted to 529 thousand euros.

The Parent Company's fully subscribed and paid-up share capital amounted to 51,829 thousand euros and was divided into 30,864,197 shares.

As of 31 December 2023, the Parent Company held no. 228,363 treasury shares, equal to 0.74% of the share capital.

No dividends were distributed to shareholders of the Parent Company during the year.

The following table analyses the reconciliation of the parent company's shareholders' equity and result for the year with those resulting from the consolidated financial statements, where the effect of "Other consolidation adjustments" includes the recognition and subsequent re-measurement of the *put&call* options subscribed on minority interests.

	Shareholders' equity (*including the result for the year*)	Profit for the year
Shareholders' equity and result of the Parent company	**121,976**	**14,161**
Consolidation Adjustments		
Shareholders' Equity of Consolidated Companies and Allocation of Result	14,410	1,089
Goodwill and other allocated surpluses	15,813	(257)
Book value of consolidated participations	(39,135)	-
Valuation of Investments in Associates and JVs Valued by the Equity Method	257	60
Other consolidation adjustments	(6,461)	(1,721)
Total consolidation adjustments	**(15,115)**	**(829)**
Shareholders' equity and result pertaining to the Group	**106,861**	**13,332**
Minority Shareholders' Equity and Result for the Year	(640)	(529)
Shareholders' Equity and Profit/(Loss) for the Year Attributable to Parent Company Shareholders	**106,221**	**12,803**

The calculation of the basic and diluted earnings per share is presented in the following table:

(in Euro)	2023	2022
EPS base	0.4170	0.0235
Diluted EPS	0.4170	0.0235

The calculation of the basic earnings/(loss) per share for the period is obtained by dividing the result for the period attributable to holders of ordinary shares of the Parent Company, which was a positive 12,803 thousand euros (724 thousand euros in 2022) by the weighted average number of ordinary shares outstanding in the same period of 30,703430 (30,854,656 in 2022).
The weighted average number of ordinary shares takes into account the shares repurchased by the Company, multiplying them by the number of days they were outstanding on the market in proportion to the total number of days in the financial year.
The calculation of diluted earnings/(loss) per share for 2023 coincides with the calculation of basic earnings/(loss) per share, as there are no instruments with potential dilutive effects.

The calculation is based on the following data:

(in Euro)	2023	2022
Period result	12,802,532	724,456
Weighted average shares outstanding	30,703,430	30,854,656

NON-CURRENT LIABILITIES

16) Payables due to banks

Details of short-term payables due to banks are set out below:

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
C/a debit balances	-	-	-
Other short-term payables	83	188	(105)
Credit Agricole mortgage - POOL	1,845	10,196	(8,351)
Volksbank mortgage	-	1,192	(1,192)
Banca Intesa Sanpaolo (former Banca Popolare di Vicenza) mortgage	1,793	1,733	60
Unicredit mortgage	59	-	59
ICCREA mortgage	137	540	(403)
Unipol mortgage	-	113	(113)
MPS mortgage	501	497	4
Malatestiana mortgage	290	293	(3)
Banca Popolare Valconca mortgage	88	257	(169)
Credit Agricole mortgage	503	491	12

Cassa Depositi e Prestiti - SACE - loan	3,750	937	2,813
Intesa San Paolo – SACE - loan	8,203	2,051	6,152
SIMEST loan - Trade fair entities	2,338	-	2,338
Other loans	3	-	3
TOTAL SHORT-TERM PAYABLES DUE TO BANKS	**19,595**	**18,488**	**1,107**

Details of bank debts due after one year are set out below:

	Balance as at 31/12/2023	Of which due beyond 5 years	Balance as at 31/12/2022	Variation
Credit Agricole mortgage - POOL	6,512	-	-	6,512
Banca Intesa Sanpaolo (former Banca Popolare di Vicenza) mortgage	25,784	17,897	27,578	(1,794)
Unicredit mortgage	66	-	-	66
ICCREA mortgage	-	-	137	(137)
MPS mortgage	548	-	1,049	(501)
Malatestiana mortgage	774	-	1,058	(284)
Credit Agricole mortgage	262	-	760	(498)
Banca Popolare Valconca mortgage	-	-	87	(87)
Cassa Depositi e Prestiti - SACE - loan	10,313	-	14,063	(3,751)
Intesa San Paolo – SACE - loan	22,559	-	30,762	(8,203)
SIMEST loan - Trade fair entities	7,015	-	9,352	(2,337)
Other loans	35,614	-	-	36
TOTAL MEDIUM/LONG-TERM PAYABLES DUE TO BANKS	**73,868**	**17,897**	**84,846**	**(10,978)**

The group's bank debt at 31 December 2023 was 93,463 thousand euros, a decrease of 9,872 thousand euros compared to theprevious year, when it was 103,334 thousand euros. This change is a consequence of the repayment of instalments foreseen in the amortisation schedules during the year.

Bank payables with short-term maturity amounted to 19,595 thousand euros, an increase of 1,107 thousand euros compared to the previous year. Bank payables with maturity beyond one year amounted to 73,868 thousand euros, a decrease of 10,978 thousand euros compared to the previous year. The portion of loans due after five years amounted to 17,897 thousand euros. During the year, the Group repaid loan instalments totalling 9,891 thousand euros, while the decrease in other financial payables amounted to 105 thousand euros and the impact of the change in the scope of consolidation amounted to an increase in bank payables of 125 thousand euros. Note that at 31 December 2023, the group did not use short-term credit facilities and overdrafts; the item Other short-term payables includes exposure for credit card use.

Below is the IEG Group's comprehensive net financial position defined by the ESMA guidelines of 04 March 2021.

IEG Group

Net financial position (based on the ESMA format)

	Net financial position	31/12/2023	31/12/2022	Variation
A.	Cash and cash equivalents	48,885	50,586	(1,701)
B	Cash equivalents	17,049	-	17,049
C.	Other current financial assets	33	137	(103)
D.	**Liquidity**	**65,967**	**50,722**	**15,245**
E.	Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	(5,940)	(10,272)	4,332
F,	Current part of non-current financial debt	(19,512)	(18,301)	(1,212)
G.	**Current financial debt**	**(25,452)**	**(28,572)**	**3,121**
H.	**Net current financial debt (G + D)**	**40,516**	**22,150**	**18,366**
I.	Non-current financial debt (excluding current portion and debt instruments)	(109,949)	(114,073)	4,123
J.	Debt instruments	-	-	-
K.	Trade payables and other non-current payables	(2,488)	(3,431)	944
L.	**Non-current financial debt (I + J + K)**	**(112,437)**	**(117,504)**	**5,067**
M.	**Total financial debt (H + L)**	**(71,921)**	**(95,354)**	**23,433**

Net financial position as defined by the new ESMA Guidelines of 04 March 2021 (Consob warning notice no. 5/21 to Consob Communication)

The Net Financial Position (hereafter NFP) as at 31 December 2023 amounted to 71,921 thousand euros, with a decrease in net debt of 23,433 thousand euros compared to 31 December 2022.

"Liquid funds" for 65.967 thousand euros includes for the most part the Group's liquid funds at 31 December 2023. The change from the previous period represents an increase in cash and cash equivalents in the amount of 15,305 thousand euros, due to solid operating cash generation. For more details on the breakdown of cash changes, refer to the statement of cash flows.

Current financial debt was 25,452 thousand euros, a decrease of 3,121 thousand euros compared to the previous year. This item consisted of portions of short-term mortgages amounting to 19,512 thousand euros and other current financial payables amounting to 5,940 thousand euros, which mainly included portions of financial payables for current contingent consideration amounting to 690 thousand euros and financial payables for leases recognised in accordance with IFRS 16 amounting to 4,154 thousand euros.

The category "Non-current financial debt" amounted to 112,437 thousand euros, a decrease of 5,067 thousand euros compared to the previous year. The main components of this item are the portions of loans due after one year in the amount of 73,868 thousand euros, financial payables for put options in the amount of 1,446 thousand euros, financial payables for leases recognised in accordance with IFRS 16 in the amount of 36,284 thousand euros, and other medium- and long-term financial payables in the amount of 2,108 thousand euros.

The overall change in financial debt, amounting to a decrease of 8,188 thousand euros, was mainly due to the repayment of portions of mortgages due in 2023 for a total of 9,891 thousand euros, the recognition of new financial payables for rights of use recognised in accordance with IFRS 16 for 6,143 thousand euros, the measurement of payables for put options and contingent consideration, and the negative change in the *fair value* of hedging derivatives for a total of 1,132 thousand euros.

The balance of the consolidated net financial position comes under the basis for calculating some financial covenants to which the Parent Company is contractually bound.

Bank	Parameter per year	2023	2024	Year 2025 and later
Intesa SanPaolo SpA	PFN/EBITDA	<4.0	<3.5	<3.0
Cassa Depositi e Prestiti SpA	PFN/EBITDA	<=5.0	<=3.0	<=3.0
Cassa Depositi e Prestiti SpA	PFN/PN	<=1.8	<=1.5	<=1.1
Credit Agricole Italia SpA	PFN/EBITDA	<=3.0	<=3.0	<=3.0
Credit Agricole Italia SpA	Debt service cover ratio	1.00x	1.00x	1.00x
Credit Agricole Italia SpA	Loan to value	60%	60%	60%

With reference to the financial year ending 31 December 2023, all covenants attached to the loans taken out were fulfilled.

We also report the present, and respect at 31 December 2023, of financial covenants for which the subsidiary Pro.Stand Srl has made a commitment to ICCREA Banca; details are given below. These parameters are to be calculated on the financial statements of the subsidiary and are respected at 31 December 2023.

Parameter per year	2023	2024
IFN/EBITDA	<3.5	<3.5
IFN/PN	<2.0	<2.0

17) Financial liabilities on rights of use

Details of the financial liabilities for rights of use are shown below, together with a comparison with the previous year:

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Current financial liabilities for rights of use	4,154	4,779	(625)
Non-current financial liabilities for rights of use	36,284	29,516	6,768
TOTAL FINANCIAL LIABILITIES FOR RIGHTS OF USE	**40,348**	**34,295**	**6,053**

The balance of financial liabilities for rights of use amounted to 40,348 thousand euros at 31 December 2023 and increased by 6,053 thousand euros compared to the previous year and was mainly due to the recognition of new leasing contracts in compliance with IFRS16. This item includes 12,969 thousand euros relative to the parent company Rimini Congressi Srl for the rental contract of the Rimini Palacongressi.

18) Other non-current financial liabilities

Other non-current financial liabilities are detailed below:

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Non-current portion of financial liabilities for contingent consideration	1,724	1,441	283
Non-current portion of financial liabilities for call options	1,446	3,299	(1,854)
Other non-current financial liabilities	131	636	(505)
TOTAL OTHER CURRENT FINANCIAL LIABILITIES	**3,301**	**5,378**	**(2,075)**

Other non-current financial liabilities' showed a balance of 3,301 thousand euros as of 31 December 2023 and decreased by 2,075 thousand euros compared to the previous year.

The item "Non-current portion of financial liabilities for contingent consideration" amounted to 1,724 thousand euros as of 31 December 2023 and included the non-current portion of financial liabilities for the consideration recognised for the acquisition of the subsidiary *Mundogeo Eventos & Consultoria Ltda* and for the acquisition of the "*CARA*" and "*SIJE*" exhibitionsby the subsidiary IEG Asia Ltd. The incremental change of 283 thousand euros compared to 31 December 2022 is due to the remeasurement of contingent liabilities existing as of 31 December 2022, related to the acquisition of 50% of the shares of the associate IGECo Srl, and to the recognition of new contingent consideration as specified above.

The item "Non-current portion of financial liabilities for purchase options" amounted to 1,446 thousand euros as of 31 December 2023 and included the value of the purchase option on the minority interest in the capital of the subsidiary A&T Srl. The decrease of 1,854 thousand euros compared to the previous year is due, in addition to the recognition of the aforementioned call option, to the elimination of the purchase option on the minority share of the capital of the subsidiary FB International Inc. following the early exercise of the option itself.

The item "Other non-current financial liabilities" amounted to 131 thousand euros as of 31 December 2023 and included the Economic Injury Disaster loan obtained in 2021 from the US subsidiary for a residual amount of 133 thousand euros.

19) Provisions for non-current risks and charges

The changes in the item in question are shown below:

	Balance as at 31/12/2022	Changes as at 31 December 2023				Balance as at 31/12/2023
		Provisions	Uses/Decreases	Releases	Exchange difference	
Provision for dispute risks	2,089	6,197	(280)	-	-	8,007
Other provisions for risks	85	-	(76)	-	-	9
TOTAL PROVISIONS FOR RISKS AND CHARGES	**2,174**	**6,197**	**(355)**	**-**	**-**	**8,017**

Provisions for risks and charges amounted to 8,017 thousand euros at 31 December 2023, an increase of 5.843 thousand euros compared to the previous year. Increases mainly refer to the allocation to the provision for litigation risks by the Parent Company and Pro.stand Srl for possible settlement agreements related to ongoing disputes, while utilisations refer to the settlement of a tax assessment notified by the Inland Revenue Office in the previous year and the related accessory charges for the Group's legal defence.

20) Employee provisions

The changes in the item in question are shown below.

	Balance as at 31/12/2022	Changes as at 31 December 2023				Balance as at 31/12/2023
		Provisions	Uses/Decreases	Actuarial (Gains) / Losses	Scope of consolidation	
Provision for customers' leaving indemnities	109	98	(4)			202
Provision for employee severance indemnity	2,851	350	(157)	14	94	3,152
TOTAL EMPLOYEE PROVISIONS	**2,959**	**448**	**(161)**	**14**	**94**	**3,354**

The item "Provisions related to personnel" was 3,354 thousand euros as of 31 December 2023, with a net increase of 395 thousand euroscompared to 31 December 2022. The balance consisted mainly of the severance indemnity accrued in the closing period for 3,152 thousand euros, while 202 thousand euros consisted of the "Supplementary Agents Indemnity Provision" accrued in compliance with Article 1751 of the Italian Civil Code and the Collective Economic Agreement for the regulation of agency and commercial representation relations in the trade sector signed on 16 February 2009.

The value of the provision for employee severance indemnity at the end of the year conforms to the amount due to personnel and the allocation was calculated in respect of the laws, the company employment contract and, for matters not provided for, the C.C.N.L. (national collective labour agreement) for the trade sector. It should also be noted that following the reform of supplementary pensions (Leg. 252/2005; Law 296/2006, Article 1, paragraphs 755 et seq. and paragraph 765) the amount indicated in the "Provisions" column does not include amounts paid to supplementary pension schemes or to the "INPS treasury fund".

The IEG Group, in determining the actuarial calculations, avails itself of the support of a professional listed in the appropriate Register of Actuaries. The main hypotheses/assumptions used for the actuarial calculation of the defined benefit plans are shown below.

Demographic assumptions

Probability of death	Mortality tables broken down by gender - ISTAT 2015
Probability of disability	Zero probability (in consideration of the type of company under analysis)
Probability of resignations	The probability of company turnover of 3% was used

Probability of anticipation	An annual value of 3% was presumed with respect to an average value of accumulated employee severance indemnity of 70%

Economic-financial assumptions for calculation of the TFR (employee severance indemnity)

	2023	2022
Annual discount rate	3.13%	3.77%
Annual inflation rate	2.20%	2.73%
Assumption of real salary growth	2.20%	2.73%

The discounting of future services for employees deriving from Employee severance indemnity was measured by recognising market yields according to the provisions of IAS 19. For the discount rate, the rate relating to high credit rating Corporate Bonds AA with a duration equal to the plan of company commitments to its employees was taken as a reference.

The results of the actuarial evaluations depend strictly on the financial, demographic and behavioural assumptions adopted.

The following table, as required by the international accounting standard, shows the results of the DBO deriving from the change in assumptions.

Sensitivity Analysis – DBO	IEG Group SPA	Prostand Srl	Summertrade Srl	**TOTAL**	**Var. %**
Central Assumption	**1,918**	**856**	**221**	**2,995**	
Discount rate (+0.5%)	1,840	810	213	2,863	-4.39%
Discount rate (-0.5%)	2,001	906	229	3,136	4.71%
Rate of payments Increases (+0.5%)	1,921	857	221	2,999	0.13%
Rate of payments Decreases (-0.5%)	1,916	854	221	2,991	-0.14%
Rate of Price Inflation Increases (+0.5%)	1,969	892	226	3,087	3.08%
Rate of Price Inflation Decreases (-0.5%)	1,869	822	216	2,907	-2.94%
Rate of Salary Increases (+0.5%)	1,918	870	221	3,009	0.48%
Rate of Salary Decreases (-0.5%)	1,*918	842	221	2,981	-0.45%
Increase the retirement age (+1 year)	1,912	855	220	2,988	-0.24%
Decrease the retirement age (-1 year)	1,924	856	222	3,003	0.26%
Increase longevity (+1 year)	1,918	856	221	2,995	-0.00%
Decrease longevity (-1 year)	1,918	856	221	2,995	0.00%
Assumptions of the previous year	1,815	806	210	2,830	-5.50%
Economic assumpt. of the previous and new demographic assumpt.	1,815	806	210	2,830	-5.50%

21) Other non-current liabilities

The item "Other non-current liabilities" was 1,704 thousand euros, a decrease of 101 thousand euros compared to 31 December 2022. This item includes the portion of the grant disbursed by the Emilia-Romagna Region for the construction of the Rimini Exhibition Centre not yet charged to the income statement, amounting to 1,525 thousand euros euros(amounting to 1,719 thousand euros euros as of 31 December 2022), the residual portion being the grant disbursed, as per Art. 1 c. 1051 to 1063, Law no. 178/2020, for investments in capital goods that have not been charged to the profit and loss account.

CURRENT LIABILITIES

22) Other current financial liabilities

The table shows a breakdown of the item in question:

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Current portion of financial liabilities for contingent consideration	690	-	690
Current portion of financial liabilities for call options	-	4,822	(4,822)
Financial payables to shareholders	-	645	(645)
Other current financial liabilities	1,099	36	1,063
TOTAL OTHER CURRENT FINANCIAL LIABILITIES	**1,789**	**5,503**	**(3,714)**

The item "Other current financial liabilities" amounted to 1,789 thousand euros and recorded a net decrease of 3,714 thousand euros compared to the previous year.

The item "Current portion of financial liabilities for contingent consideration" of 690 thousand euros includes the current portion of contingent consideration recognised in connection with the acquisition of the subsidiary Mundogeo Eventos & Consultoria Ltda for 364 thousand euros and the acquisition of the "CARA" and "SIJE" events by the subsidiary IEG Asia Pte for 326 thousand euros .

The item "Current portion of financial liabilities for call options", which as of 31 December 2022 was 4,822 thousand euros, was reduced to zero in the year 2023 as a result of the exercise of call options on the minority share capital of the subsidiaries Prostand S.r.l for 2,449 thousand euros and HBG Eventz LLC for 2,373 thousand euros.

The item "Financial payables to shareholders", which amounted to 645 thousand euros in 2022, included the nominal value of the financial debt received from the subsidiary FB International Inc. by the latter's minority shareholder. Following the exercise of the call option on the minority share capital of FB International, these amounts were reclassified under financial payables to third parties.

The item "Other non-current financial liabilities", amounting to 1,099 thousand euros as of 31 December 2023, includes the balance of the Government Small Business Loan disbursed as of the end of the 2020 financial year for the Covid-19 emergency in favour of FB International Inc. for an initial amount of 445 thousand euros.

23) Trade Payables

The details of the item in question are provided below.

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Trade payables	43,303	42,767	536
Vehicle ownership tax	7	16	(9)
Membership fees and contributions	8	8	0
Payables to subsidiaries	0	16	(16)
TOTAL TRADE PAYABLES	**43,318**	**42,807**	**511**

Trade payables were 43,318 thousand euros at 31 December 2023, an increase of 511 thousand euros compared to the previous year. This item refers for the most part to payables incurred for the purchase ofservices necessary for the holding of exhibitions. Trade payables are recorded on an accruals basis when the service has been received, the goods production process has been completed and ownership has essentially been transferred of the goods sold. Payables to associated companies, amounting to 7 thousand euros, were contracted with the companies Cesena Fiera SpA, CAST Alimenti Srl and Rimini Welcome S.c.a.r.l., while payables to jointly controlled companies, amounting to 8 thousand euros, were contracted with the company DV Global Link LLC.

24) Tax payables for direct taxes

The item "Taxes payable for direct taxes", which amounted to 3,780 thousand euros as of 31 December 2023, increased by 3,342 thousand euros compared to 31 December 2022 and was mainly composed of payables for income tax for the companies participating in the tax consolidation agreement and payables for trade tax.

25) Other current liabilities

The details of the item in question are provided below.

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Advance payments	11,105	8,670	2,435
Payables due to social security institutions Soc.	1,734	1,382	351
Other payables	8,419	7,215	1,205
Accrued expenses and deferred income	785	911	(126)
Revenues paid in advance pertaining to subsequent years	37,333	32,393	4,940
Other tax payables	1,658	1,671	(14)

TOTAL OTHER CURRENT LIABILITIES	**61,032**	**52,242**	**8,790**

Other current liabilities' showed a balance of 61,032 thousand euros as of 31 December 2023 and recorded a net increase of 8,790 thousand euros compared to the previous year.

The item "Advances" amounted to 11,105 thousand euros, an increase of 2,435 thousand euros compared to 31 December 2022, and included the amounts received from customers as advances on participations in events of the following year.

The item "Revenues paid in advance pertaining to subsequent years" recorded a balance of 37,333 thousand euros, an increase of 4,940 thousand euros compared to the previous year, and includes portions of revenues invoiced during the year but relating to events pertaining to future years. During the last quarter of 2023, invoices were issued for SIGEP 2024 and Vicenza Oro January 2024, major events pertaining to January 2024. The increase of 4,940 relates to higher quotas invoiced by December 2023.

The item "Other payables", amounting to 8,419 thousand euros and increasing by 1,205 thousand euros compared to the previous year, mainly included payables to employees such as accrued holiday days, leaves of absence, time bank, deferred monthly payments and other payables accrued and not yet taken or paid to personnel, accrued and not yet paid to statutory bodies.

COMMENTS ON MAIN ITEMS OF THE CONSOLIDATED INCOME STATEMENT

26) Revenues from contracts with customers

The following table shows the breakdown of revenues by business type:

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Organised Events	120,714	85,057	35,657
Hosted Events	4,525	3,148	1,377
Congress Events	18,968	14,767	4,201
Related Services	61,351	50,330	11,021
Publishing, Sporting Events, Other Activities	2,468	2,730	(262)
REVENUES FROM CONTRACTS WITH CUSTOMERS	**208,027**	**156,032**	**51,945**

Revenue from contracts with customers came to 208,027 thousand euros as at 31 December 2023, an improvement of 51,945 thousand euros on the previous year.

As regards the analysis of the trend in revenues in 2023 and the comparison with the data in the previous year, please refer to the information already outlined in the Directors' Report on Operations, where the variation is analysed in each component that generated it.

27) Other revenues

"Other revenues and income" are detailed as follows:

	Balance as at 31/12/2023	Balance as at 31/12/2022 Reassigned	Variation
Covid contributions	-	690	(690)
Other operating grants	186	268	(82)
Other revenues and income	4,211	3,454	757
TOTAL OTHER REVENUES	**4,397**	**4,412**	**(15)**

Other Revenues amounted to 4,397 thousand euros at 31 December 2023 and were substantially in line with the balance at 31 December 2022, i.e., 4,412 thousand euros.

The item "Other revenues and income" came to 4,211 thousand euros, an increase of 757 thousand euros on the previous period and includes mostly accessory trade fair income, but falling under the ordinary activities of the IEG Group, for example revenues from concessions, costs pertaining to third parties relating to events managed in collaboration with other parties, income from publications and subscriptions and other minor revenues.

28) Operating Costs

Operating expenses amounted to 163,165 thousand euros (144,617 thousand euros as at 31 December 2022) and are detailed as follows:

	Balance as at 31/12/2023	Balance as at 31/12/2022 Reassigned	Variation
Costs for raw materials, consumables and goods for resale	(17,504)	(14,661)	(2,843)
Costs of services	(98,865)	(86,632)	(12,233)
For use of third-party assets	(815)	(370)	(445)
For personnel	(41,539)	(38,102)	(3,437)
Wages and salaries	*(29,448)*	*(29,691)*	(2,487)
Social security costs	*(8,083)*	*(7,151)*	(932)
TFR	*(1,611)*	*(1,730)*	119
Other costs	*(931)*	*(647)*	(284)
Directors' fees	*(1,466)*	*(1,613)*	147
Change in inventories	(67)	19	(85)
Other operating costs	(4,375)	(4,871)	495
TOTAL OPERATING COSTS	**(163,165)**	**(144,617)**	**(18,549)**

Operating Costs amounted to 163,165 thousand euros at 31 December 2023, an increase of 18,549 thousand euros compared to the previous period. The increase was due to both the organic increase in trade fair turnover and the "*recovery*" effect compared to the previous year, which was influenced by the effects of the Covid-19 pandemic throughout the first quarter.

For a more specific discussion, please refer to what has already been explained in the Report on Operations.

It should be noted that in the financial year 2023, the Group classified the contributions received from the agency "*ICE - Italian Trade Agency*" as a reduction in the item "Costs for services" and no longer in the item "Other revenues", and similarly restated the previous year's balances.

The table below provides details of the main costs included in the item "Other operating costs".

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Municipal Taxes (non-income taxes and fees)	(1,502)	(1,150)	(351)
Membership fees and contributions	(279)	(312)	33
Capital losses on disposal of fixed assets	(13)	(16)	3
Other operating expenses	(903)	(724)	(180)
Receivable depreciation	(1,679)	(2,669)	990
TOTAL OTHER OPERATING COSTS	**(4,375)**	**(4,871)**	**495**

29) Depreciation and Amortisation

Amortisation, "depreciation and write-downs" are detailed below

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Amortisation of intangible fixed assets	2,048	1,922	126
Depreciation of property, plant and equipment	13,822	13,432	390
Write-downs of fixed assets	921	42	879
Provision for risks	6,209	457	5,752
Value adjustments of financial assets other than equity investments	532	29	504
TOTAL AMORTISATION, DEPRECIATION AND IMPAIRMENT	**23,532**	**15,882**	**7,651**

The item "Depreciation, amortisation and write-downs" amounted to 23,532 thousand euros as of 31 December 2023, an increase of 7,651 thousand euros compared to the previous year, mainly due to higher write-downs of fixed assets, which amounted to 921 thousand euros as of 31 December 2023, and higher accruals to the provision for risks, which amounted to 6,209 thousand euros as of 31 December 2023.

30) Financial income and expense

The details of the item in question are provided below:

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Financial income from securities included in current assets other than equity investments	156	26	129
Interest income on bank deposits	89	26	62
Exchange gains	537	-	537
Exchange gains IRS	-	3,339	(3,339)
Actuarial gains (losses) IAS 19	-	200	(200)
Other financial income	-	3	(3)
Fair value remeasurement of call options	3,299	-	3,299
Fair value remeasurement of contingent consideration	1,441	-	1,441
TOTAL FINANCIAL INCOME	**5,522**	**3,594**	**1,928**
Interest expenses on bank debts	(4,401)	(1,605)	(2,796)
Negative differences of swaps	-	(849)	849
Negative differences of swaps	(414)	-	(414)
Other interest expense and charges	(127)	(108)	(20)
Interest expense on rights of use (IFRS 16)	(596)	(523)	(74)

Actuarial gains (losses) IAS 19	(153)	-	(153)
Financial charges on call options	(1,141)	(35)	(1,106)
TOTAL FINANCIAL CHARGES	**(6,833)**	**(3,119)**	**(3,714)**
Exchange gains	152	445	(293)
Negative differences of swaps	(365)	(772)	408
TOTAL EXCHANGE GAINS AND LOSSES	**(213)**	**(327)**	**114**
TOTAL FINANCIAL CHARGES AND INCOME	**(1,523)**	**149**	**(1,672)**

Financial income and expenses are recognised in the income statement in the year in which they are incurred, on an accrual basis, and amounted to 1,523 thousand euros at 31 December 2023, a decrease of 1,672 thousand euros compared to 31 December 2022, when the respective balance was a positive 149 thousand euros.

“Financial income” amounted to 5,522 thousand euros, an increase of 1,928 thousand euros compared to the previous year. The main changes concern the remeasurement of the fair value of call options related to the minority interest in the capital of the subsidiary FB International for 3,299 thousand euros, the remeasurement of the fair value of contingent consideration for 1,441 thousand euros, and finally the absence of income related to the periodic measurement of the fair value of derivatives.

“Financial expenses” amounted to 6,833 thousand euros, an increase of 3,714 thousand euros compared to the previous year, when they amounted to 3,119 thousand euros. The increase was mainly due to the recognition of financial expenses from the remeasurement of financial payables for purchase options in the amount of 1,141 thousand euros and the increase in the cost of debt in 2023, as well as the recognition of interest expenses related to the periodic measurement of the fair value of derivatives.

31) Gains and losses from equity investments

Equity investments in associated companies were measured using the equity method. The other equity investments are booked at cost and are written down in the event of a significant and prolonged reduction in the fair value with respect to the cost of recognition.

Income and expenses from equity investments are detailed below.

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Cesena Fiera SpA	136	388	(252)
Destination Service	86	(6)	92
Rimini Welcome S.c.a.r.l.	3	(1)	4
CAST Alimenti Srl	(71)	59	(130)
Expo Estrategia Brazil Eventos e Producoes Ltda	-	(26)	26
IEG China (formerly Eagle)	-	(26)	26
IGECo Srl	(3,612)	-	(3,612)

TOTAL GAINS/LOSSES FROM EQUITY INVESTMENTS	**(3,458)**	**388**	**(3,846)**

For more information, please refer to the previous comments on financial fixed assets.

32) Taxes

Income taxes for the year totalled 7,414 thousand euros, an increase of 6,094 thousand euros compared to 31 December 2022.

Current tax was present for 4,584 thousand euros and tax relative to previous years for 182 thousand euros. Deferred tax assets/liabilities amounted to 3,011 thousand euros.

Deferred tax liabilities have been calculated according to the global allocation approach, taking into account the cumulative amount of all temporary taxable differences, based on the expected average rates in force when these temporary differences are offset.

Deferred tax assets were recorded given there is reasonable certainty as to the existence, in the years in which the temporary deductible differences will carry forward, in respect of which prepaid taxes were recognised, of a taxable income not lower than the amount of the differences that will be cancelled.

	2023			2022		
	Temporary differences	Rate	Tax effect	Temporary differences	Rate	Tax effect
Deferred tax assets:						
Bad debt provision	8,001	24.00%	1,920	7,260	23.99%	1,742
Provisions for risks and charges	2,772	26.34%	730	1,739	27.20%	473
Emoluments of statutory bodies not paid in the year	619	24.00%	149	638	24.00%	153
Amortisation/depreciation not deductible in the year	2,254	26.85%	605	2,749	25.63%	745
Asset impairment	1,725	24.20%	418	1,908	27.90%	463
Photovoltaic prepaid amounts	956	27.90%	267	1,069	27.90%	298
Statutory/fiscal misalignment on revaluation of land	1,657	27.90%	462	1,657	27.90%	462
Other Components	(811)	20.35%	(165)	16,372	23.30%	3,814
Total deferred tax assets charged to Income Statement	**17,173**		**4,386**	**33,392**		**8,150**
Tax effect on "Actuarial Gain & Losses" component of actuarial calculation of Employee benefits	(72)	24.00%	(17)	(89)	24.00%	(21)
Effect of cash flow hedge derivatives	(23)	n.a.	(6)	0	24.00%	0
IFRS16	1,941	23.32%	453	1,941	23.32%	453
Total deferred tax assets charged to Shareholders' equity	**1,845**		**430**	**1,852**		**431**
Deferred tax liabilities:						

Statutory/fiscal misalignment on revaluation of land	4,537	27.90%	1,266	4,537	27.90%	1,266
Amortised cost - loans	489	24.00%	117	548	24.00%	132
Recognised of deferred tax liabilities on PPA	4,345	27.90%	1,150	4,857	27.90%	1,355
Exchange differences	39	24.00%	9	392	24.00%	94
Total deferred tax liabilities charged to Income Statement	**9,410**		**2,543**	**10,333**		**2,847**
Statutory/fiscal misalignment on revaluation of land	1,542	27.90%	430	1,594	27.90%	443
Effect of cash flow hedge derivatives	1,015	24.00%	244	1,704	24.00%	409
Total deferred tax liabilities charged to Shareholders' equity	**2,557**		**674**	**3,298**		**852**

The tables below show the differences between theoretical tax charges (IRES 24% and IRAP 3.9%) and the tax charge that can actually be recorded in the financial statements, as suggested by IAS 12.

RECONCILIATION BETWEEN THEORETICAL IRES AND IRES AS PER THE FINANCIAL STATEMENTS	
Earning Before Taxes	**20,746**
Theoretical tax charge (24.0%)	*(4,979)*
Changes	
Photovoltaic plant	(113)
Use/cancellation of provisions allocated in previous years	(189)
Deductible and non-deductible portions of board and lodging expenses	3,695
Revaluation and Devaluation of Equity Investments	4,072
Fiscal depreciation in excess of statutory depreciation, non-deductible depreciation and other provisions	1,984
Other increases and decreases	(1,549)
IRS differential	0
IMU tax	0
IRAP and lump-sum portion on employee severance indemnity paid	(250)
Actuarial (Gain)/Losses	0
Total variations	**7,651**
Reductions in Income for Asset Increase (ACE)	**(85)**
Taxable amount for IRES (regional business tax) purposes pertaining to the year	**28,312**
Use of previous tax losses	**(816)**
Actual taxable amount for IRES (regional business tax) purposes	**27,496**
IRES (corporate income tax) pertaining to the year (24% of actual IRES income)	(6,599)
Revenue/(charges) from tax consolidation for recovery of past tax losses	4,551
Pre-tax effects of local taxes	(803)
IRES in Income statement	**(2,851)**
Local tax effect	(90)
Consolidated effective tax	**(2,941)**

RECONCILIATION BETWEEN THEORETICAL IRAP AND IRAP AS PER THE FINANCIAL STATEMENTS	
Difference between production revenues and costs	**36,440**
Non-relevant costs for IRAP purposes	24,695
Theoretical taxable income	**61,135**
Theoretical tax charge (3.90%)	*-2,384*
Variations on decrease	
INAIL (Italian National Institute for Insurance against Accidents at Work), Trainees, Tax wedge and similar	(21,042)
Excess tax amortisation	(29)
Use/cancellation of provisions allocated in previous years	(101)
Other decreases	(423)
Total decreases	**(21,596)**
Increases	
Directors' fees	910
Municipal Property Tax	483
Increases	1,187
Total increases	**2,581**
Taxable amount for IRAP (regional business tax) purposes pertaining to the year	**42,120**
IRAP in Income statement	**(1,643)**

33) Related party transactions

For the definition of "Related Parties", refer to the international accounting standard IAS 24, approved by EC Regulation no. 1725/2003, the Procedure for Related Party Transactions approved by the Board of Directors on 4 November 2010 (last amended on 23 June 2021) available on the Company's website www.iegexpo.it.

Infragroup transactions are carried out under the scope of ordinary operations and at arm's length. In addition, related party transactions are in progress, always carried out under the scope of ordinary operations and at arm"s length, or of negligible value in accordance with and pursuant to the "RPT Procedure", essentially involving subjects under joint control.

Related party transactions mainly refer to commercial, financial and real estate transactions (instrumental and non-instrumental premises rented or leased by the Group). For the most part, they are not of any great economic or strategic value for the Group insofar as the receivables, payables, revenues and costs involving related parties do not account for a significant percentage of the total value of the financial statements. The only exception is the contract regulating the lease of Palazzo dei Congressi in Rimini, stipulated between the Parent company and its parent company, through which IEG SpA carries out its congress organisation.

Pursuant to Art. 5 paragraph 8 of the Consob Discipline, it is noted that, in the period 01.01.2022 - 31.12.2022, the Company's Board of Directors did not approve any transaction of major significance as defined by Art. 3 paragraph 1, letter b) of the Consob Discipline, while it approved a related party transaction qualified as less material with respect to the materiality ratios indicated in the Related Party Transactions procedure.

The table below shows the amount and the nature of the receivables/payables as at 31 December 2023 and details of the costs/revenues in the year deriving from transactions between consolidated companies and associated companies, jointly controlled companies and the Parent Company Rimini Congressi SpA.

Related party transactions	Rimini Congressi (*)	Destination Services	DV Global Link LLC	Rimini Welcome	Igeco Mexico	**Cesena Fiera SpA**	**C.A.S.T. Alimenti Srl**	Igeco Srl	Igeco USA	Uni.Rimini
Trade Receivables	879	-	54	-	7	40	-	-	-	-
Financial Receivables	-	45	4	-	165	-	-	450	-	-
TOTAL RECEIVABLES	**879**	**45**	**58**	**0**	**172**	**40**	**0**	**450**	**0**	**0**
Trade Payables	-	-	8	-	-	-	6	-	-	-
Financial payables	(12,978)	-	-	-	-	-	-	-	-	-
Tax payables for direct taxes	-	-	-	-	-	-	-	-	-	-
TOTAL PAYABLES	**(12,978)**	**0**	**8**	**0**	**0**	**0**	**6**	**0**	**0**	**0**
Revenues from sales and services	40	-	-	-	-	3,566	-	-	-	-
Other revenues	83	-	-	-	7	-	-	10	-	-
Costs of services, use of third-party assets, other expenses	(1,020)	-	-	(0)	-	(521)	(7)	-	-	-
Net financial income (expenses)	(330)	-	-	-	-	-	-	24	(555)	-
TOTAL REVENUES AND COSTS	**(1,228)**	**0**	**0**	**(0)**	**7**	**3,045**	**(7)**	**34**	**(555)**	**0**

(*) Lease and rental costs for the application of IFRS 16 are fully reversed and replaced by amortisation of rights of use.

34) Disclosure pursuant to Art. 1, Law of 4 August 2017, no. 124

With reference to the fulfilment of the disclosure obligations of transparency and publicity of public disbursements dictated by Article 1, paragraphs 125 - 129 of Law no. 124 of 4 August 2017, the Company has analysed its situation and summarises in the table below the grants received by the Group during the financial year 2023, indicating the quarter in which they were received.

No.	Name of disbursing entity	Reason	attribution date	Amount Granted (€)	collection date
1	Municipality of Rimini	Bike to work' project	31/03/2023	3,058	n.a.
2	Municipality of Vicenza	Municipality of Vicenza grant VIOFF23	-	17,618	07/04/2023
3	Fondirigenti	Contribution for training and development	-	3,073	27/07/2023

4	Municipality of Arezzo	Grant OAR23	-	15,000	26/10/2023
5	Municipality of Vicenza	Municipality of Vicenza grant VOS23	-	7,558	15/11/2023
6	Fondimpresa	Contribution for training and development	30/11/2023	27,805	25/01/2024
7	REGION Emila Romagna	call for "fairs and supply chains 2023"-DGR 680 2023-Attribution-Commitment	06/12/2023	80,919	n.a.
8	Fondimpresa	Contribution for training and development	-	3,389	16/02/2023
9	Fondimpresa	Contribution for training and development	-	1,739	16/05/2023
10	Fondimpresa	Training and Development Grant, Training Plan 323829	-	690	16/06/2023
11	Fondimpresa	Training and Development Grant, Training Plan 323428	-	924	21/09/2023
12	Fondimpresa	Training and Development Grant, Training Plan 323424	-	1,674	28/09/2023
13	FonARCom	Safe Work Culture Grant - EU Regulation 1407/2013	14/06/2023	10,080	n.a.
			Total	**173,527**	

Please note that you can always consult the National Register of State Aid RNA at www.rna.gov.it.

35) Independent Auditors' fees

The following table shows the fees paid to auditors of group companies and to their network, broken down into audit and related services.

COMPENSATION FOR THE STATUTORY AUDIT	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Audit services	208	261	(53)
Related Services	38	47	(9)

36) Disclosure on financial guarantees, commitments and other contingent liabilities

Sureties and guarantees granted to third parties

It should be noted that, as at 31 December 2023, the Group has guarantees in place relating to sureties and third party assets at IEG totalling 800 thousand euros.

The following guarantees were issued:

- by the Parent Company in favour of the lessor who owns the Milan offices for 193 thousand euros;
- by the Parent Company in favour of the lessor who owns Pavilion 9 of the Vicenza trade fair district for 75 thousand euros;
- by the Parent Company in favour of other entities for a total of 184 thousand euros, mostly public entities that, in return for their participation in the exhibition, require guarantees on the

Company's services, i.e., the supply of space and services related to the event;

- by Pro.Stand Srl in favour of the lessors for 207 thousand euros to guarantee the contractual commitments relating to leases on industrial depots/warehouses;
- by Summertrade Srl in favour of Riva del Garda Fieracongressi SpA as a guarantee for contractual commitments related to the management of catering services inside the exhibition complex for 65 thousand euros and to the Municipality of Rimini as a guarantee for contractual commitments undertaken for the participation in a public tender, for 49 thousand euros;
- by Prime Servizi Srl for 27 thousand euros to other parties.

Potential liabilities

At 31 December 2023, there were no contingent liabilities not entered on the financial statements.

37) Other information

Employees

The average number of employees is expressed as the number of FTE (full-time equivalent) workers. The comparison between the average number of employees in 2023 and the previous year is shown below.

FTE	2023	2022	Variation
Executives	13.1	14.7	(1.6)
Middle managers/White-collar workers	461.0	399.7	61.3
Blue-collar workers	209.5	178.3	31.2
AVERAGE NUMBER OF EMPLOYEES	**683.6**	**592.7**	**90.9**

The exact number of workers (headcount) as at 31 December 2023 compared with the figure as at 31 December 2022 is shown here below.

Headcount	31/12/2023	31/12/2022	Variation
Executives	13	15	(2)
Middle managers/White-collar workers	492	438	54
Blue-collar workers	101	103	(2)
TOTAL HEADCOUNT AT THE END OF THE PERIOD	**606**	**556**	**50**

Annexes

ANNEX 1

These annexes contain additional information with respect to the contents of the Explanatory Notes, of which they constitute an integral part.

COMPANIES ACCOUNTED FOR IN THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2023 USING THE LINE-BY-LINE METHOD

Company name	Registered office	Core business	Share capital (figures in thousands)	% Share held by the Group			Group company
				Total Group	Direct IEG SpA	Indirect - other Group Companies	
Italian Exhibition Group SpA	Via Emilia, 155 – 47921 Rimini	Organiser and host site of trade fairs/events/conferences		*Parent Company*			
Italian Exhibition Group Brasil Eventos LTDA	Av. Angèlica, 2530 - 12° andar - Sao Paulo (Brasil)	Organiser of trade fairs/events/conferences and other trade fair activity accessory services	13,922 REAL	75%	75%		
Fieravicola Srl	Via Emilia, 155 – 47921 Rimini	Organiser and host site of trade fairs/events/conferences	100	51%	51%		
Summertrade Srl	Via Emilia, 155 – 47921 Rimini	Catering services	105	65%	65%		
Prostand Exhibition Services Srl	Via Emilia, 129 – 47900 Rimini	Trade fair stand fittings	78	100%	51%	49%	Pro.Stand Srl (1)
Pro.stand Srl	Poggio Torriana, via Santarcangiolese 18	Trade fair stand fittings	182	100%	100%		(1)
IEG USA Inc.	1001 Brickell Bay Dr., Suite 2717° Miami (FL)	Equity holding company	USD 7,250	100%	100%		
FB International Inc.	116 Leigh Drive, Farfield NJ 07004– USA	Trade fair stand fittings	598 USD	100%		100%	IEG USA Inc.
Prime Servizi Srl	Via Flaminia, 233/A - 47924 Rimini	Cleaning and porterage services	60	51%	51%		
HBG Events FZ LLC	Creative Tower, 4422, Fujairah, UAE	Organisation of trade fair events	369 AED	100%	100%		
V Group Srl	Via Emilia, 155 – Rimini	Organiser of trade fair events	10	75%	75%		
IEG Deutschland Gmbh	Munich – Germany (DE)	Trade fair business services	25	100%	100%		
IEG China Ltd	Tianshan Road, Changning District – Shanghai , China	Organiser of trade fair events	7,773 CNY	100%	100%		
IEG ASIA Pte Ltd	1010 Cecil Street, Tong Eng Building – Singapore	Organiser of trade fair events	500 SGD	100%	100%		
Mundogeo Eventos & Consultoria Empresarial Ltda	Municipio de Curitiba, Estado do Paranà, na Rua Doutor Nelson Lins D Albuquerque, 110	Organiser of trade fair events	20 REAL	75%		100%	Italian Exhibition Group Brasil Eventos Ltda
A&T Srl	Via Principi d'Acaja 38 10138 Turin	Organiser of trade fair events	10	51%	51%		

COMPANIES ACCOUNTED FOR IN THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2023 USING THE EQUITY METHOD

Company Name	Registered office	Core business	Share capital (figures in thousands)	% Share held by the Group			Group company
				Total Group	Direct IEG SpA	Indirect - other Group Companies	
DV Global Link LLC in liquidation (1)	P.O. Box 9292, Dubai, United Arab Emitates	Organiser and host site of trade fairs/events/conferences	500 AED	49%	49%		
Cesena Fiera SpA (1)	Via Dismano, 3845 – 47522 Pievesestina di Cesena (FC)	Organiser of trade fairs/events and conferences	2,288	35.3%	20%	15.3%	Pro.Stand Srl (1)
C.A.S.T. Alimenti SpA (1)	Via Serenissima, 5 – Brescia (BS)	Training courses and professional training courses	126	23.08%	23.08%		
Destination Services Srl (1)	Viale Roberto Valturio 44 - 47923 Rimini (RN)	Promotion and organisation of tourist services	10	50%	50%		
Rimini Welcome Srl (1)	Via Sassonia, 30 - 47922 Rimini (RN)	Promotion and organisation of tourist services	100	48%	5%	43%	Destination Service S.r.l e Summertrade Srl
IGECo Srl	Via Emilia 155 47921 Rimini (RN)	Supporting the organisation of events	11	50%	50%		
Chengdu Europe China Environmental Exhibition Co. Ltd ("EECE")	No. 1417 Floor 14 Unit 1 Building 1, No.588 Middle of Yizhou Avanue, Hi-tech District Free Trade Zone	Organiser of trade fairs/events and conferences	3,424 CNY	60%		60%	IEG China
Green Box Srl (1)	Via Sordello 11/A - 31046 Oderzo (TV)	Organiser of trade fairs/events and conferences	15	20%	20%		

(1) Data referring to 31/12/2022

ANNEX 2

SUMMARY REPORT OF ESSENTIAL DATA OF THE LAST FINANCIAL STATEMENTS OF THE SUBSIDIARIES, ASSOCIATES, JOINT VENTURES AND OTHER INVESTMENTS INCLUDED IN THE CONSOLIDATION (ART. 2429 S.4 ITALIAN CIVIL CODE).

	Registered office	Financial Statements	Revenues	Profit (loss) for the year	Employees (FTE)	Net Assets
Subsidiaries						
Prostand Exhibition Services Srl	Via Emilia, 155 - 47921 Rimini	31/12/2022	0	(1)	0	108
Prime Servizi Srl	Via Flaminia, 233/A - 47924 Rimini	31/12/2023	3,497	65	1	612
Summertrade Srl	Via Emilia, 155 - 47921 Rimini	31/12/2023	21,947	1,036	100	(1,036)
FB International Inc. (USD)	116 Lehigh Drive, Fairfield, NJ 07004	31/12/2023	24,690	(872)	63	(2,445)
IEG USA Inc. (USD)	1001 Brickell Bay Dr., Suite 2717 Miami (FL)	31/12/2023	0	(49)	0	7,084
Prostand Srl	Via Santarcangiolese 18 - 47824 Poggio Torriana (RN)	31/12/2023	39,125	1,232	70	7,755
Fieravicola Srl	Via Emilia, 155 – 47921 Rimini	31/12/2023	594	28	0	142
HBG Events FZ LLC (AED)	Creative Tower, 4422, Fujairah, UAE	31/12/2023	3,209	(10)	10	834
Italian Exhibition Group Brasil Eventos LTDA	Av. Angelica, 2530 - 12th andar – Sao Paolo (Brazil)	31/12/2023	757	(431)	9	1,572
Italian Exhibition Group Deutschland Ghmh	Munich – Germany (DE)	31/12/2023	61	(184)	3	(165)
V – Group Srl	Via Emilia, 155 - 47921 Rimini	31/12/2023	3,474	322	4	748
Ieg China Ltd	Tianshan Road, Changning District Shanghai, China	31/12/2023	25	(81)	1	306
Ieg Asia Pte Ltd	1010 Cecil Street, Tong Eng Building – Singapore	31/12/2023	1,987	(656)	9	754
A&T Srl	Via Principi d'Acaja, 38 - 10138 Torino	31/12/2023	508	17	9	32
Mundogeo Eventos & Consultoria Empresarial Ltda	Municipio de Curitiba, Estado do Paranà, na Rua Doutor Nelson Lins D Albuquerque, 110	31/12/2023	808	513	0	308
Associated companies						
Cesena Fiera Spa	Via Dismano 3845 – Cesena (FC)	31/12/2022	5,013	507	12	5,307
Green Box Srl	Via Sordello 11/A – 31046 Oderzo (TV)	nd	nd	nd	nd	nd
Cast Alimenti Srl	Via Serenissima, 5 - Brescia (BS)	31/12/2022	3,767	(383)	26	2,261
Jointly controlled companies						
DV Global Link LLC in liquidation (2)	P.O. Box 9846 – Dubai – E.A.U.	31/12/2020	1	(205)	nd	151
Europe China Environmental Exhibitions Co.,Ltd.	Getan Building 1, No.588, Yizhou Avenue, High-tech Zone Chengdu, China	nd	nd	nd	nd	nd
Destination Service Srl	Via Roberto Valturio 44 - Rimini (RN)	31/12/2022	478	81	nd	118
Rimini Welcome s.c.a.r.l.	Via Sassonia, 30 – Rimini (RN)	31/12/2022	2,501	62	nd	205
Igeco Srl	Via Emilia, 155 – 47921 Rimini	31/12/2023	0	(4,447)	0	3,025

ANNEX 3

RECONCILIATION OF ALTERNATIVE PERFORMANCE INDICATORS (API)

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	%	31.12.2022R	%	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
Labour costs	0	0.0%	0	0.0%	0
Provisions for future risks and charges	(5,000)	-2.4%	0	0.0%	(5,000)
Depreciation of financial assets other than equity 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 Income (EBIT)	**25,726**	**12.1%**	**(54)**	**0.0%**	**25,780**

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

	31.12.2023	%	31.12.2022R	%	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
Labour 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.

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ANNEX 4

COMPARATIVE DATA 2022

The comparative results and the comparative balance sheet as of 31 December 2022 have been restated following the final accounting in Q2 2023 of the purchase price allocation related to the acquisition of the company V Group Srl which took place on 28 May 2022, as allowed by IFRS 3 and IAS 1 and the classification of ICE -Italian Trade Agency of contributions from Other Revenues to Costs for Services, as allowed by IAS 20 paragraph 29 and IAS 8 on changes in accounting policy.

CONSOLIDATED INCOME STATEMENT

	31/12/2022 Published	Restatements	31/12/2022 Reassigned
Revenues			
Revenues from sales and services	156,032		156,032
Other revenues	5,908	(1,496)	4,412
TOTAL REVENUES	**161,941**	**(1,496)**	**160,445**
OPERATING COSTS			
Change in inventories	19		19
Costs for raw materials, consumables and goods for resale	(14,661)		(14,661)
Costs of services	(88,128)	1,496	(86,632)
Costs for use of third-party assets	(370)		(370)
Personnel costs	(38,102)		(38,102)
Other operating costs	(4,871)		(4,871)
TOTAL OPERATING COSTS	**(146,113)**	**1,496**	**(144,617)**
GROSS OPERATING PROFIT (EBITDA)	**15,828**	**0**	**15,828**
Depreciation and Amortisation	(15,793)	(88)	(15,882)
OPERATING PROFIT (LOSS)	**35**	**(88)**	**(54)**
Financial income	3,594		3,594
Financial charges	(3,119)		(3,119)
Exchange rate gains and losses	(327)		(327)
TOTAL FINANCIAL INCOME AND EXPENSE	**149**	**0**	**149**
TOTAL GAINS AND LOSSES FROM EQUITY INVESTMENTS	**388**		**388**
EARNING BEFORE TAXES	**571**	**(88)**	**483**
TOTAL INCOME 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 BALANCE SHEET

ASSETS (Values in Euro/000)	31/12/2022 Published	Restatements	31/12/2022 Reassigned
NON-CURRENT ASSETS			
Tangible Fixed Assets	191,032		191,032
Intangible Fixed Assets	37,734	613	38,346
Equity investments accounted for using equity method	8,874		8,874
Other equity investments	9,349		9,349
Deferred tax assets	5,286	(401)	4,885
Non-current financial assets for rights of use	290		290
Non-current financial assets	3,011		3,011
Other non-current assets	271		271
TOTAL NON-CURRENT ASSETS	**255,846**	**211**	**256,058**
CURRENT ASSETS			
Inventories	852		852
Trade Receivables	30,041		30,041
Tax receivables for direct taxes	468		468
Current financial assets for rights of use	197		197
Current financial assets	137		137
Other Current Assets	6,914		6,914
Cash and cash equivalents	50,586		50,586
TOTAL CURRENT ASSETS	**89,195**	**0**	**89,195**
TOTAL ASSETS	**345,041**	**211**	**345,253**

LIABILITIES (Values in Euro/000)	31/12/2022 Published	Restatements	31/12/2022 Reassigned
NET ASSETS			
Share capital	52,110		52,110
Share premium reserve	13,924		13,924
Other reserves	30,433		30,433
Profit (loss) for previous years	(938)		(938)
Profit (Loss) for the period attributable to shareholders of the Parent Company	772	(48)	724
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY	**96,301**	**(48)**	**96,254**
Share capital and reserves attributable to minority interests	(649)	275	(374)
Profit (loss) attributable to minority interests	(1,546)	(16)	(1,562)
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO MINORITY INTERESTS	**(2,195)**	**259**	**(1,936)**
TOTAL GROUP SHAREHOLDERS' EQUITY	**94,106**	**211**	**94,318**
NON-CURRENT LIABILITIES			
Payables due to banks	84,846		84,846
Non-current financial liabilities for rights of use	29,516		29,516

Other non-current financial liabilities	5,377		5,377
Provisions for non-current risks and charges	2,174		2,174
Employee provisions	2,959		2,959
Other non-current liabilities	1,805		1,805
TOTAL NON-CURRENT LIABILITIES	**126,678**	**0**	**126,678**
CURRENT LIABILITIES			
Payables due to banks	18,488		18,488
Current financial liabilities for rights of use	4,779		4,779
Other current financial liabilities	5,502		5,502
Trade Payables	42,807		42,807
Tax payables for direct taxes	438		438
Other current liabilities	52,242		52,242
TOTAL CURRENT LIABILITIES	**124,257**	**0**	**124,257**
TOTAL LIABILITIES	**345,041**	**211**	**345,253**

ANNEX 5

ATTESTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS IN ACCORDANCE WITH ART. 154 BIS, PARAGRAPH 5 OF ITALIAN LEGISLATIVE DECREE 58/1998 AND ART. 81-TER OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999 AS AMENDED AND SUPPLEMENTED

1. The undersigned, Corrado Peraboni, in his capacity as Chief Executive Officer, and Lucia Cicognani, in her capacity as Manager responsible for preparing the corporate accounting documents of Italian Exhibition Group SpA, certify, also taking into account the provisions of Art. 154-*bis*, paragraphs 3 and 4, of Legislative Decree 24 February 1998, no. 58:
   - the adequacy with respect to the company's profile, and
   - the effective application of the administrative and accounting procedures for the preparation of the Consolidated Financial Statements as at 31 December 2023.

2. It is also certified that:
   2.1. the consolidated financial statements as at 31 December 2023:
   - were prepared in accordance with the applicable international accounting standards recognised in the European Community pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002;
   - correspond to the results of the books and the accounting records;
   - are suitable to provide a true and fair representation of the capital, economic and financial situation of the issuer and group of companies included within the scope of consolidation.

   2.2. the Directors' Report on Operations includes a reliable analysis of the trends and results of operations as well as of the position of the issuer and of all entities included within the scope of consolidation, together with a description of the main risks and uncertainties they are exposed to.

Rimini, 19 March 2024

Chief Executive Officer	**Manager responsible for preparing the company's financial documents**
Corrado Arturo Peraboni	*Lucia Cicognani*

Independet Auditors' Report to the Consolidated Financial Statement

Financial Statements

STATEMENT OF FINANCIAL POSITION

ASSETS (Values in Euros)		NOTE	31/12/2023	31/12/2022
NON-CURRENT ASSETS				
Property, plant and equipment		1	171,034,993	172,646,080
Intangible fixed assets		2	18,228,951	19,015,195
Partecipazioni in imprese controllate		3	30,664,371	25,123,409
Equity investments valued using the equity method		4	4,220,595	7,740,068
Other equity investments		5	10,553,837	9,344,366
	Of which with related parties		*10,442,927*	*9,247,858*
Deferred tax assets		6	1,256,661	4,257,575
Non-current financial assets		7	1,738,191	2,227,199
	Of which with related parties		*614,669*	-
Other non-current assets		8	189,127	184,145
	TOTAL NON-CURRENT ASSETS		237,886,726	240,538,037
CURRENT ASSETS				
Trade receivables		9	25,152,982	24,284,581
	Of which with related parties		*3,226,101*	*4,178,919*
Tax receivables for direct taxes		10	1,083,265	41,970
	Of which with related parties		*1,047,416*	*12,635*
Current financial assets		11	7,588,812	7,078,897
	Of which with related parties		*7,555,561*	*7,078,897*
Other current assets		12	4,506,754	3,664,095
Cash and cash equivalents		13	54,652,405	41,578,272
	TOTAL CURRENT ASSETS		92,984,218	76,647,815
TOTAL ASSETS			330,870,944	317,185,852

LIABILITIES	(Values in Euro)	NOTE	31/12/2023	31/12/2022
SHAREHOLDERS' EQUITY				
	Share capital	14	51,828,561	52,110,008
	Share premium reserve	14	13,759,494	13,924,458
	Other reserves	14	34,970,730	33,909,092
	Profit (loss) for previous years	14	7,256,485	6,077,821
	Profit (Loss) for the period	14	14,160,861	1,512,748
	TOTAL SHAREHOLDERS' EQUITY		121.976.131	107,534,127
NON-CURRENT LIABILITIES				
	Payables due to banks	15	72,182,380	81,754,796
	Non-current financial liabilities for rights of use	16	15,695,519	17,116,764
	Of which with related parties		*11,588,715*	*12,623,899*
	Other non-current financial liabilities	17	0	1,441,359
	Of which with related parties		*0*	*0*
	Provisions for non-current risks and charges	18	1,549,820	1,788,726
	Employee provisions	19	2,038,934	1,990,695
	Other non-current liabilities	20	1,704,317	1,805,485
	TOTAL NON-CURRENT LIABILITIES		93,170,970	105,897,825
CURRENT LIABILITIES				
	Payables due to banks	15	17,929,629	16,109,380
	Current financial liabilities for rights of use	21	1,962,056	1,680,940
	Of which with related parties		*1,389,584*	*1,000,778*
	Other current financial liabilities	22	1,642	2,738,314
	Of which with related parties		*0*	*349,650*
	Trade payables	23	39,497,405	37,285,400
	Di cui con parti correlate		*11,554,316*	*10,118,520*
	Tax payables for direct taxes	10	3,589,375	290,442
	Of which with related parties		*0*	*0*
	Other current liabilities	24	52,743,735	45,649,423
	Of which with related parties		*2,284,594*	*1.673.791*
	TOTAL CURRENT LIABILITIES		115,723,842	103,753,899
TOTAL LIABILITIES			330,870,944	317,185,852

INCOME STATEMENT

(Values in Euro)	Notes	31/12/2023	31/12/2022
REVENUES			
Revenues from contracts with customers	26	139,710,895	105,500,786
Of which with related parties		*4,414,015*	*3,741,112*
Other revenues	26	3,241,337	2,960,337
Of which with related parties		*977,446*	*1,058,764*
TOTAL REVENUES		142,952,232	108,461,123
OPERATING COSTS			
Change in inventories		0	0
Costs for raw materials, consumables and goods for resale		(1,837,298)	(1,833,920)
Of which with related parties		*(27,781)*	*(29,178)*
Costs of services		(75,324,698)	(68,231,498)
Of which with related parties		*(26,063,185)*	*(20,334,690)*
Costs for use third-party assets		(203,702)	(122,648)
Personnel costs		(23,361,381)	(22,488,765)
Other operating costs		(3,141,416)	(2,880,891)
Of which with related parties		*(10,018)*	*(20,573)*
TOTAL OPERATING COSTS	27	(103,868,495)	(95,557,722)
GROSS OPERATING PROFIT (EBITDA)		39,083,737	12,903,401
Amortisation, depreciation and impairment	28	(11,294,306)	(11,143,545)
OPERATING PROFIT (EBIT)		27,789,431	1,759,856
FINANCIAL INCOME AND EXPENSE			
Financial income		2,371,148	3,614,848
Of which with related parties		*288,976*	*115,007*
Financial charges		(5,145,230)	(2,820,378)
Exchange rate gains and losses		(214,272)	(163,828)
TOTAL FINANCIAL INCOME AND EXPENSE	29	(2,988,354)	630,642
TOTAL GAINS AND LOSSES FROM EQUITY INVESTMENTS	30	(3,517,572)	212,880
PRE-TAX RESULT		21,283,505	2,603,378
TOTAL INCOME TAXES	31	(7,122,644)	(1,090,630)
PROFIT FOR THE YEAR		14,160,861	1,512,748

STATEMENT OF COMPREHENSIVE INCOME

	31/12/2023	31/12/2022
PROFIT/(LOSS) FOR THE PERIOD	**14,160,861**	**1,512,748**
Other comprehensive income which will be subsequently reclassified under profit/(loss) for the year:		
Gains/(losses) on cash flow hedging instruments	(523,206)	1,624,839
Gains/(losses) on translation of financial statements in foreign currency	147,340	14,982
Total other comprehensive income which will be subsequently reclassified under profit/(loss) for the year	**(375,866)**	**1,639,821**
Other Comprehensive Income which will not be subsequently reclassified under profit/(loss) for the year:		
Actuarial gains/(losses) from defined benefit plans for employees – IAS 19	(91,649)	384,311
Gains/(losses) on financial assets measured at FVOCI	**1,195,070**	(1,522,206)
Total other comprehensive income which will not be subsequently reclassified under profit/(loss) for the year:	**1,103,421**	**(1,137,895)**
TOTAL PROFIT/(LOSS) BOOKED TO SHAREHOLDERS' EQUITY	**727,555**	**501,926**
COMPREHENSIVE INCOME/LOSS FOR THE YEAR	**14,888,416**	**2,014,674**

STATEMENT OF CHANGES IN EQUITY

	Share Capital	Share Premium Reserve	Revaluation Reserve	Legal Reserve	Statutory Reserve	Other Reserves	Retained earnings (Losses) carried forward	Profit (Loss) for the period	Total
Balance as at 31/12/2021	**52,214,897**	**13,946,713**	**67,159,789**	**10,400,794**	**2,531,806**	**(46,755,163)**	**4,538,069**	**1,609,692**	**105,646,598**
Allocation of profit for the year:									
- Allocation to reserves				42,185	8,049	19,706	1,539,752	(1,609,692)	0
Other variations	(104,889)	(22,255)							(127,144)
Measurement of defined-benefit plans *						384,310			384,310
Fair Value OCI reserve *						(1,522,206)			(1,522,206)
Reserve for translation of foreign financial statements*						14,982			14,982
CFH reserve*						1,624,839			1,624,839
Result of the period								1,512,748	1,512,748
Balance as at 31/12/2022	**52,110,008**	**13,924,458**	**67,159,789**	**10,442,979**	**2,539,855**	**(46,233,532)**	**6,077,821**	**1,512,748**	**107,534,127**
Allocation of profit for the year:									
- Allocation to reserves					30,255	303,828	1,178,665	(1,512,748)	0
Other variations	(281,447)	(164,964)							(446,411)
Measurement of defined-benefit plans *						(91,649)			(91,649)
Fair Value OCI reserve *						1,195,070			1,195,070
Reserve for translation of foreign financial statements*						147,340			147,340
CFH reserve*						(523,206)			(523,206)
Result of the period								14,160,861	14,160,861
Saldi 31/12/2023	**51,828,561**	**13,759,494**	**67,159,789**	**10,442,979**	**2,570,110**	**(45,202,148)**	**7,256,485**	**14,160,861**	**121,976,131**

**These items fall under the components of the statement of comprehensive income*

CASH FLOW STATEMENT

Values in euros		31/12/2023	31/12/2022
Pre-tax result		**21,283,505**	**2,603,378**
	Of which with related parties	*(20,420,547)*	*(15,459,043)*
Adjustments to trace profit for the year back to the cash flow from operating activities:			
Costs for use of third-party assets (IFRS 16)		(2,135,894)	(2,054,174)
Amortisation, depreciation and impairment of property, plant and equipment and intangible assets		10,761,911	10,825,881
Provisions and write-downs		954,664	3,446,516
Other provisions		-	288,854
Charges/(income) from valuation of equity investments in other companies with the equity method		3,517,572	(212,880)
Write-down of financial assets		532,395	28,810
Net financial charges		2,988,354	(630,642)
	Of which with related parties	*288,976*	*115,007*
Other non-monetary changes		(128,031)	(214,560)
Cash flow from operating activities before changes in working capital		**37,774,476**	**14,081,183**
Change in working capital::			
Inventories			
Trade receivables		(1,823,065)	(6,169,363)
	Of which with related parties	*952,818*	*(648,802)*
Trade payables		2,566,409	10,283,598
	Of which with related parties	*1,435,796*	*3,639,120*
Other current and non-current assets		(845,472)	978,489
Other current and non-current liabilities		6,422,516	11,542,891
Receivables/payables for current taxes		(392,857)	(323,030)
	Of which with related parties	*(1,034,781)*	*(12,635)*
Prepaid/deferred taxes		-	-
Cash flow from changes in working capital		**5,927,529**	**16,312,585**
Income tax paid		(539,925)	-
Employee provisions and provisions for risks		(357,462)	(70,965)
Cash flows from operating activities		**42,804,618**	**30,322,803**
Cash flow from investment activities			
Net investments in intangible fixed assets		(936,342)	(997,253)
Net investments in property, plant and equipment		(7,253,465)	(2,851,890)
Disinvestments in intangible fixed assets		-	-
Disinvestments in property, plant and equipment		22,584	22,196
Change in current and non-current financial assets		(1,986,470)	(4,602,439)
	Of which with related parties	*(1,091,333)*	*(3,953,026)*
Net equity investments in subsidiaries		(5,210,510)	(3,795,923)
Changes in equity investments in associated companies and other companies		(12,500)	(3,762,500)
Cash flow from investment activities		**(15,376,703)**	**(15,987,809)**
Cash flow from financing activities			
Change in other financial payables		(2,736,672)	(4,094,104)
Loan repayment		(7,752,167)	(8,352,557)
Net financial charges paid		(3,418,535)	(2,405,441)
Purchase of treasury shares		(446,411)	(127,144)
Cash flow from financing activities		**(14,353,784)**	**(14,934,246)**
Net cash flow for the period		**13,074,131**	**(599,252)**
Opening cash and cash equivalents		41,578,272	42,177,524
Closing cash and cash equivalents		54,652,405	41,578,272

Explanatory Notes to the Annual Financial Statements

GENERAL INFORMATION

Italian Exhibition Group SpA (hereinafter "IEG", the "Company" or the "Parent Company", together with its subsidiaries, associated companies and/or jointly controlled companies, the "Group" or the "IEG Group") is a joint-stock company domiciled in Italy, with registered office in Via Emilia 155, Rimini, and organised according to the legal system of the Italian Republic. IEG is the Parent Company, created as a result of the transfer of Fiera di Vicenza SpA to Rimini Fiera SpA and the simultaneous change of the latter's company name to Italian Exhibition Group SpA.

The company successfully completed the process of listing on the MTA (screen-based equities market) organised and managed by Borsa Italiana SpA on 19 June 2019.

It should be noted that, pursuant to Articles 70(8) and 71(1-bis) of the Regulation adopted by CONSOB with Resolution No. 11971/1999, as supplemented and amended, (the "Issuers' Regulation"), the company signed up to the opt-out system set forth in the aforementioned articles, availing itself of the option to depart from the obligations of publication of the information documents set out in Annex 3B of the Issuers' Regulation, at the time significant transactions are being carried out incorporating mergers, demergers, share capital increases through contribution of assets in kind, acquisitions and sales.

Italian Exhibition Group SpA is controlled by Rimini Congressi Srl, which holds 50.01% of the share capital and holds voting rights for 56.27%. However, the Company is not subject to management and coordination by Rimini Congressi Srl pursuant to Art. 2497 et seq. of the Italian Civil Code. In fact, none of the activities typically entailing management and coordination pursuant to Art. 2497 et seq. of the Italian Civil Code, as, by way of example and not limited to:

- Rimini Congressi does not exercise any significant influence over the management decisions and operations of the Issuer, but limits it relations with said entity to the normal exercise of administrative and equity rights owing to its status of holder of voting rights; there is no connection between the members of the administration, management control bodies of the two companies;
- the Company does not receive - and in any case is not subject in any way to - directives or instructions on financial or credit matters from Rimini Congressi;
- the Company has an organisational structure composed of expert professionals who, based on the powers conferred and the positions held, operate independently in line with the indications of the Board of Directors;
- the Company independently prepares strategic, industrial, financial and/or budget plans of the Issuer and the Group and autonomously executes them;
- the Company operates fully independently, from a contractual perspective, in relations with its customers and its suppliers, without any external interference from Rimini Congressi.

At the date of drafting of this document, it should also be noted that: (i) there are no acts, resolutions or communications of Rimini Congressi that lead us to reasonably believe that the company's decisions are the result of a domineering and commanding will of the parent company; (ii) the company does not receive centralised treasury services (cash pooling) or other functions of financial assistance or coordination from Rimini Congressi; (iii) the company is not subject to regulations or policies imposed by Rimini Congressi.

The Group's activities consist of the organisation of trade fairs (Exhibition Industry) and hospitality for trade fairs and other events, through the design, management and provision of fitted-out exhibition spaces (mainly in the "trade fair districts"), the supply of services connected to trade fairs and conferences, as well as the promotion and management, in both its own locations and those of third parties, of conferences, conventions, exhibitions, cultural events, shows and leisure activities, including not related to organised events and conferences.

For the purposes of economic and financial comparability of the company, it should be noted that

- the profit trend, in contexts of normal operations, is influenced by seasonality factors, characterised by more significant events in the first and fourth quarters of the year, as well as the presence of important two-yearly trade fairs, in even-numbered years.
- The financial dynamics, in the context of normal operations, are therefore characterised by an increase in working capital in the first half of the year, while the fourth quarter generally shows a significant improvement in the net financial position, thanks to advances received on events organised at the beginning of the following period.

The publication of this closed financial report as at 31 December 2023 was authorised by resolution of the Board of Directors on 19 March 2024.

STRUCTURE AND CONTENTS OF THE FINANCIAL STATEMENTS

Pursuant to Art. 25 of Law no. Pursuant to article 306 of Law No. 31 of 2003 October 38 and the associated application regulations contained in Legislative Decree No. 28 of 2005 February 31, in exercise of the option provided therein, the IEG Group (hereinafter also "the Group") adopted the **International Accounting Standards** (IFRS) issued by the I.A.S.B – International Accounting Standard Board for financial statements for the year ended as at 2015 December 2015. More specifically, International Financial Reporting Standards are all International Financial Reporting Standards (IFRSs), all International Accounting Standards (IASs), all interpretations of the International Reporting Interpretations Committee (IFRIC), formerly known as the Standing Interpretations Committee (SIC), which, at the date of approval of the separate financial statements as at 31 December 2016 , have been endorsed by the European Union in accordance with the procedure set forth in Regulation (EC) No. 1606/2002, by the European Parliament and the European Council of 19 July 2002.

With regard to the preparation of the separate financial statements of ITALIAN EXHIBITION GROUP SpA, the Company has exercised its right under Art. 25 of Law no. 306 of 31 October 2003, to adopt international accounting standards on the same FTA date as the consolidated financial statements.

The **statement of financial position** was classified on the basis of the operating cycle, separating current and non-current items. Based on this distinction, the assets and liabilities are considered current if they are expected to be realised or extinguished in the normal operating cycle. Non-current assets held for sale and the related liabilities, where present, are shown in the appropriate items.

The **income statement layou**t reflects the analysis of aggregated costs by nature given that this classification was considered more significant for the purposes of understanding the economic result. The revenue and costs items recognised in the year are presented through two tables: an income statement table for the year, which reflects the analysis of the aggregated costs by nature, and a table of comprehensive income.

The result of discontinued operations and/or assets held for disposal, where present, is shown in the appropriate item of the income statement.

Lastly, the **cash flow** statement was prepared by using the indirect method for the determination of the cash flows from operating activities. With this method, the operating profit/loss (EBIT) is adjusted for the effects of non-monetary transactions, any deferral or provision of previous or future operating collections or payments and by elements of revenues or costs connected with cash flows from investment or financing activities.

The functional and presentation currency is the **Euro** expressed in **thousands**, unless otherwise specified.

GOING CONCERN

The Company considers the assumption of business continuity to be appropriate and correct, considering its ability to meet its obligations in the foreseeable future and in particular in the next 12 months, having adequately considered the economic and financial situation of the 2023 financial year, the external context and the impact that the conflicts currently in existence may generate on the Group's business, as well as the forecasts reflected in the new 2023-2028 Strategic Plan, approved by the Board of Directors on 25 January and taking into account the forecasts of the trend of working capital and the foreseeable evolution of the cash situation, the financial statements have been prepared on a going concern basis.

MEASUREMENT CRITERIA

Tangible Fixed Assets

Property, Plant and Equipment (Tangible Fixed Assets) are booked to the financial statements at purchase or production cost, including directly attributable expenses, and adjusted for the respective accumulated depreciation.

The cost includes any expense incurred directly to prepare the assets for use plus any dismantling and removal costs that will be incurred to restore the asset to its original conditions and the financial charges related to construction or production which require a significant period of time to be ready for use and sale (qualifying assets).

Property, plant and equipment are amortised systematically in every period on a straight-line basis, based on the economic-technical rates determined in relation to the residual possibility of use of the assets.

Ordinary maintenance costs are charged to the income statement when they are incurred.

Maintenance costs which determine an increase in value, or functionality, or useful life of the assets, are directly attributable to the assets to which they refer and amortised in relation to the residual possibility of use of said assets.

Improvements to third-party assets are classified in the item "Other assets"; the depreciation period corresponds to the lower of the residual useful life of the tangible fixed asset and the residual duration of the lease agreement.

The depreciation rates applied are as follows:

Items	Rates %
Land	-
Buildings	1.9% - 5%
Plant and machinery	7.5//30
Industrial and commercial equipment	15% - 27%
Other assets	12% - 25%

If indicators of impairment emerge, the property, plant and equipment are subject to an impairment test through the procedure outlined in the section "impairment of assets".

Following the entry into force of new IFRS 16, from 1 January 2019, leases are accounted for in the financial statements based on a single accounting model similar to the one governed by IAS 17 regarding the accounting of financial leases.

At the moment of the stipulation of each contract, the Group:

- determines whether the contract is or contains a lease, a circumstance that is verified when said contract gives the right to control the use of an identified asset for a period of time in exchange for a consideration. This measurement is repeated in the event of the subsequent change to the terms and conditions of the contract.
- separates the components of the contract, by distributing the consideration of the contract between the lease and non-lease component.
- determines the duration of the lease as the period that cannot be cancelled of the lease, augmented by any periods covered by a lease extension or termination option.

At the date of effectiveness of each contract in which the Group is the lessee of an asset, the asset consisting of the right of use, measured at cost, and the financial lease liability, equal to the present value of the residual future payments discounted by using the implicit interest rate of the lease or, alternatively, the marginal financing rate of the Group, are recognised in the financial statements. Subsequently, the asset consisting of the right of use is measured by applying the cost model, or netted of amortisation/depreciation and any accumulated impairment and adjusted to take account of any new lease measurements or amendments. By contrast, the lease liability is measured by increasing the book value to take account of interest, decreasing the book value to take account of the payments due made and redetermining the book value to take into account any new lease measurements or amendments.

The assets are depreciated on the basis of a period of depreciation represented by the duration of the lease agreement, except where the duration of the lease is less than the useful life of the asset based on the rates applied for property, plant and equipment and there is a reasonable certainty of the transfer of ownership of the leased asset on the natural expiry of the contract. In that case, the depreciation period will be calculated on the basis of the criteria and rates indicated for the property, plant and equipment.

For leases ending within 12 months of the date of initial application and that do not make provision for renewal options, and for leases for which the underlying asset is of low value, lease payments are booked to the income statement on a linear basis for the duration of the respective contracts.

Intangible Fixed Assets

An intangible asset is recognised in the accounts only if it is identifiable and controllable, it is likely to generate future economic benefits and if its cost can be reliably determined. The booking of an intangible asset is based on its useful life, an intangible asset with a defined useful life is amortised, whilst an intangible asset with an undefined useful life, is not.

Goodwill and intangible assets with an indefinite useful life

Goodwill and intangible assets with an indefinite useful life are no longer amortised from the date of first time adoption (1 January 2014). Goodwill and other intangible assets with an indefinite useful life relating to the acquisitions completed after 1 January 2014 are, nonetheless, not amortised. An intangible asset is considered as having an undefined useful life when, on the basis of an analysis of the relevant factors, no limit can be estimated as to when the asset will cease generating net incoming cash flows for the company.

Goodwill

Goodwill represents the excess of the purchase cost with respect to the portion pertaining to the purchaser of the fair value of the net identifiable assets and liabilities of the entity acquired. After initial recognition, goodwill is valued at cost, less any impairment deriving from the impairment test (see paragraph "impairment of assets").

Other intangible assets

Intangible assets with a definite useful life are measured at purchase or production cost, including any accessory charges, and are amortised systematically on a straight-line basis during the period of their expected future use. If indicators of impairment emerge they are subject to an impairment test which is outlined in the section "impairment of assets".

Industrial patent and intellectual property rights are amortised over a period of 3 and 5 years, licences and concessions are amortised starting from when the cost is incurred and for the duration of the licence or concession envisaged contractually, while trademarks have a useful life which may vary between ten and twenty-five years.

Compared with last year, there have been no changes made to amortisation/depreciation periods; there are therefore no changes to the rates applied.

Impairment of non-financial assets

Property, plant and equipment and intangible assets with a definite useful life, subject to amortisation/depreciation, are subject to an impairment test only if indicators of impairment emerge.

The recoverability of the values recognised is verified by comparing the carrying amount with the net sale price and the value in use of the asset, whichever is higher. The net sale price is the amount which can be obtained from the sale of an asset in a transaction between independent, informed and willing parties, less disposal costs; in the absence of binding agreements, reference must be made to the prices expressed by an active market, or the best information available, by taking into account, among other things, recent transactions for similar assets carried out in the same business sector. The value in use is defined on the basis of the discounting at an appropriate rate, which expresses the cost of capital of an entity not indebted with a homogeneous risk profile, the expected cash flows from use of the asset (or from an aggregation of assets - the so-called cash-generating units) and its disposal at the end of its useful life.

Subsequently, when an impairment loss on an asset other than goodwill ceases to exist or decreases, the book value of the asset is increased to the new estimated recoverable value and cannot exceed the value that would have been calculated if no impairment loss had been recorded. The reversal of impairment is recognised to the income statement.

Goodwill and the other intangible assets with an indefinite useful life are subject to a systematic verification of recoverability ("impairment test") carried out on an annual basis, at the date of year-end, or more frequently if there are indicators of impairment.

Goodwill impairment is calculated by assessing the recoverable value of the cash-generating unit (or group of cash-generating units) to which the goodwill relates. If the recoverable amount of the cash-generating unit is less than the carrying amount of the cash-generating unit to which the goodwill was allocated, impairment is recognised. The decrease in value to goodwill cannot be restored in future periods.

Business combination

Business combinations are accounted for using the acquisition method set out in IFRS 3 revised in 2008. According to this method, the consideration transferred in a business combination is measured at fair value, determined as the sum of the fair values of the transferred assets and liabilities assumed by the purchaser at the acquisition date and capital instruments issued in exchange for the control of the acquired entity. Transaction accessory costs are recognised in the statement of comprehensive income when incurred.

The contingent considerations, considered part of the transfer price, are measured at fair value at the acquisition date. Any subsequent fair value changes are booked to the statement of comprehensive income.

At the date of acquisition, the identifiable assets acquired and the liabilities assumed are booked at fair value. Goodwill is determined as the excess between the sum of the considerations transferred in the business combination, of the portion of shareholders' equity pertaining to minority interests and of the fair value of any equity investment held previously in the acquired entity, with respect to the fair value of the net assets acquired and liabilities assumed at the acquisition date. If the value of the net assets acquired and liabilities assumed at the acquisition date exceeds the sum of the considerations transferred, of the portion of shareholders' equity pertaining to minority interests and the fair value of any equity investment held previously in the acquired entity, this excess is booked immediately to the statement of comprehensive income as income deriving from the transaction concluded.

NCI can be measured at fair value or at its proportionate share of the fair value of the net assets of the acquiree at the acquisition date. The measurement method is decided on a transaction by transaction basis.

In the process of fair value measurement of business combinations, the Group avails itself of the available information, and for the most significant business combinations, also of the support of external evaluations.

Financial assets

At the time of initial recognition, financial assets must be classified into one of the three categories indicated below based on the following elements:

- the business model of the entity for the management of financial assets; and
- the characteristics relating to the contractual cash flows of the financial asset.

Financial assets are derecognised from the financial statements only if the sale involved the substantial transfer of all risks and benefits related to them. Conversely, whenever a significant part of the risks and benefits related to the financial assets sold have been maintained, these continue to be recognised in the financial statements, even if legal ownership of the assets has effectively been transferred.

Financial liabilities designated at amortised cost

This category includes financial assets that meet both of the following conditions:

- the financial asset is held in accordance with a business model whose objective is achieved through the collection of contractually agreed cash flows ("Hold to Collect" business model); and
- the contractual terms of the financial asset envisage, at certain dates, cash flows represented solely by payments of principal and interest on the amount of principal to be repaid (the "SPPI test" passed).

Financial assets are initially recognised at fair value, considering the transaction costs and revenues directly attributable to the instrument itself. Subsequent to their initial recognition, financial assets under examination are measured at amortised cost, using the effective interest rate method. The amortised cost method is not used for assets - valued at historical cost - whose short duration makes the effect of applying the discounting logic negligible, for those without a defined maturity date and for revocable receivables, such as trade receivables, which, not having a financial component, are recognised at the price specified in the transaction, as provided for in IFRS 15 Revenue from Contracts with Customers

Financial assets designated at fair value through comprehensive income

This category includes financial assets that meet both of the following conditions:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets ("Held to Collect and Sell" Business Model); and
- the contractual terms of the financial asset envisage, at certain dates, cash flows represented solely by payments of principal and interest on the amount of principal to be repaid (the "SPPI test" passed).

This category includes equity interests, not qualifying as controlling, associated or jointly controlled, which are not held for trading purposes, for which the option of designation at fair value through comprehensive income is exercised.

Financial assets are initially recognised at fair value, considering the transaction costs and revenues directly attributable to the instrument itself. Subsequent to initial recognition, equity interests that are non-controlling, associated or of joint control, are measured at fair value and the amounts recorded as a balancing entry to shareholders' equity (Statement of comprehensive income) must not be subsequently transferred to the income statement, even in the event of disposal. The only component relating to the equity securities in question that is recorded in the income statement is represented by the relative dividends.

For equities included in this category, not listed in an active market, the cost criterion is used as an estimate of the fair value only in a residual manner and in limited circumstances, i.e. when the most recent information available for measuring the fair value is insufficient, or there is a wide range of possible valuations of the fair value and the cost represents the best estimate of the fair value in that range of values.

Financial assets designated at fair value through profit and loss

This category includes financial assets other than those classified under financial assets measured at amortised cost and financial assets designated at fair value through comprehensive income.

This category includes financial assets held for trading and includes derivative contracts not classifiable as hedging derivatives (which are represented as assets if the fair value is positive and as liabilities if the fair value is negative).

On initial recognition, financial assets measured at fair value through profit or loss are recorded at fair value, without considering the transaction costs or revenues directly attributable to the instrument itself. At subsequent reference dates, they are measured at fair value and the effects of the measurement are booked to the income statement.

Impairment of financial assets

In accordance with the provisions of IFRS 9, the Group applies a simplified approach to estimate expected credit losses over the entire life of the instrument and takes into consideration its past experience regarding credit losses, corrected on the basis of specific forward-looking factors of the nature of Group receivables and the economic context.

In brief, the Group measures the expected losses of the financial assets so as to reflect:

- a target amount weighted on the basis of the probabilities determined by evaluating a range of possible results;
- the time value of money; and
- reasonable and demonstrable information that is available without undue costs or efforts at the reporting date on past events, current conditions and forecasts of future economic conditions.

The financial asset is impaired when one or more events are verified that have a negative impact on the future cash flows estimated from the financial asset. Observable data relating to the following events (it may be the case that a single event cannot be identified: the impairment of financial assets may be due to the combined effect of different events) constitute proof that the financial asset is impaired:

g) significant financial difficulty of the issuer or debtor;
h) breach of contract, such as non-fulfilment of an obligation or failure to respect an expiry;
i) for economic or contractual reasons relating to the debtor's financial difficulty, the creditor grants the debtor a concession that the creditor would not otherwise have considered;
j) the probability that the debtor will file for bankruptcy or other financial restructuring procedures;
k) disappearance of an active market for that financial asset due to financial difficulties; or
l) the purchase or creation of the financial asset with huge discounts that reflect the credit losses incurred.

For financial assets measured using the amortised cost method, when impairment has been identified, its value is measured as the difference between the asset's carrying amount and the present value of expected future cash flows, discounted on the basis of the original effective interest rate. This value is recognised in the income statement.

Derivative financial instruments

The derivative financial instruments are accounted for in accordance with the provisions of IFRS 9.

At the date of stipulation of the contract, the derivative financial instruments are initially accounted for at fair value, as financial liabilities at fair value through profit and loss when the fair value is positive or as a financial liability designated at fair value through profit and loss when the fair value is negative.

If the financial instruments are not accounted for as hedging instruments, the fair value changes recognised after the initial recognition are treated as components of the result for the year. If, by contrast, the derivative instruments satisfy the requirements to be classified as hedging instruments, subsequent fair value changes are accounted for by applying the specific criteria outlined below.

A derivative financial instrument is classified as a hedge if formal documentation exists of the relationship between the hedging instrument and the hedged element, including the risk management objectives, the strategy for carrying out the hedge and the methods which will be used to check the prospective and retrospective effectiveness of the hedge. The effectiveness of each hedge is verified both at the time each derivative instrument is entered into and during its life, and in particular, at the close of the financial year or interim period. Generally, a hedge is considered highly "effective" if, both at the inception and during its life, fair value changes, in the event of a fair value hedge, or hedge of expected future cash flows, in the event of cash flow hedges, in the hedged element are essentially offset by fair value changes in the hedging instrument.

IFRS 9 provides the possibility of designating the following three hedging relationships:

d) fair value hedge: when the hedge concerns the fair value changes of assets and liabilities booked to the financial statements, both the fair value changes in the hedging instrument and the changes in the object of the hedge are booked to the income statement.
e) cash flow hedges: in the event of hedges aimed at neutralising the risk of changes in cash flows originating from the future fulfilment of obligations defined contractually at the reporting date, the fair value changes in the derivative instrument recorded after the initial recognition are accounted for, limited solely to the effective portion, in the statement of comprehensive income and, therefore, in a shareholders' equity reserve called "Reserve for cash flow hedges". When the economic effects originating from the object of the hedge materialise, the portion accounted for in the statement of comprehensive income is reversed to the income statement. If the hedge is not fully effective, the change in fair value of the hedging instrument relating to the ineffective portion of the same is immediately recognised in the income statement.
c) hedge of a net investment in a foreign operation (net investment hedge).

If the checks do not confirm hedge effectiveness, as from that moment, accounting for the hedging transactions is suspended and the derivative contract is reclassified under financial assets designated at fair value through profit and loss or under financial liabilities designated at fair value through profit and loss. The hedging relationship also ceases when

- the derivative expires, is sold, cancelled or exercised;
- the element being hedged is sold, expires or is reimbursed;
- it is no longer highly probable that the future hedged transaction will be carried out.

A financial asset (or, where applicable, part of a financial asset or part of a group of

similar financial assets) is derecognised from the financial statements when:

- the rights to receive the cash flows from the asset are extinguished;
- the company has transferred the right to receive the cash flows from the asset or assumed the contractual obligation to pay them in full and without delay to a third party and (a) has transferred substantially all rights and benefits of ownership of the financial asset, or (b) has neither transferred nor retained substantially all risks and benefits of the asset, but has transferred control of it.

In cases in which the company has transferred the rights to receive the cash flows from an asset and has not substantially transferred or retained all the risks and benefits or has lost control of the asset, the asset is recognised in the company's financial statements to the extent of its continuing involvement in said asset. In this case, the company also recognises an associated liability. The asset transferred and the associated liability are measured to reflect the rights and obligations that the company has retained.

Equity investments

Equity investments in subsidiaries, associated and jointly-controlled companies, according to IAS 28, are initially entered at cost and, following acquisition, are adjusted as a result of changes in the investor's share in the investee company's net assets. The profit or loss of the investor reflects its own share of the profit (loss) for the year of the investee and other comprehensive income (expense) of the investor reflects its own share of other comprehensive income (expense) of the investee. Subsequent valuations are made in accordance with the preceding paragraph Impairment of non-financial assets.

According to the provisions of IFRS 9 and IAS 32, the equity investments in companies other than subsidiaries, associated companies and jointly-controlled companies are classified as assets at fair value and entered in the income statement or shareholders' equity reserve depending on whether they fall into the FVOCI or FVPL measurement categories. Gains and losses deriving from value adjustments are therefore booked to the income statement or a shareholders' equity reserve respectively.

Inventories

Inventories are measured at purchase cost, including any accessory expenses, determined in accordance with the FIFO method, and the presumed net realisable value drawn from market trends, whichever is the lower. IEG Group inventories are composed primarily of consumables and products held for sale in bars and catering services.

Cash and cash equivalents

Cash and cash equivalents include cash on hand as well as on-demand bank deposits and other treasury investments with an original envisaged maturity of no more than three months.

The definition of cash and cash equivalents of the cash flow statement corresponds to that of the balance sheet.

Provisions for risks and charges

Allocations to provisions for risks and charges are made whenever the Group must meet a present obligation (legal or implicit) as the result of a past event, whose amount can be estimated reliably and involving a probable outlay of resources to meet the obligation. If the expectations of the use of resources go beyond the next year, the obligation is booked at the present value, determined by discounting the expected future cash flows discounted at a rate which also takes into account the cost of borrowing and the risk of the liability.

Risks for which the occurrence of a liability is only possible are indicated in the appropriate section on "guarantees given, commitments and other contingent liabilities" and no allocation is made.

Employee benefits

The employee benefits provided on or after the termination of the employment contract are composed of employee severance indemnity or retirement provisions.

Law no. 296 of 27 December 2006, the "2007 Finance Law" introduced major changes to the allocation of amounts of the provision for employee severance indemnity. Until 31 December 2006, employee severance indemnity fell under post-employment plans known as "defined-benefit plans" and were measured according to IAS 19, using the projected unit credit method carried out by independent actuaries.

This calculation consists of estimating the amount of the benefit that an employee will receive at the presumed date of termination of employment by using demographic assumptions (e.g. mortality rate and staff turnover rate) and financial assumptions (e.g. discount rate and future salary increases). The amount determined in this way is discounted and reproportioned on the basis of the length of service accrued with respect to total length of service and represents a reasonable estimate of the benefits that each employee has already accrued based on their work services.

Following said reform, the provision for employee severance indemnity, for the part accrued from 1 January 2007, is to be considered essentially similar to a "defined contribution plan". In particular, these changes introduced the possibility for the worker to choose where to allocate their employee severance indemnity being accrued: the new flows of the employee severance indemnity can, in companies with more than 50 employees, be allocated by the worker to pre-established pension funds or maintained in the company and transferred to the INPS (Italian National Social Security Institute). In short, for the employee severance indemnity accrued prior to 2007, the IEG Group carried out an actuarial evaluation, without subsequently including the component relating to future salary increases. The part subsequently accrued was instead accounted for according to the methods attributable to defined contribution plans.

During 2012, EC Regulation No. 475/2012 was issued, which acknowledged, at EU level, the revised version of IAS 19 (Employee Benefits) applicable, as per mandatory requirements, from 1 January 2013 according to the retrospective method. Therefore, the IEG Group applied said revised version of IAS 19 from the date of transition to the IAS/IFRS, or 1 January 2014.

Financial liabilities

Financial liabilities are initially recognised at their fair value, equal to the consideration received at the relevant date, augmented, in the case of payables and loans, by the directly attributable transaction costs. Subsequently, non-derivative financial liabilities are measured using the amortised cost criterion, by using the effective interest rate method.

Financial liabilities that are included in the scope of application of IFRS 9 are classified as payables and loans, or as hedging derivatives, depending on the case. The Company determines the classification of its financial liabilities on initial recognition.

Gains and losses are recognised in the income statement when the liability is extinguished as well as through the amortisation process.

The amortised cost is calculated by recognising all discounts or bonuses on the purchase and the fees or costs that are an integral part of the effective interest rate. Amortisation at the effective interest rate is included among financial charges in the income statement.

A financial liability is derecognised when the obligation underlying the liability is discharged, cancelled, or expires.

In the event that an existing financial liability is replaced by another from the same lender, in substantially different conditions, or the conditions of an existing liability substantially change, the exchange or amendment is treated as an accounting derecognition of the original liability and the recognition of a new liability, with any differences in the carrying amount recorded in the income statement.

Put options on minority interests

As regards EU-IFRS, the treatment applicable to put options regarding minority interests is not fully regulated. While, in fact, it has been established that the accounting of a put option on minority interests gives rise to the recognition of a liability, its contra-entry has not been governed. In this regard, when an entity becomes party to a contract as a result of which it assumes an obligation to pay cash or another financial asset in exchange for one of its equity instruments, in compliance with the provisions of paragraph 23 of IAS 32, it must record a financial liability. At the moment of initial recognition, the financial liability will be recognised to the extent corresponding to the amount, appropriately discounted, which must be paid for the exercise of the put option. The subsequent changes in the value of the liability will be recognised in the consolidated income statement.

In order to identify the contra-entry of the recognition of the liability, the company must evaluate whether the risks and benefits of ownership of the minority interests forming the object of the put option have been, due to the conditions of exercise of the option, transferred to the parent company or have remained with the owners of said interests. Based on the results of this analysis, it will depend whether the minority interests forming the object of the put option continue to be represented or not in the consolidated financial statements. They will be if the above-mentioned risks and benefits are not transferred to the parent company through the put option, vice versa, where the transfer has occurred, these minority interests will cease to be represented in the consolidated financial statements.

Therefore, the accounting treatment of the put options on the shares of the parent company can be summarised as follows:

- in the event in which the minority interests do not need to be represented in the financial statements given that the related risks and benefits have been transferred to the parent company, the liability relating to the put option will be recognised:
  - with a goodwill contra-entry, if the put option is recognised to the seller as part of a business combination; or
  - with contra-entry of minorities' shareholders' equity to these interests in the event in which the contract is signed outside this scope; vice versa

- if the transfer of the risks and benefits has not occurred, the contra-entry for the recognition of the aforementioned liability will always be the shareholders' equity pertaining to the Parent Company.

Tax payables for direct taxes and other liabilities

Payables are recognised at nominal value. Payables are eliminated from the financial statements when the underlying financial obligations have been extinguished.

The liabilities, if expiring after twelve months, are discounted in order to bring them back to the current value through the use of a rate as such to reflect the market evaluations of the present value of money and the specific risks connected with the liability. Discounting interest is classified under financial charges.

Hedging instruments

The IEG Group uses derivative financial instruments to hedge its exposure to interest rate risk. The Group has never owned speculative financial instruments. These financial instruments are accounted for using the rules of hedge accounting when:

- At the inception of the existing hedge, the formal designation and documentation of said hedging relationship;
- It is presumed that the hedge is highly effective;
- The effectiveness can be reliably measured and said hedge is highly effective during the designated periods.

The IEG Group applies the accounting of cash flow hedges in the event in which there is formal documentation of the hedging relationship of the changes in cash flows originating from an asset or liability or a future transaction (underlying element hedged) considered highly likely and which could impact the income statement.

The measurement criterion of the hedging instruments is represented by the fair value at the designated date. The fair value of the interest rate derivatives is determined by their market value at the designated date when it refers to future cash flow hedges. It is booked to the hedging reserve of shareholders' equity and transferred to the income statement when the underlying financial charge/income materialises.

In cases in which the instruments do not meet the required conditions for the accounting of hedging instruments set out in IAS 39, the fair value changes are booked to the income statement as financial charges/income.

Translation of foreign currency items

Transactions in foreign currency are initially recognised in the functional currency, using the spot exchange rate at the transaction date. Monetary assets and liabilities, denominated in foreign currency, are translated into the functional currency at the exchange rate at the end of the reporting period. The differences are posted to the income statement.

Net assets

Share capital

The amount of Share Capital to be entered in the financial statements coincides with that of Capital Issued; the latter must be stated on the Balance Sheet at nominal value, i.e. the number of shares (ordinary, preferential and savings) multiplied by their nominal value, net of any part of the Share Capital Subscribed that has not yet been paid-up.

Own shares

Treasury shares are entered as a reduction of the share capital for the nominal value and the share premium reserve for the excess amount, the original cost of the treasury shares and the revenues from any subsequent sales are recognised as changes in shareholders' equity.

With reference to the IAS/IFRS, and more specifically to IAS 32, when purchasing treasury shares, the amount equal to the nominal value of the securities is used as a direct reduction of share capital while the amount ranging between this and the purchase price affects the share premium reserve. In the event of sale, the share capital is re-formed, as is the share premium reserve, thereby assigning the same amounts as had been respectively reduced during purchase and noting any gains/losses brought about by the differences between the purchase price and price of sale, directly to other reserves.

The transaction costs of these transactions are booked as a reduction of the shareholders' equity, without any impact on the income statement.

Acknowledging the proceeds

Revenues from contracts with customers, in accordance with IFRS 15, are recognised when the following conditions are met:

- the contract with the customer has been identified;
- the performance obligations contained in the contract have been identified;
- the price has been determined;
- the price has been allocated to the individual performance obligations contained in the contract;
- the performance obligation contained in the contract has been satisfied.

The Group recognises revenues from contracts with customers when (or as) it fulfils the obligation by transferring the promised good or service (or asset) to the customer. The asset is transferred when (or as) the customer acquires control over it.

The Group transfers control of the good or service over time, and therefore fulfils the performance obligation and recognises the revenues over time, if one of the following criteria is satisfied:

- the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs;
- the Group's performance creates or enhances the asset (for example, work in progress) that the customer controls as the asset is created or enhanced;
- the Group's performance does not create an asset that has an alternative use to the Group and the Group has an enforceable right to payment for performance completed to the date considered.

If the performance obligation is not fulfilled over time, it is fulfilled at a point in time. In that case, the Group recognises the revenue at the moment in which the customer acquires control of the promised asset.

Revenue is recorded at fair value equal to the amount received or due, taking into account any trade discounts granted or reductions linked to quantities sold.

The Group believes that the customer acquires control of all services provided to it at the end of the event, owing to its short duration.

Public grants are only noted where we can be reasonably certain that they will be received and all related conditions have been met, regardless, therefore, of the presence of any formal concession resolution. Grants are noted as income in the year in which they fall due and when correlated with an asset, they are recognised as income on a straight-line basis, throughout the expected useful life of the underlying asset.

During the financial year, the Company made a change to the classification of contributions granted by ICE - Italian Trade Agency, applying a different criterion, i.e., recording the contributions received as costs for services, among those required by paragraph 29 of IAS 20, which states "Grants are presented as components of profit (loss) for the year, either separately or within a generic item such as "Other income" alternatively, they are deducted from the related cost". Accordingly, the Company has, in accordance with IAS 1 41, restated the comparative figures for the financial statements for the year ended 31 December 2022; for more details on the quantification of this item, please refer to paragraph 27 of these notes.

Operating Costs

Costs are recognised when they relate to goods and services sold or consumed in the period or for systematic allocation or when their future use cannot be identified.

Personnel expenses also include, on an accruals basis, taking into account the period of actual service, the fees to directors, both fixed and variable.

Sundry tax other , than income tax and rates , are noted directly as profit or loss and therefore come under the item of operating costs.

Costs that do not meet the conditions to be recognised under balance sheet assets are booked to the income statement in the period in which they are incurred.

Financial income and expense

Financial income and expense are recognised according to a time criterion that takes into account the actual return/expense of the relevant asset/liability.

Dividends

Revenues for dividends are recognised when the shareholder's right to receive payment is established, which normally coincides with the date of the annual shareholders' meeting that resolves on the distribution of the dividends, taking into account treasury shares held.

Taxes

Taxes for the period include current and deferred taxes. Income tax are generally booked to the income statement, except where they relate to events recorded directly in shareholders' equity. In this case, the income taxes are also booked directly to shareholders' equity.

Current taxes are taxes expected to be paid on taxable income for the year

and are calculated in accordance with the regulations in force at the date of the financial statements.

Deferred tax liabilities are calculated based on the liability method applied to the temporary differences between the amounts of assets and liabilities in the consolidated financial statements and the corresponding values recognised for tax purposes. Deferred tax liabilities are calculated using tax rates that are expected to apply at the moment in which in which the asset is realised or the liability settled.

Deferred tax assets are recognised only if it is likely that taxable income sufficient for said assets to be realised will be generated in the following years.

Deferred tax assets and liabilities are only offset when there is a legal right to offset and when they refer to taxes due to the same tax authorities.

The tax provisions that may be generated by the transfer of non-distributed profit from the subsidiaries are made only when there is a real intention to transfer said profit.

USE OF ESTIMATES

The preparation of the consolidated financial statements requires Directors to use accounting principles and methods that, in some instances, require the use of complex and subjective valuations and estimates drawn from historical experience and assumptions that, in each case, are deemed to be reasonable and realistic under the circumstances existing at that time.

The use of these estimates and assumptions has an impact on the amounts reported in the financial statements, which include the statement of financial position, the income statement and the cash flow statement, as well as the explanatory notes.

The final amounts shown in the consolidated financial statements for which the above-mentioned estimates and assumptions were used may differ from the amounts reported in the financial statements of the individual companies due to the uncertainty that is inherent in the assumptions and the conditions upon which the estimates were based.

The financial statements items that, more than others, require greater subjective input by the Directors in the preparation of estimates and for which a change in the conditions underlying the assumptions used could have a material impact on the company's separate financial statements mainly concern:

- the measurement of fixed assets (amortisation/depreciation and any write-downs due to impairment, price allocations);
- the measurement of receivables.
- the recognition and quantification of contingent assets and liabilities;
- the determination of deferred tax assets/liabilities and income taxes;
- the determination of liabilities relating to "Employee severance indemnity" accrued prior to 2007, which was carried out by making use of the actuarial evaluation prepared by independent actuaries.
- financial payables on put options and conditional earn-outs;
- risk provisions;
- fair value of financial instruments.

With reference to fixed assets, notice is hereby given that, for the impairment test, the processes and measurement methods and the methods for calculating the estimates are based on complex assumptions relating to revenues, operating costs, margins, investments, rates of growth in the terminal value and discount rates differentiated for each of the CGUs identified, to which the different scenarios subject to sensitivity analysis are applied.

With reference to the measurement of receivables, notice is hereby given that the bad debt provisions reflects the estimates of expected losses for the Group's loan portfolio. Allocations were made to cover expected losses on loans, estimated on the basis of previous experience with reference to loans with similar credit risk, to amounts of current and historical unpaid amounts, as well as careful monitoring of the quality of the loan portfolio and the current and expected conditions and reference markets. The estimates and assumptions are periodically reviewed and the impact of any change recognised in the income statement in the relevant year.

With reference to the measurement of financial instruments, notice is hereby given that the fair value of unlisted financial assets is determined through financial measurement techniques used that require basic assumptions and estimates. These assumptions may not materialise in the times and methods envisaged. Therefore, the estimates prepared by the Group may differ from the final data.

The parameters used to draw up the estimates are commented on in the Explanatory notes to the consolidated financial statements. The estimates and assumptions are periodically reviewed and the impact of any change recognised immediately in the income statement. For matters not specifically addressed, please refer to the respective paragraphs in "Measurement criteria".

FINANCIAL RISK MANAGEMENT

The company is exposed to financial risks related to its activities, in particular relating to the following types:

- *credit risk*, deriving from commercial transactions or financing activities;
- *liquidity risk*, relating to the availability of financial resources and access to the credit market;
- *market risk* (composed of exchange rate risk, interest rate risk, price risk), with particular reference to interest rate risk, relating to the exposure to the company on financial instruments that generate interest.

Credit risk

The credit risk to which the company is subject falls under normal commercial activities, both owing to the fragmentation of positions and the excellent credit quality historically recorded. Positions considered to be at risk were, however, written down accordingly. In order to contain the risks deriving from the management of trade receivables, an appropriate department has been set up to systematically coordinate the reminder activities managed, in the initial phase, by the sales structures, subsequently by the credit manager and, finally, entrusted to the legal representative or specialised companies. The software implemented by the company keeps a track of each reminder.

The table below shows the breakdown by past due brackets, of the receivables past due as at 31 December 2023 and 31 December 2022 and the overall value of the Bad Debt Provision.

	Balance as at 31/12/2023	Analysis of past due						
		Falling due	Past due	0-90 days	91-180 days	181-365 days	Beyond 365 days	Bad debt provision
TRADE RECEIVABLES	**25,153**	**8,994**	**22,264**	15,388	938	803	5,135	**(6,105)**

	Balance as at 31/12/2022	Analysis of past due						
		Falling due	Past due	0-90 days	91-180 days	181-365 days	Beyond 365 days	Bad debt provision
TRADE RECEIVABLES	**24,284**	**10,402**	**19,214**	12,095	1,055	783	5,282	**(5,332)**

The bad debt provision is calculated on the basis of the criteria of presumed recoverability, through both internal evaluations and with the support of external legal representatives. For more details on changes in the Bad debt provision, please refer to Note 9) Trade receivables.

Liquidity risk

The company believes it is fundamentally important to maintain a level of available funds suited to its requirements and those of the Group.

The two main factors that determine the liquidity situation are, on the one hand, the resources generated or absorbed by operating and investment activities, and on the other, the maturity and renewal characteristics of the debt or of the liquidity of financial investments and market conditions.

The company has adopted a series of policies and processes for optimising the management of financial resources, reducing liquidity risk through:

- *maintenance of an adequate level of available liquidity;*
- *obtainment of adequate credit lines;*
- monitoring of prospective liquidity conditions in relation to the planning process *corporate.*

As part of this type of risk, as regards the composition of net financial debt, the company tends to finance investments with medium/long-term payables, while it meets current commitments with both the cash flow generated by operations and by using short-term credit lines.

The table below shows the breakdown and maturity of financial payables and trade payables:

Euro/000	Within 1 year	From 1 to 5 years	Due after 5 years	Total
31/12/2023				
Payables due to banks	17,930	54,286	17,896	90,112
Financial liabilities on rights of use	1,962	6,785	8,910	17,657
Other financial liabilities	2	-	-	2
Trade Payables	39,497	-	-	39,497
TOTAL	**59,391**	**61,071**	**26,806**	**147,268**

Euro/000	Within 1 year	From 1 to 5 years	Due after 5 years	Total
31/12/2022				
Payables due to banks	16,109	61,777	19,978	97,864
Financial liabilities on rights of use	1,681	5,815	11,302	18,798
Other financial liabilities	2,738	1,441		4,179
Trade Payables	37,285			37,285
TOTAL	**57,813**	**69,033**	**31,280**	**158,126**

For further information on the breakdown of the items reported in the table, please refer to Notes 15, 16, 17, 21, 22, 23.

As at 31 December 2023, the Company can rely on 22 thousand euros of unused credit lines, cash and cash equivalents of 54.652 thousand euros and trade receivables, for 25,153 thousand euros; it therefore has sufficient liquid funds to cope with the short-term financial needs, even taking into account the general economic context of the period.

Market risk

The company reserves the right to intervene with suitable hedges if the market risk factors should become significant.

The market risk consists of exchange rate risk, interest rate risk and price risk, as set out below.

Exchange rate risk

The IEG Group, operating in a global context, is naturally exposed to exchange rate risk arising from fluctuations in currency rates, in particular against the US Dollar for the investment made in the subsidiary FB International Inc, to the United Arab Emirates Dirham for the investment made in HBG FZ LLC, to the Brazilian Real for the investment made in the subsidiary IEG Brasil, to the Chinese Renmimbi for the investment made in the subsidiary Europe Asia Global Link Exhibition Ltd and to the Singapore Dollar following the incorporation of IEG Asia Pte Ltd based in the Republic of Singapore.

The exchanges rates against the Euros (foreign currency for euro units) adopted to translate the items denominated in another currency are shown below:

Currency	Exchange rate as at 31/12/2023	Average exchange rate 2023	Exchange rate as at 31/12/2022	Average exchange rate 2022
United Arab Emirates Dirham	4.0581	3.9710	3.9171	3.8673
US dollar	1.1050	1.0813	1.0666	1.0530
Brazilian Real	5.3618	5.4010	5.6386	5.4399
Chinese Renminbi	7.8509	7.6600	7.3582	7.0788
Singapore Dollar	1.4591	1.4523	1.4300	1.4512

The functional currency, defined by the IAS as the currency of the economic environment in which the company mainly operates, is the euro.

As at 31 December 2023, a change of +/- 1% in the above rates versus the Euro, based on all other variables remaining the same, would not have involved significant differences to the pre-tax result and, therefore, to the corresponding variation in shareholders' equity.

Interest rate risk

In order to carry out its activities, the company obtains finance on the market by taking out primarily floating rate debt (linked to the Euribor), hence exposing itself to the risk deriving from an increase in interest rates.

The objective of interest risk management is to limit and stabilise flows of expenses due to interest paid primarily on medium-term payables to ensure close correlation between the underlying and the hedging instrument.

The hedging activity, evaluated and decided on a case by case basis, is carried out predominantly through derivative contracts targeted at transforming a variable rate to a fixed rate.

In 2023, following a hypothetical increase or decrease of 100 basis points in the interest rate, based on all other variables remaining the same, the higher or lower pre-tax charge (and therefore a corresponding change in shareholders' equity) would have been for an insignificant amount.

Price risk

The type of activity performed by the company, essentially represented by the provision of services that do not require a process of purchase-transformation of assets, is as such that the risk of fluctuations in asset prices is not particularly significant. The majority of the purchases made in relation to business activities is represented by the provision of service whose value is not immediately influenced by macroeconomic changes in the prices of the main *commodities*. In addition, as stated in relation to exchange rate risk, sales are almost all in the accounting currency and purchases not in euros are negligible.

For the sake of complete disclosure, it should be noted that, as at 31 December 2023, the Group is exposed to a minimal extent to the price risk associated with investments in listed equities, as it has made a small investment in the shares of the company Gambero Rosso, classified to the financial statements under financial assets at "Fair Value through Profit & Loss".

Climate change

On this subject, please refer to what has already been discussed in the specific section of the Report on Operations.

Fair Value

IFRS 13 defines the following three levels of fair value to which to refer the measurement of financial instruments recognised in the statement of financial position:

- *Level 1:* prices quoted on an active market;
- *Level 2:* inputs other than the listed prices described for Level 1, which can be directly (price) or indirectly (price derivatives) observed on the market;
- *Level 3:* inputs that are not based on observable market data.

The following tables show the classification of financial assets and liabilities and the level of inputs used for the fair value measurement, as at 31 December 2023 and 31 December 2022.

31/12/2023						
	Notes	Level	Amortised cost	Fair value through OCI	Fair value through profit and loss	Total
ASSETS						
Other equity investments	5	2-3		10,443	110	10,554
Non-current financial assets	7	1-2	614	1,019	105	1,738
Other non-current assets	8		189			189

Trade Receivables	9		25,153			25,153
Current financial assets	11	2	7,589			7,589
Other Current Assets	12		4,507			4,507
Cash and cash equivalents	13		54,652			54,652
TOTAL ASSETS			**92,704**	**11,462**	**216**	**104,382**
LIABILITIES						
Non-current payables due to banks	15		72,182			72,182
Other non-current financial liabilities	17	2	15,696			15,696
Other non-current liabilities	20		1,704			1,704
Current payables due to banks	15		17,930			17,930
Other current financial liabilities	22		1,964			1,964
Trade Payables	23		39,497			39,497
Other current liabilities	25		52,744			52,744
TOTAL LIABILITIES			**201,717**	**0**	**0**	**201,717**

			31/12/2022			
	Notes	**Level**	**Amortised cost**	**Fair value through OCI**	**Fair value through profit and loss**	**Total**
ASSETS						
Other equity investments	5	2-3		9,248	70	9,344
Non-current financial assets	7	1-2		1,703	524	2,227
Other non-current assets	8		184			184
Trade Receivables	9		24,285			24,285
Current financial assets	11	2	7,079			7,079
Other Current Assets	12		3,664			3,664
Cash and cash equivalents	13		41,578			41,578
TOTAL ASSETS			**76,790**	**10,951**	**594**	**88,361**
LIABILITIES						
Non-current payables due to banks	15		81,755			81,755
Other non-current financial liabilities	17	2	18,558			18,558
Other non-current liabilities	20		1,805			1,805
Current payables due to banks	15		16,109			16,109
Other current financial liabilities	22		4,419			4,419
Trade Payables	23		37,285			37,285

Other current liabilities	25	45,649			45,649
TOTAL LIABILITIES		**205,580**	**0**	**0**	**205,580**

If the fair value is not borne out by a price listed on a market or not based on a measurement technique based purely on observable market data, the Group will not, as specified by accounting standard IFRS 7, note the gain or loss as profit and loss when initially booked and shall specify which accounting standards it adopted in noting the difference between the initial fair value recorded and the transaction price on the income statement, to reflect a hypothetical change in factors (including time) that the market participants may take into consideration to determine a specific price.

STANDARDS, INTERPRETATIONS AND AMENDMENTS TO IFRS APPLIED FROM 1 JANUARY 2023 OR WHICH CAN BE APPLIED EARLY

In 2023, the IEG Group adopted the following new accounting standards, amendments and interpretations, revised by the IASB.

- IFRS17 Insurance Contracts: The standard introduces a new accounting approach to insurance contracts by insurance companies, previously set out in IFRS 4. These amendments aim to make the accounting of insurance products more transparent and to improve the consistency of their accounting representation. The application of this standard had no impact on the financial statements for the year ended 31 December 2023.
- Amendment to IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors. This document, issued by the IASB on 12 February 2021, is intended to address the difficulties that arise when an entity has to distinguish between changes in accounting standards and changes in estimates. The application of this amendment to the consolidated financial statements of the IEG Group had no impact on the financial statements for the year ended 31 December 2023.
- Amendment to IAS 1 Presentation of Financial Statements, to IFRS Practice Statement 2: Disclosure of Accounting policies. The amendment issued by the IASB on 12 February 2021 is intended to help financial statement preparers understand which accounting policies to disclose in their financial reports. The application of this amendment to the consolidated financial statements of the IEG Group had no impact on the financial statements for the year ended 31 December 2023.
- Amendment to IAS 12 - Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction. The amendment issued by the IASB on 7 May 2021 is intended to clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The application of these Annual Improvements on the consolidated financial statements of the IEG Group had no significant impact on the financial statements for the year ended 31 December 2023.
- Amendment to IFRS 17 Insurance Contracts - Initial Application of IFRS 17 and IFRS 9 - Comparative Information. The amendment issued by the IASB on 9 December 2021 is intended to provide additional information to financial statement preparers on how to present prior period comparative information on the initial application of IFRS 17. The application of this amendment to the consolidated financial statements of the IEG Group had no significant impact on the financial statements for the year ended 31 December 2023.

NEW IFRS AND IFRIC ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT YET APPLICABLE AND NOT ADOPTED EARLY BY THE IEG GROUP

New accounting standards, amendments and interpretations not yet endorsed by the relevant European Union bodies are set out below. The IEG Group is assessing the impacts that the application of these will have on the consolidated financial statements. The new accounting standards, amendments and interpretations will be adopted according to the effective dates of introduction as reported below.

- Amendment to IAS 1 Presentation of Financial Statements - Classification of Liabilities as Current or Non-current, Deferral of Effective Date - Non-current liabilities with covenants. The aforementioned amendment issued by the IASB on 23 January 2020, 15 July 2020 and 31 October 2022 is intended to clarify the conditions under which an entity may recognise a short-term or long-term liability. The amendment will enter into force on 1 January 2024.
- Amendments to IFRS 16 Leases - Lease Liabilities in a Sale and Leaseback: this amendment issued by the IASB on 22 September 2022 is intended to clarify how the seller and lessee may measure the sale and leaseback transaction in order to comply with the requirements of IFRS 15 to account for the sale. The amendment will enter into force on 1 January 2024.
- Amendment to IAS 12 Income Taxes: International Tax Reform - Pillar Two Model Rules, this amendment issued by the IASB on 23 May 2023 clarifies tax accounting related to the OECD "Pillar Two" rules. The amendment is effective as of 1 January 2024 and is not expected to have a significant impact on the Group's economic, financial and balance sheet situation.

COMMENTS ON MAIN ASSET ITEMS

NON-CURRENT ASSETS

1) Tangible Fixed Assets

The fixed assets were subject to a monetary revaluation in previous years pursuant to law no. 266/2005 carried out, partly, through the revaluation of the historical cost and, partly through the reduction of accumulated depreciation. Therefore, the historical cost of the fixed assets at the end of the previous year was determined as follows:

		Monetary revaluations	
	Historical cost	Law no. 266/2005	**Balance as at 31/12/2022**
Land and buildings	258,798	6,078	264,876
Accumulated depreciation - buildings	(125,088)	*534*	(124,554)
Plant and machinery	78,120		78,120
Accumulated depreciation - plant and machinery	(69,809)	*391*	(69,418)
Industrial and commercial equipment	15,390		15,390
Accumulated depreciation - equipment	(14,375)		(14,375)
Other assets	18,114		18,114
Accumulated depreciation - Other assets	(14,863)		(14,863)
Fixed assets under construction and payments on account	477		477
	146,765	**7,003**	**153,768**

The table below details the changes in fixed assets during 2023.

	Balance as at 31/12/2022	Changes as at 31 December 2023				Balance as at 31/12/2023
		Increases	Decreases	Amortisation	Transfers	
Land and buildings						
Book value	264,876	2,986				267,862
Amortisation	(124,554)			(4,984)		(129,538)
Total land and buildings	**140,322**	**2,986**	-	**(4,984)**	-	**138,324**
Plant and machinery						
Book value	78,120	1,626				79,746
Amortisation	(69,418)			(1,301)	-	(70,719)
Total plant and machinery	**8,702**	**1,626**	-	**(1,301)**	-	**9,027**
Industrial and commercial equipment						
Book value	15,390	59				15,449
Amortisation	(14,375)			(368)		(14,743)
Total industrial and commercial equipment	**1,015**	**59**	-	**(368)**	-	**706**

Other assets						
Book value	18,115	1,082	(253)			18,944
Amortisation	(14,863)		249	(653)		(15,268)
Total other assets	**3,252**	**1,082**	**(4)**	**(653)**	-	**3,676**
Fixed assets under construction and payments on account						
Book value	477	1,500	(19)			1,958
Total Fixed assets under construction and payments on account	**477**	**1,500**	**(19)**	-	-	**1,958**
Rights of Use Leased Assets						
Book value	31,211	-	(403)	-	-	30,808
Amortisation	(12,332)	-	600	(1,734)	-	(13,466)
Total rights of use of leased assets	**18,879**	**-**	197	**(1,734)**	**-**	**17,343**
TOTAL	**172,646**	**7,253**	**175**	**(9,039)**	**-**	**171,034**

	Balance as at 31/12/2021	**Changes as at 31 December 2022**				**Balance as at 31/12/2022**
		Increases	Decreases	Amortisation	Transfers	
Land and buildings						
Book value	264,348	526			2	264,876
Amortisation	(119,588)			(4,966)		(124,554)
Total land and buildings	**144,760**	**526**	-	**(4,966)**	**2**	**159,058**
Plant and machinery						
Book value	75,899	1,636			585	78,120
Amortisation	(68,026)			(1,392)	-	(69,418)
Total plant and machinery	**7,873**	**1,636**	-	**(1,392)**	**585**	**8,702**
Industrial and commercial equipment						
Book value	15,165	225				15,390
Amortisation	(14,003)			(372)		(14,375)
Total industrial and commercial equipment	**1,162**	**225**	-	**(372)**	-	**1,015**
Other assets						
Book value	17,966	299	(150)			18,115
Amortisation	(14,257)		128	(734)		(14,863)
Total other assets	**3,709**	**299**	**(22)**	**(734)**	-	**3,252**
Fixed assets under construction and payments on account						
Book value	3.870	165	(2,971)		(587)	477
Total Fixed assets under construction and payments on account	**3.870**	**165**	**(2,971)**	-	**(587)**	**477**
Rights of Use Leased Assets						
Book value	29.731	1,480				31,211
Amortisation	(10.696)			(1,636)		(12,332)

Total rights of use of leased assets	**19,035**	**1.480**	**-**	**(1,636)**	**-**	**18,879**
TOTAL	**180,408**	**4,332**	**(2,993)**	**(9,101)**	**-**	**172,646**

The item **"Land and Buildings"** as of 31 December 2023 amounted to 138,324 thousand euros, a net decrease of 1,997 thousand euros compared to 31 December 2022. This change is due to increases of 2,986 thousand euros related to improvements to the Rimini and Vicenza exhibition centres and work to expand the parking areas at the Rimini exhibition centre. Depreciation of 4,984 thousand euros was recorded in the period.

The item **"Plant and machinery"** as of 31 December 2023 was 9,027 thousand euros, showing a net increase of 325 thousand euros compared to 31 December 2022, mainly due to new investments made for 1,626 thousand euros, mainly incurred for improvements at the Rimini and Vicenza exhibition centres and, in particular, the construction of automated accesses to the car parks at the Romagna exhibition centre, and to the recognition of depreciation for the period of 1,301 thousand euros.

The item **"Industrial and commercial equipment"** showed a balance of 706 thousand euros, with a net decrease of 309 thousand euros compared to the previous year, mainly due to the recognition of depreciation for the period of 368 thousand euros. Capital expenditure during the year amounted to 59 thousand euros.

"Other assets" amounted to3,676 thousand euros at 31 December 2023, a net increase of 425 thousand euros compared to the previous period. The change was mainly due to new capital expenditures of 1,082 thousand euros, mainly related to leasehold improvements and depreciation for the period of 653 thousand euros.

Finally, **"Fixed assets under construction and advances"** showed a balance of 1,958 thousand euros as of 31 December 2023, with a net increase of 1,481 thousand euros compared to the previous year. Capital expenditures in the period amounted to 1,500 thousand euros and largely referred to improvement and redevelopment works at the Vicenza Exhibition Centre, while the portion referring to the previous year referred to geological survey works for the expansion of the Rimini Exhibition Centre.

The item **"Rights of Use for Leased Assets"** amounted to 17,343 thousand euros as of 31 December 2023 and included the values of the rights of use claimed by the Company accounted for in accordance with IFRS 16. This item recorded a net decrease of 1,537 thousand euros compared to the previous period, mainly due to the recognition of depreciation for the period of 1,743 thousand euros.

The building at Via Emilia 155 (Rimini Exhibition Centre) is encumbered by a first mortgage for 150 million euros issued to guarantee the loan granted by the pool of banks led by Credit Agricole Italia SpA. The mortgage is granted equally in favour of each of the Original Secured Creditors in the amounts shown below:

- in reference to Crédit Agricole Italia, within the total limit of 50 million euros;
- in reference to BNL, within the total limit of 26 million euros;
- in reference to Banco Popolare - BPM, within the total limit of 22 million euros;
- in reference to BPER, within the total limit of 26 million euros;
- in reference to Credito Sportivo, within the total limit of 26 million euros.

The property in Vicenza, via dell'Oreficeria 16 (Vicenza trade fair district) is encumbered by a first mortgage of 84 million euros to guarantee the loan granted by Intesa San Paolo (formerly Banca Popolare di Vicenza) and drawn down in 2008.

It is specified that the mortgages are noted at the time the entry is made in the register of properties.

2) Intangible Fixed Assets

The following table shows the changes that occurred during the year.

	Balance as at	Changes as at 31 December 2023			Balance as at
	31/12/2022	Incr.	Decr.	Depreciation and Amortisation	31/12/2023
Industrial patent and intellectual property rights	478	460		-283	655
Concessions, licenses, trademarks and similar rights	7,138		-49	-485	6,604
Goodwill	8,211				8,211
Other intangible fixed assets	2,544		-132	-774	1,638
Fixed assets under construction and payments on account	644	477			1,121
TOTAL	**19,015**	**936**	-181	**1,542**	**18,229**

	Balance as at	Changes in the 2022 financial year				Balance as at
	31/12/2021	Incr.	Decr.	Depreciation and Amortisation	Transfers	31/12/2022
Industrial patent and intellectual property rights	465	352		(340)		478
Concessions, licenses, trademarks and similar rights	7,633			(495)		7,138
Goodwill	8,211					8,211
Other intangible fixed assets	3,336	1		(793)		2,544
Fixed assets under construction and payments on account	-	644				644
TOTAL	**19,646**	**997**		**(1,628)**		**19,015**

The item **"Industrial Patent and Intellectual Property Rights"** amounted to 655 thousand euros as at 31 December 2023 and contains capitalised costs for the purchase of software licences and legally protected intellectual works. The net change for the period was 177 thousand euros and was mainly due to new investments of 460 thousand euros for the purchase of new software for Group companies, and depreciation and amortisation of 283 thousand euros.

The item **"Concessions, licences, trademarks and similar rights"** of 6,604 thousand euros as of 31 December 2023, recorded a decrease of 534 thousand euros compared to the previous year, mainly related to the recognition of amortisation for the period of 485 thousand euros and write-downs of 49 thousand euros.

The item **"Other intangible assets"** was 1,638 thousand euros at 31 December 2023, a net decrease of 906 thousand euros compared to the previous year. The change for the period mainly consisted of write-downs of 132 thousand euros and depreciation for the period of 774 thousand euros.

"Fixed assets under construction and advances" showed a balance of 1,120 thousand euros at 31 December 2023, an increase of 477 thousand euros compared to 31 December 2022. The balance relates to expenses incurred for the development of new data ecosystem projects in the web area.

The item **"Goodwill"** includes the values generated by the surplus between the cost of the business combinations and the fair value of the assets, liabilities and contingent liabilities acquired. As of 31 December 2023, the balance of Goodwill was 8,211 thousand euros and did not change from the previous year.

The values resulting from the acquisitions and booked to the company's financial statements are set out below.

	Balance as at 31/12/2023	Balance as at 31/12/2022
Goodwill arising from the transfer of Fiera di Vicenza	7,948	7,948
Other goodwill	263	263
TOTAL GOODWILL	**8,211**	**8,211**

As outlined in the chapter relating to the "Measurement criteria", goodwill, excluding that emerged from the recent acquisitions indicated previously, is subject to impairment testing at the date of year-end (or more frequently if there are indicators of impairment), using the methodology described in the paragraph "Impairment of non-financial assets". In particular, the impairment test verifies the recoverability of goodwill by comparing the Net Capital Invested, including the value of the goodwill with the Recoverable value of said CGU/group of CGUs, represented by the higher of the fair value, less disposal costs, and the value in use.

Goodwill emerging from the transfer of Fiera di Vicenza was allocated to the "IEG CGU" as the recipient of the benefits of the business combination. These benefits refer to the acquired capacity to be recognised on the market as an aggregator, the synergies deriving from the use and optimisation of the workforce with the elimination of duplications, the sharing of mutual best practices, the comparison of the services provided by the suppliers with price savings, the acquisition of specific expertise to grow on the foreign market.

For the IEG CGU, the relevant value in use was determined by adopting the CGU Discounted Cash Flow (DCF) methodology. Operating cash flows (unlevered free cash flow) were determined using the 2023-2028 Strategic Plan approved by the IEG Board of Directors on 25 January 2024 and published in the Presentations section of the Parent Company's website.

For the determination of the Terminal Value, a long-term growth rate "g" of 2% was used, in line with the expected inflation forecast in Italy in 2028 based on International Monetary Fund estimates.

For the discounting of the explicit cash flows and the Terminal Value, a WACC of 11.91% was used, which includes a Small Size Premium of 3.0%, in consideration of the smaller size of the Group with respect to comparable companies (Source: Duff & Phelps).

The impairment test carried out, at the reference date based on the methods described above, brought to light higher recoverable values than the book values of the net capital invested (including goodwill), therefore excluding the need to reduce the value of the goodwill.

In support of the analysis, the company"s Directors decided to further test the recoverable value of each CGU and the groups of CGUs described above and two separate sensitivity analyses were conducted, through which the WACC, the "g rate" and the estimates of the Operating Cash Flow were subject to assumptions of change. More specifically:

- assumption 1: change in the WACC (+/- 1%) combined with the change in the g rate (+/- 0.4%)
- assumption 2: percentage change in operating cash flow (+/- 10%) combined with the change in the WACC (+/- 1%)

The sensitivity analyses described herein did not bring to light any criticalities in terms of recoverability of the goodwill booked in the separate financial statements of the Parent company. The parameters that, taken individually or keeping all other elements constant, zero the cover are:

	WACC	g	Reduction in cash flow
IEG CGU	19.8%	-12.4%	74.2%

The assumptions used for impairment purposes and the results achieved, were approved by the Board of Directors of Italian Exhibition Group SpA respectively on 25 January 2024 and 26 February 2024, independently and before these financial statements.

3) Equity investments in subsidiaries

The changes in the item in question are shown below.

	% held	Balance as at 31/12/2022	Changes in the 2023 financial year		Balance as at 31/12/2023
			Increases/ Decreases	Revaluations/ Write-downs	
Fieravicola Srl	51%	51			51
Ieg Brasil Eventos Ltda	75%	502	1,310		1,812
Summertrade Srl	65%	2,366			2,366
Prostand Exhibition Services Srl	51%	148			148
Prime Servizi Srl	51%	31			31
IEG USA Inc	100%	2,046			2,046
Prostand Srl	100%	9,546	2,469		12,015
IEG Deutschland Gmbh	100%	125			125
IEG China	100%	635	100		735
V Group Srl	75%	3,380			3,380
IEG Asia Pte Ltd	100%	350	1,095		1,444
A&T Srl	51%	-	567		567
HBG Events FZ LLC	100%	5,943			5,943

TOTAL EQUITY INVESTMENTS IN SUBSIDIARIES	**25,123**	**5,541**	**30,664**

The item "Investments in Subsidiaries" amounted to 30,664 thousand euros as of 31 December 2023, an increase of 5,541 thousand euros compared to the previous year.

During the year, A&T Srl was acquired, a company based in Turin (TO) that organises the "*A&T Automation & Testing*" event, an exhibition dedicated to innovation, technology, reliability and 4.0 - 5.0 skills. The event, held annually in the first quarter of each year, takes place at Lingotto in Turin and from 2023 has doubled the events, holding an additional edition at the Vicenza exhibition centre. The Company acquired 51% of A&T's capital on 1 October 2023, at a cost of 567 thousand euros. The Company also subscribed to a purchase option for the minority share to be exercised as of 2026.

The Company made capital increase payments to the following companies:

- IEG Brasil Eventos Ltda for a total amount of 1,310 thousand euros
- IEG China for a total amount of 100 thousand euros
- IEG Asia Pte Ltd for a total amount of 1,095 thousand euros

On 10 July 2023, the acquisition of the last 20% of the share capital of the subsidiary Pro.Stand Srl was also completed. During the shareholders' meeting to approve the subsidiary's 2022 financial statements, all minority shareholders exercised the put option granted to them by the contract signed on 19 July 2018 on the shares held by them, the price paid was 2,469 thousand euros entirely financed by the Parent Company with its own funds.

The table below provides a comparison between the book value in the financial statements of the equity investments in subsidiaries and the value of the relative portion of shareholders' equity resulting from the last set of approved financial statements where there are no events suggesting impairment.

Company name Registered office	% held	Share capital	Year result	P. Assets Booked	% value of Shareholders' equity	Value value
Subsidiaries						
Summertrade Srl Rimini, via Emilia 155	65.00%	105	1,036	(1,036)	(1,673)	2,366
Prostand Exhibition Services Srl Rimini, Via Emilia 155	51.00%	78	(1)	108	55	148
Prime Servizi Srl Rimini, via Flaminia 233/A	51.00%	60	65	612	312	31
IEG USA (*) 1001 Brickell Bay Dr., Suite 2717th Miami (FL)	100%	6,561	(45)	6,415	6,415	2,046
Prostand Srl Poggio Torriana, via Santarcangiolese 18	100.00%	182	1,232	7,755	7,755	12,015
HBG Events FZ Llc P.o Box 4422 Fujairah UAE	100.00%	91	(10)	834	834	5,943
Fieravicola Srl Rimini, via Emilia 155	51.00%	100	28	142	72	51
IEG Brasil Eventos LTDA	75.00%	2,597	(431)	1,572	1,179	1,812

Av. Angelica, 2530 12th andar - San Paulo (Brazil)						
Italian Exhibition Group Deutschland Gmbh Munich – Germany (DE)	100.00%	25	(184)	(165)	(165)	125
V Group Srl Rimini, via Emilia 155	75.00%	10	322	748	561	3,380
IEG China Co. Ltd Tianshan Road, Changning District Shanghai, China	100.00%	990	(81)	306	306	735
A&T Srl Turin, Via Principi d'Acaja 38	51.00%	10	17	32	16	567
IEG Asia Pte Ltd 1010 Cecil Street, Tong Eng Building – Singapore	100.00%	343	(656)	754	754	1,444

**The ultimate parent company of FB International Inc. is Italian Exhibition Group SpA through the subsidiary IEG USA*

4) Equity investments accounted for using equity method

Associated companies and jointly controlled companies, stated in the table below, are booked and measured in compliance with IAS 28 or using the equity method.

The changes in the item in question are shown below.

	Balance as at 31/12/2022	Changes 2023			Balance as at 31/12/2023
		Incr.	Decr.	Evaluation using the PN method	
Cesena Fiera SpA	1,051			77	1128
CAST Alimenti Srl	1,526			-71	1,455
IGECo Srl	5,127			-3,612	1,516
Destination Services Srl	36			86	122
TOTAL EQUITY INVESTMENTS MEASURED USING THE EQUITY METHOD	**7,740**	**-**	**-**	**-3,519**	**4,221**

"Equity-accounted investees" amounted to 4,221 thousand euros, and recorded a net negative change of 3,519 thousand euros compared to the previous year, due to the effect of the equity valuation as of 31 December 2023, of which the largest change is attributable to the write-down carried out by the subsidiary IGECo Srl, whose net equity in the period absorbed the write-down of its subsidiary IGECo USA.

The Company conducted impairment tests on the equity investment in IGECo Mexico, a wholly-owned subsidiary of IGECo Srl, in order to assess possible negative impacts related to the closure of IGECo USA. That comprised of the flows of the individual stand alone company, was identified as the reference CGU. Therefore, the value in use of the CGU identified was determined, by adopting the Discounted Cash Flow (DCF) methodology. The operating cash flows (unlevered free cash flow) were determined using the plan drawn up with the German partner for the years 2023-2028 and approved by the Board of Directors of IGECo Srl on 03 November 2022, updated to take into account the actual values of 2022 and the most up-to-date assumptions for the development of the existing product portfolio.

The value in use, pro-rata with respect to the percentage stake held by IEG and net of the Net Financial Position based on the financial statements of the subsidiary as at 31 December 2023 (equity value), was compared with the value booked to the financial statements.

To determine the Terminal Value, a long-term growth rate ("g") of 3.0% was used. The source of the data is the estimate of the expected inflation envisaged in the aforementioned countries in 2028 by the International Monetary Fund.

For the discounting parameter of the explicit cash flows and the Terminal Value, a WACC of 16.84% was used and, in constructing the WACC, a Small Size Premium of 3.00% was included, in consideration of the smaller size of the Group with respect to comparable companies (Source: Duff & Phelps).

The assumptions used for impairment purposes and the results achieved, were approved by the Board of Directors of Italian Exhibition Group SpA respectively on 25 January 2024 and 26 February 2024, independently and before these financial statements.

The analysis has revealed an equity value higher than the carrying amount of the investee.

The table below provides a comparison between the book value in the financial statements of the equity investments in associated companies and joint ventures and the value of the relative portion of shareholders' equity resulting from the last set of approved financial statements.

Company name Registered office	% Held	Share capital	Year result	P. Assets Booked	% value of Shareholders' equity	Value value
Associated companies						
Cesena Fiera SpA # Via Dismano 3845	20.00%	2,288	507	5,307	1,061	1,051
C.A.S.T. Alimenti Srl # Via Serenissima, 5 - Brescia (BS)	23.08%	126	(47)	2,569	593	1,526
IGECO Srl Via Emilia, 155– Rimini (RN)	50.00%	11	(38)	7,472	3,736	5,127
Destination Services Srl [#] Via Sassonia, 30 - Rimini	50.00%	10	81	118	59	36

#] Data referring to 31/12/2022

All the holdings and shares of the companies referred to above are held directly, without recourse to trust companies or third parties.

Through Prostand Srl, Italian Exhibition Group SpA holds a further 15.3% in Cesena Fiere SpA For more information, please refer to the IEG Group's consolidated financial statements.

5) Equity investments in other companies

Changes in the period for this item are shown below .

	% held at 31/12/2023	Balance as at 31/12/2022	Changes 2023			Balance as at 31/12/2023
			Increases	Decreases	Revaluations/Write-downs	
Uni Rimini SpA	6.00%	62				62
Rimini Congressi Srl	10.06%	9,248			1,195	10,443
Rimini Welcome Scarl	10.00%	7			2	9
OB Service		27	13			40
TOT. EQUITY INVESTMENTS IN OTHER COMPANIES		**9,344**	**13**	**-**	**1,197**	**10,554**

Investments in other companies amounted to 10,554 thousand euros as of 31 December 2023, a net increase of 1,209 thousand euros compared to 31 December 2022, when they amounted to 9,344 thousand euros.

The incremental change of 1,209 thousand euros mainly related to the result of the adjustment of the value of the investment in Rimini Congressi Srl for 1,195 thousand euros. This investment is valued at Fair Value (through OCI without recycling).

In the first half of the year, the company made a payment of 13 thousand euros to the subsidiary OB Service.

6) Deferred tax assets and liabilities

Deferred tax assets' amounted to 1,257 thousand euros as of 31 December 2023 and recorded a net decrease of 3,001 thousand euros compared to the previous year due to the utilisation of deferred tax assets recognised on tax losses generated in previous years.

"Deferred tax assets" are recognised up to the limits in which future taxable income will be available against which to utilise the temporary differences. Deferred tax assets and liabilities are offset given that they refer to the same tax authority. During the period, no additional Deferred tax asset provisions have been made on the reported loss booked for 2021 by the IEG Group.

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Deferred tax assets	4,093	7,424	(3,332)
Provisions for deferred tax liabilities	(2,836)	(3,167)	331
TOTAL	**1,257**	**4,258**	**(3,001)**

Net deferred tax assets mainly related to temporary differences between the carrying values of assets and liabilities in the balance sheet, while the values recognised for tax purposes of tax consolidation losses amount to 2,748 thousand euros as at 31 December 2023.

7) Non-current financial assets

The movements in the period for the item in question are reported below.

	Balance as at 31/12/2022	Changes in the 2023 financial year			Balance as at 31/12/2023
		Increases/decreases	Revaluations/Write-downs	Transfers	
Other titles	25		4		29
Derivative assets	1,893		(1,103)		790
Non-current financial receivables	-			615	615
Insurance policies	309	(14)	9		304
TOTAL NON-FINANCIAL ASSETS ASSETS	**2,227**	(14)	**(1,090)**	**615**	**1,738**

Non-current financial assets amounted to 1,738 thousand euros as of 31 December 2023, a decrease of 489 thousand euros compared to 31 December 2022.

The nature and classification according to the categories established by IFRS 9 of "Non-current financial assets" is reported in the Fair value section of these Explanatory notes. For the measurement of the fair value of the Gambero Rosso shares, the prices quoted on active markets at the measurement date were used.

During 2023, only one position of the group employee severance indemnity policy was redeemed, for a total liquidated amount of 14 thousand euros, the revaluation of 9 thousand euros refers to the total interest generated by the positions still open as at 31 December 2023.

The item "Derivative financial instruments receivable" amounted to 790 thousand euros and decreased by 1,103 thousand euros compared to 31 December 2022. The change relates to the adjustment of derivative financial instruments to *fair value* at 31 December 2023. As at 31 December 2023, the Company had the following derivative contracts in place:

The derivative entered into on 4 November 2011 with Banca Popolare di Vicenza, now Banca Intesa Sanpaolo SpA, which provides for the exchange of the 6-month Euribor benchmark rate with a fixed rate of 2.95%, initially entered into for the purpose of hedging against the risk of an increase in the interest rate of a portion of the underlying loan. Following the change in the loan repayment schedule from the original repayment schedule, extending the pre-amortisation period on the derivative, this contract was no longer considered for hedge accounting, but was classified as an instrument measured at fair value with an impact on the Company's income statement.

Derivative entered into on 7 December 2018 with Banca Intesa Sanpaolo to hedge the remaining amount of the loan mentioned in the previous point, in order to mitigate probable interest rate fluctuations. The contract has the following features:

- trading date: 07 December 2018;
- effective date: 29 June 2018;
- maturity date: 30 June 2036;
- interest payment dates: six-monthly, 31 December and 30 June of each year;
- total notional: €9,635,397.46
- fixed rate (pay IEG): 0.96400%
- floating rate (receive IEG): Euribor 6M (Actual/360)

Derivatives entered into on 16 April 2020 against a new loan agreement with the pool of banks represented by Credit Agricole for a total debt of 15 million euros maturing on 30 June 2028. Following this agreement, four new IRS contracts were executed for a partial cover of the debt, in the total nominal value of 10.5 million euros. Information is provided below on the four contracts stipulated during the year, respectively with Credit Agricole, BPER, BNL, Banco Popolare di Milano, which have the same characteristics:

- Trading date: 23 June 2020;
- Effective date: 31 December 2020;
- Maturity date: 18 April 2028;
- Interest payment dates: six-monthly, 31 December and 30 June of each year;
- Total notional (of the four contracts): €10,546,876
- Fixed rate (pay IEG): -0.01%
- Floating rate (receive IEG): Euribor 6M (Actual/360)

The table below shows the impacts of the change in the fair value of the six derivative instruments as at 31 December 2023.

VALUATION DATE	Fair Value IRS	Financial income (charges) through profit and loss	Change in CFH reserve
31/12/2022	1,893	3,328	2,138
31/12/2023	790	414	688

8) Other non-current assets

Other non-current assets' amounted to 189 thousand euros (184 thousand euros as at 31 December 2022) and referred exclusively to security deposits.

CURRENT ASSETS

9) Trade Receivables

The composition of the balance of trade receivables is detailed below:

TRADE RECEIVABLES	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Receivables from customers	21,706	20,106	1,600
Receivables from parent companies	2,482	2,991	(509)
Receivables from associated companies	25	240	(215)
Receivables from parent companies	879	861	18

Receivables from jointly controlled companies	61	87	(26)
TOTAL TRADE RECEIVABLES	**25,153**	**24,285**	**868**

The item “Trade receivables” represents the balance of receivables from organisers and exhibitors for services related to the provision of exhibition/congress space and the provision of services related to events and was 25,153 thousand euros as of 31 December 2023, an increase of 868 thousand euros compared to the previous year.

For more information on the past due brackets, please refer to the section “Credit risk”, while as regards the estimate evaluations, please see the section “Use of estimates”.

Receivables from subsidiaries' amounted to 2,482 thousand euros and refer to trade receivables from the companies Prostand Srl, Summertrade Srl, Fieravicola Srl, HBG Events, FB International, Prime Servizi Srl, IEG Deutschland and V Group Srl.

Receivables from affiliated companies' amount to 25 thousand euros and mainly refer to trade receivables from Cesena Fiera SpA. Receivables from jointly controlled companies' include receivables from DV Global Link LLC and IGECo Mexico, while “Receivables from parent companies” shows the portion claimed from Rimini Congressi Srl in the amount of 879 thousand euros.

Receivables are stated net of the bad debt provision, whose changes are reported in the table below.

	Balance as at	Changes in the 2023 financial year			Balance as at
	31/12/2022	Uses	Provisions	Transfers	31/12/2023
Bad debt provision	145	(43)	-	45	148
Bad debt provision - taxed	5,187	(139)	955	(45)	5,957
TOTAL BAD DEBT PROVISION	**5,332**	**(182)**	**955**	0	**6,105**

As regards the measurement of receivables, the provision for doubtful debt reflects the hypothesised losses expected on the Parent Company's customer portfolio. Provisions have been estimated on the basis of past experience of receivables with similar credit risk levels and the careful monitoring by the Parent company's debt collection department, which also considers the historic and economic context of the reference market. The estimates and assumptions, which are reviewed from time to time, are posted directly on profit and loss in the year to which they pertain.

Details of the items “Receivables due from subsidiaries”, “Receivables from associated companies” and “Receivables due from jointly controlled companies” as at 31 December 2023, relating to receivables exclusively of a trade nature, are provided below:

RECEIVABLES DUE FROM SUBSIDIARIES	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Payables to Summertrade Srl	595	1,052	(457)
Payables due to Prostand Srl	1,744	1,813	(69)
Receivables due from FB International Inc	67	67	-
Receivables due from HBG Events llc	23	24	(1)
Receivables due from Fieravicola Srl	12	25	(13)
Receivables due from Prime Servizi Srl	1	1	-
Receivables from IEG Deutschland	5	0	5
Receivables due from V Group Srl	35	10	25

TOTAL RECEIVABLES DUE FROM SUBSIDIARIES	**2,482**	**2,991**	**(510)**

RECEIVABLES DUE FROM ASSOCIATED COMPANIES	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Receivables due from Cesena Fiera SpA	25	240	(215)
TOTAL RECEIVABLES DUE FROM ASSOCIATED COMPANIES	**25**	**240**	**(215)**

RECEIVABLES FROM JOINTLY CONTROLLED COMPANIES	Balance as a 31/12/2023	Balance as at 31/12/2022	Variation
Receivables due from DV Global Link LLC	54	54	-
Receivables due from IGECO Srl	0	30	(30)
Receivables due from IGECO MEX	7	0	7
Receivables from IGECO USA Srl	0	3	(3)
TOTAL RECEIVABLES JOINTLY CONTROLLED COMPANIES	**61**	**87**	**(26)**

10) Tax receivables and payables for direct taxes

Tax receivables for direct taxes	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Tax receivables for direct taxes	35	29	7
Tax receivables from subsidiaries for fiscal consolidation	1,047	13	1,035
Total tax receivables for direct taxes	**1,083**	**42**	**1,041**

The item "Tax receivables for direct taxes" was 1,083 thousand euros as of 31 December 2023, an increase of 1,041 thousand euros with respect to 31 December 2022, and refers mainly to receivables for direct taxes claimed from the subsidiaries Prostand Srl, Summertrade Srl, Prime Servizi Srl, V Group Srl and Prostand Exhibition Services Srl and arising from the participation in the tax consolidation.

11) Current financial assets

"Current financial assets" include the credit positions of a financial nature of Italian Exhibition Group SpA vis-à-vis the different subsidiaries and associated companies. An intercompany current account system is in place for Summertrade S. r.l. and Prostand Srl in order to optimise the Group's financial management and indebtedness, while loans granted to other group companies are governed by specific contracts.

	Balance as at 1/12/2023	Balance as at 31/12/2022	Variation
Financial receivables from subsidiaries	**7,506**	**6,255**	**1,251**
IEG USA	874	706	168
Summertrade Srl	3,196	3,542	(346)
Prostand Exhibition Services Srl	177	177	-
Prostand Srl	1,308	1,267	41
IEG Brasil	-	331	(331)

IEG Deutschland	152	-	152
IEG Asia	822	-	822
FB International	751	-	751
HBG Events	226	232	(6)
Financial Receivables from Jointly Controlled Companies	**49**	**824**	**(775)**
DV Global Link LLC	4	8	(4)
Destination Services Srl	45	85	(40)
Igeco Mesico	-	168	(168)
Igeco USA	-	563	(563)
Financial receivables from others	**33**	**-**	**33**
Receivables due from others	33	-	33
CURRENT TOTAL FINANCIAL ASSETS	**7,589**	**7,079**	**510**

"**Loans to subsidiaries**" came to 7,506 thousand euros at 31 December 2023 compared with 6,255 thousand euros at 31 December 2022, thereby recording a net increase of 1,251 thousand euros in 2023, relating to the following transactions:

- Reversal of open positions on Intercompany current accounts between the Parent Company and the subsidiaries Summertrade Srl and Prostand Srl for a total of 306 thousand euros;
- Disbursement of a first loan to FB International in the amount of 100 thousand euros and a second loan in foreign currency in the amount of USD 700 thousand euros, or 666 thousand euros. The residual difference is mainly attributable to exchange rate differences in the period;
- Reclassification by the subsidiary IEG Brasil of the loan disbursed in 2022 in the amount of Brazilian Real 1,863 thousand euros, or 331 thousand euros, to increase share capital;
- Disbursement of a loan in currency to IEG Asia in the amount of Singapore Dollars 1,191 thousand euros, or 817 thousand euros. The residual difference is mainly attributable to exchange rate differences in the period;
- Disbursement of a loan to IEG Deutschland in the amount of 152 thousand euros;
- Disbursement of a foreign currency loan to the subsidiary IEG USA for USD 100 thousand euros, or 93 thousand euros, and a further 90 thousand euros. The residual difference is mainly attributable to exchange rate differences in the period;
- Period exchange difference on the loan disbursed to HBG Eventz LLC for 6 thousand euros.

"Loans to jointly controlled companies" amounted to 49 thousand euros at 31 December 2023, a decrease of 775 thousand euros compared to the 31 December 2022. The change relates to the partial repayment by the associated company Destination Services of the loan granted in previous years, in the amount of 40 thousand euros, and the write-down of the financial receivable from the associated company IGECo USA following the opening of bankruptcy proceedings of the same, in the amount of 563 thousand euros as of 31 December 2022. The residual differences are due to period exchange differences.

The item "**Financial receivables from others**" includes the receivable of 33 thousand euros claimed by the Company from the historical shareholder of the subsidiary A&T Srl.

12) Other Current Assets

Details are given below.

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Receivables due from others	789	546	243
Accrued income and prepaid expenses	978	1,047	(69)
Costs paid in advance pertaining to subsequent years	2,536	1,496	1,040
Other tax receivables	204	575	(371)
TOTAL OTHER CURRENT ASSETS	**4,507**	**3,664**	**843**

Other current assets amounted to 4,507 thousand euros at 31 December 2023, an increase of 843 thousand euros compared to the previous period.

The item "Costs paid in advance pertaining to future years" of 2,536 thousand euros as of 31 December 2023 is the most significant within Other current assets. This item contains costs already incurred in connection with trade fairs to be held after 31 December, and thus fully accruing in subsequent years. The increase of 1,040 thousand euros can be explained by the increase in costs incurred for future events due to their organic growth and the presence of important biennial events.

The item "Accrued income and prepaid expenses" refers to portions of costs not pertaining exclusively to the financial year 2023 that have already had their numerical manifestation, and to revenues pertaining to the period that will have their numerical manifestation in a subsequent period. Overall, the item amounted to 978 thousand euros as of 31 December 2023 and recorded a net decrease of 69 thousand euros compared to 31 December 2022.

The item "Other tax receivables", totalling 204 thousand euros as at 31 December 2023, represents VAT receivables and tax credits to be used for offsetting.

The item "Receivables from others" amounted to 789 thousand, an increase of 243 thousand euros compared to the previous year and is largely composed of advances paid to suppliers for services to be rendered in the following year.

Below are details of "Other receivables":

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Personnel - advances	21	19	2
Receivables due from agents	47	47	-
Suppliers - advances	451	284	167
Receivables due from social security institutions	10	10	-
Trade receivables	40	37	3
Sundry receivables	177	149	28
TOTAL RECEIVABLES DUE FROM OTHERS	**746**	**546**	**200**

13) Cash and cash equivalent

Cash and cash equivalents are composed of bank current accounts, deposits and available cash. The trend in cash flows with respect to 31 December 2022 has been reported in the "Cash Flow Statement" to which reference should be made.

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Bank and postal deposits	37,601	41,557	(3,956)
Cash equivalents	17,000	0	17,000
Cash	51	21	30
TOTAL CASH AND CASH EQUIVALENTS	**54,652**	**41,578**	**13,074**

The liquid assets shown represent almost exclusively short-term deposits bearing interest at variable rates. It should be noted that as of 31 December 2023, the Company had no cash overdrafts and the balance includes a number of bank deposit accounts totalling 17 thousand euros, the cash investment represents a short-term use of the Company's liquidity.

COMMENTS ON THE MAIN ITEMS OF LIABILITIES AND SHAREHOLDERS' EQUITY

SHAREHOLDERS' EQUITY

14) Shareholders' equity

The company's Shareholders' equity is detailed as follows:

	Balance as at 31/12/2022	Changes 2023		Balance as at 31/12/2023
		Increases	Decreases	
Share	**52,110**		**(281)**	**51,829**
Share premium reserve	**13,924**		**(165)**	**13,759**
Revaluation reserves	**67,160**			**67,160**
Reserve pursuant to Law 413/91	*1,888*			*1,888*
Reserve pursuant to Law 266/05	*21,051*			*21,051*
Reserve pursuant to Law 2/09	*44,221*			*44,221*
Legal reserve	**10,443**			**10,443**
Statutory reserve	**2,540**	**30**		**2,570**
Other reserves	**(46,234)**	**1,646**	**(615)**	**(45,202)**
Prov. for cap. grant invest. tech. Tec.	*5,878*			*5,878*
First time adoption reserve	*(52,806)*			*(52,806)*
OCI reserve	*(1,387)*	*1,195*		*(192)*
Reserve for translation of foreign financial statements	*(135)*	*147*		*12*
Reserve for transactions under common control	*1,019*			*1,019*
Reserve for actuarial gains/losses - Employee severance indemnity	*(117)*		*(92)*	*(208)*
CFH reserve	*1,295*		*(523)*	*771*
Other reserves	*20*	*304*		*324*
Retained earnings (Losses) carried forward	**6,078**	**1,179**		**7,256**
Profit (loss) for the year	**1,513**	**14,161**	**(1,513)**	**14,161**
TOTAL SHAREHOLDERS' EQUITY	**107,534**	**17,016**	**(2,574)**	**121,976**

Shareholders' equity as at 31 December 2023 was 121,976 thousand euros, an increase of 14,442 thousand euros compared to the previous year.

The increases mainly derived from the result for the period of 14,161 thousand euros and the adjustment of the fair value reserve to OCI for 1,195 thousand euros, which reflects the higher valuation of the shares held in the capital of the parent company Rimini Congressi Srl.

The decreases are mainly due to the purchase of treasury shares for 446 thousand euros and the adjustment of the cash flow hedging reserve for 523 thousand euros, which includes changes in the fair value of hedging derivatives

The following table presents an analysis of the composition of shareholders' equity under the profiles of availability and distributability, as required by the reformed Art. 2427, no. 7bis c.c. interpreted by document no. 1 of the Organismo Italiano di Contabilità.

Nature/Description		Amount	Possibility of use (*)	Portion available	Uses in the last three years		
					to cover losses	for increase/replenishment of share capital	For other reasons
Share		51,829					
Capital reserves							
	Share premium reserve	13,759.	A, B, C	13,759			
	Revaluation reserves	10,839	A, B	10,839			
	Prov. for cap. grants - prev. inv.	5,878	A, B, C	5,878			
Profit reserves							
	Legal reserve	10,443	B	10,443			
	Statutory reserve	2,540	A, B	2,540			
	Statutory reserves ex Ente Fiera	-	A, B, C	-			
	Extraordinary reserve	-	A, B, C	-			
	Reserve for shares in the Parent company	10,443		-			
	Retained earnings	19,474	A, B, C	19,474			
Total				**62,963**			
Non-distributable amount				50,074			
Residual distributable portion				**12,889**			

* **Key**

A: for capital increase B: to cover losses

C: for distribution to shareholders

Detail of calculation of portion of non-distributable reserves	**Balance as at 31/12/2023**
Non-distributable reserves	**50,074**
Share premium reserve	-
Revaluation reserves	10,839
Prov. for cap. grants - prev. inv.	-
Legal reserve	10,443
Statutory reserve	2,570
Losses carried forward	12,218
Other negative reserves	5,202
Plan for purchase of treasury shares	8,803
Value of equity investment in the parent company	**10,443**
Rimini Congressi Srl	10,443
Total	**60,517**

The amount of non-distributable reserves is composed of the "Legal reserve", the "Statutory reserve", and "Revaluation reserves". The "Share premium reserve" can be distributed entirely insofar as the legal reserve is compliant with the legal limit of 20% of the share capital. Furthermore, since the Company, to date, holds shares in the parent company Rimini Congressi Srl, pursuant to Art. 2359 bis of the Civil Code, the value recorded in the balance sheet for these shares, amounting to 10,443 thousand euros, cannot be distributed. It should be noted that the "Legal reserve" can be used to cover losses after all other reserves have been utilised.

NON-CURRENT LIABILITIES

15) Payables due to banks

Details of short-term payables due to banksare set out below:

Current payables due to banks	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Mutuo Pool Credit Agricole	1,845	10,196	(8,351)
Banca Intesa SanPaolo (former Banca Popolare di Vicenza) mortgage	1,793	1,733	60
SIMEST loan - Trade fair entities	2,338	-	2,338
Loan - Cassa Depositi e Prestiti - SACE	3,750	937	2,813
Loan - Intesa Sanpaolo - SACE	8,203	2,051	6,152
TOTAL Short-term payables due to banks	**17,930**	**16,109**	**1,821**

Details of bank debts due after one year are set out below:

Non-current payables due to banks	Balance as at 31/12/2023	Of which due beyond 5 years	Balance as at 31/12/2022	Variation
Banca Intesa SanPaolo (former Banca Popolare di Vicenza) mortgage	25,784	17,897	27,578	(1,794)
Mutuo Pool Credit Agricole	6,512	-	-	6,512
Loan - Cassa Depositi e Prestiti - SACE	10,313	-	14,063	(3,750)
Loan - Intesa Sanpaolo - SACE	22,559	-	30,762	(8,203)
SIMEST loan - Trade fair entities	7,014	-	9,352	(2,338)
TOTAL long-term payables due to banks	**72,182**	**17,897**	**81,755**	**(9,573)**

The Company's bank debt as of 31 December 2023 amounted to 90,112 thousand euros, a decrease of about 7,752 thousand euros compared to the previous year as a result of repayments of instalments in accordance with the amortisation schedules. It should be noted that, compared to the previous year, as of 31 December 2023, the Company complied with the financial covenants dictated by the loan agreement with Credit Agricole (Pool Agent Bank), thus classifying the residual debt between current and non-current portions, as per the amortisation schedule.

Below is the composition of the net financial position as at 31 December 2023 compared to the previous year and prepared in accordance with "Attention Notice No. 5/21" of 29 April 2021 issued by Consob referring to ESMA Guideline 32-382-1138 of 4 March 2021.

IEG S.p.A.

Net financial position (based on the ESMA format)

Net financial position (Euro/000)		31/12/2023	31/12/2022
A.	Cash and cash equivalents	37,652	41,578
B	Cash equivalents	17,000	-
C.	Other current financial assets	112	850
D.	**Liquidity: (A) + (B) + (C)**	**54,765**	**42,428**
E.	Current financial debt	(1,964)	(4,505)
F,	Current part of non-current financial debt	(17,930)	(16,123)
G.	**Current financial debt: (E) + (F)**	**(19,893)**	**(20,529)**
H.	**Net current financial debt: (G + D)**	**35,871**	**21,899**
I.	Non-current financial debt	(87,878)	(98,872)
J.	Debt instruments	0	0
K.	Trade payables and other non-current payables	790	452
L.	**Non-current financial debt: (I) + (J) + (K)**	**(87,087)**	**(98,420)**
M.	**Total financial debt: (H) + (L)**	**52,216**	**(76,520)**

The Net Financial Position, which includes the effects of the application of the IFRS 16 accounting standard, was negative at 31 December 2023 for 52.216 thousand euros, an improvement of 27,297 thousand euros compared to 31 December 2022 when it stood at 76,520 thousand euros.

Compared to last year, the Company's bank debt decreased by a total of 6,663 thousand euros. The change was caused by the physical repayment of existing loans in the amount of 7,766 thousand euros and, for the remainder, by the change in the Mark to Market of derivative financial instruments entered into to hedge variable rates.

As at 31 December 2023, the Company opened a bank deposit in the amount of 17 thousand euros, which represents a short-term use of the Company's liquidity.

16) Non-current financial liabilities for rights of use

The balance of 15.696 thousand euros represents the non-current portion of liabilities recognised in compliance with the introduction of accounting standard IFRS 16 on 1 January 2019. Compared to 31 December 2022, the balance shows a decrease of 1,421 thousand euros as a result of the physiological repayment of debts, as the Company did not enter into any lease agreements relevant to its business in 2023.

This item includes payables to the parent company Rimini Congressi Srl for 11,589 thousand euros.

17) Other Non-current financial liabilities

The balance of this item as of 31 December 2023 was zero, a total decrease compared to 31 December 2022 where it amounted to 1,441 thousand euros.

The balance as at 31 December 2022 represented the further estimated contingent consideration for the value of the shares of IGECo Srl. The decrease was due to the remeasurement of the fair value of the estimated earn-out.

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18) Provisions for non-current risks and charges

The changes in the item in question are shown below:

	Balance as at	Changes as at 31 December 2023			Balance as at
	31/12/2022	Provisions	Uses/decreases	Releases	31/12/2023
Provision for dispute risks	1,779		(239)		1,540
Other provisions for risks	10				10
TOTAL PROVISIONS FOR RISKS AND CHARGES	**1,789**	**-**	**(239)**	**-**	**1,550**

Provisions for risks and charges amounted to 1,550 thousand euros as at 31 December 2023 and refer to amounts set aside for litigation. The decrease from the previous year of 239 thousand euros refers to the utilisation of the amounts set aside in the previous year for the conclusion of a tax assessment and related accessory charges for the Group's legal defence.

19) Employee provisions

The changes in the item in question are shown below.

	Balance as at	Changes as at 31 December 2023				Balance as at
	31/12/2022	Provisions	Uses/decreases	Actuarial (Gains) / Losses	Releases	31/12/2023
Indemnity Prov. Additional customers	109	15	(4)			119
Provision for employee severance indemnity	1,882	64	(119)	92		1,920
Total employee provisions	**1,990**	**79**	**(123)**	**92**	**0**	**2,038**

Provisions related to personnel amounted to 2,038 thousand eurosat 31 December 2023, a net increase of 48 thousand euros compared to 31 December 2022. The balance consisted mainly of the severance indemnity accrued in the period for 1,920 thousand euros, while 119 thousand euros consisted of the "Supplementary Agents Indemnity Provision" accrued in compliance with Article 1751 of the Italian Civil Code and the Collective Economic Agreement for the regulation of agency and commercial representation relations in the trade sector signed on 16 February 2009.

The value of the provision for employee severance indemnity at the end of the year conforms to the amount due to personnel and the allocation was calculated in respect of the laws, the company employment contract and, for matters not provided for, the C.C.N.L. (national collective labour agreement) for the trade sector. It should also be noted that following the reform of supplementary pensions (Leg. 252/2005; Law 296/2006, Article 1, paragraphs 755 et seq. and paragraph 765) the amount indicated in the "Provisions" column does not include amounts paid to supplementary pension schemes or to the "INPS treasury fund".

The Company, in determining the actuarial calculations, avails itself of the support of a professional listed in the appropriate Register of Actuaries. The main hypotheses/assumptions used for the actuarial calculation of the defined benefit plans are shown below.

Demographic assumptions

Probability of death	Mortality tables broken down by gender - ISTAT 2015
Probability of disability	Zero probability (in consideration of the type of company under analysis)
Probability of resignations	The probability of company turnover of 3% was used
Probability of anticipation	An annual value of 3% was presumed with respect to an average value of accumulated employee severance indemnity of 70%

Economic-financial assumptions for calculation of the TFR (employee severance indemnity)

	2023	2022
Annual discount rate	3.13%	3.77%
Annual inflation rate	2.20%	2.73%
Assumption of real salary growth	2.20%	2.73%

The discounting of future services for employees deriving from Employee severance indemnity was measured by recognising market yields according to the provisions of IAS 19. For the discount rate, the rate relating to high credit rating Corporate Bonds AA with a duration equal to the plan of company commitments to its employees was taken as a reference.

The results of the actuarial evaluations depend strictly on the financial, demographic and behavioural assumptions adopted.

The following table, as required by the international accounting standard, shows the results of the liabilities deriving from the change in assumptions.

Sensitivity Analysis - DBO		IEG Group SPA
Central Assumption	€	**1,918**
Discount rate (+0.5%)	€	1,840
Discount rate (-0.5%)	€	2,001
Rate of payments Increases (+0.5%)	€	1,921
Rate of payments Decreases (-0.5%)	€	1,916
Rate of Price Inflation Increases (+0.5%)	€	1,969
Rate of Price Inflation Decreases (-0.5%)	€	1,869
Rate of Salary Increases (+0.5%)	€	1,918
Rate of Salary Decreases (-0.5%)	€	1,918
Increase the retirement age (+1 year)	€	1,912
Decrease the retirement age (-1 year)	€	1,924
Increase longevity (+1 year)	€	1,918
Decrease longevity (-1 year)	€	1,918
Assumptions of the previous year	€	1,815
Economic assumpt. of the previous and new demographic assumpt.	€	1,815

20) Other non-current liabilities

The item "Other non-current liabilities" shows a balance of 1,704 thousand euros as of 31 December 2023 and is mainly composed of the grant disbursed by the Emilia-Romagna Region for the construction of the Rimini Exhibition Centre not yet charged to the income statement, amounting to 1,525 thousand euros (equal to 1,719 thousand euros as of 31 December 2022), the residual portion being the grant disbursed, as per Art. 1, c 1051 to 1063, Law no. 178/2020, for investments in capital goods that have not been charged to the profit and loss account.

CURRENT LIABILITIES

21) Current financial liabilities for rights of use

The item, for 1,962 thousand euros, is composed of the current portion of liabilities recognised for lease fees in compliance with the introduction of accounting standard IFRS 16 on 1 January 2019.

The balance includes 1,389 thousand euros relating to the lease agreement of Palazzo dei Congressi di Rimini, stipulated with Rimini Congressi SpA.

22) Other current financial liabilities

Other current financial liabilities as of 31 December 2023 showed a clear decrease compared to the previous year, amounting to 2 thousand euros compared to the balance of 2,738 thousand euros in 2022.

Details are given below.

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Accrued expenses	-	14	(14)
Amounts due to shareholders for dividends	2	2	-
Payables due to other lenders within 12 months	-	2,373	(2,373)
Current financial payables due to subsidiaries	-	349	(349)
TOTAL OTHER CURRENT LIABILITIES	**2**	**2,738**	**(2,736)**

The item "Payables to other lenders within 12 months" and the item "Current financial liabilities to subsidiaries", which as at 31 December 2022 included, respectively, the residual debt for the purchase of the shares of the subsidiary HBG and the payables to IEG ASIA relating to the unpaid portion of capital increases, as at 31 December 2023 reported a balance of zero as both were settled by the Company in the first quarter of 2023.

The item "Accrued expenses" only includes allocations for interest on loans and general bank charges. As at 31 December 2023, the balance is zero as the Company's loan instalments coincide with the last day of the financial year, so all costs for the period are regularly recorded. The balance as at 31 December 2022 included provisions for short-term loan charges, which were regularly debited in the first quarter of the financial year 2023.

23) Trade payables

Details are given below

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Trade payables within 12 months	27,943	27,165	778
Payables to subsidiaries	11,539	10,088	1,451
Vehicle ownership tax	7	8	(7)
Membership fees and contributions	8	8	-
TOTAL TRADE PAYABLES	**39,497**	**37,285**	**2,212**

Trade payables were 39,497 thousand euros at 31 December 2023, an increase of 2,112 thousand euros compared to the previous year. This item refers for the most part to payables incurred for the purchase ofservices necessary for the holding of exhibitions. Trade payables are recorded on an accruals basis when the service has been received, the goods production process has been completed and ownership has essentially been transferred of the goods sold.

The "Payables due to subsidiaries" and "Payables due to associated companies" detailed in the following tables are exclusively of a trade nature.

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Payables due to Prostand Exhibition Services Srl	1	1	-
Payables to Prime servizi Srl	718	837	(119)
Payables to Summertrade Srl	795	1,601	(806)
Payables due to HBG Events FZ LLc	-	10	(10)
Payables to A&T Srl	376	-	376
Payables due to Prostand Srl	9,649	7,636	2,013
TOTAL PAYABLES DUE TO SUBSIDIARIES	**11,539**	**10,087**	**1,452**

Trade payables to affiliated companies' and "Payables to jointly controlled companies" are summarised in the following table.

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Payables due to Cesena Fiera SpA	-	2	(2)
Payables to C.A.S.T. Alimenti Srl	6	6	-
TOTAL PAYABLES DUE TO ASSOCIATED COMPANIES	**6**	**8**	**(2)**
Payables due to DV Global Link LLC	8	8	-

TOTAL PAYABLES DUE TO JOINTLY CONTROLLED COMPANIES	**8**	**8**	**-**

24) Other current liabilities

Details are given below.

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Advance payments	4,814	4,750	64
Payables due to subsidiaries	2,285	1,674	611
Payables due to social security institutions	1,252	1,107	145
Other payables	6,620	5,628	992
Accrued expenses and deferred income	377	444	(67)
Revenues paid in advance pertaining to subsequent years	36,375	31,306	5,069
Other tax payables	1,021	740	281
TOTAL OTHER CURRENT LIABILITIES	**52,744**	**45,649**	**7,095**

Other current liabilities' showed a balance of 52,744 thousand euros as of 31 December 2023 and recorded a net increase of 7,095 thousand euros compared to the previous year.

The item "Advances" amounted to 4,814 thousand euros, an increase of 64 thousand euros compared to 31 December 2022, and included the amounts received from customers as advances on participations in events of the following year.

The item "Revenues paid in advance pertaining to subsequent years" recorded a balance of 36,375 thousand euros, an increase of 5,069 thousand euros compared to the previous year, and includes portions of revenues invoiced during the year but relating to events pertaining to future years. During the last quarter of 2023, invoices were issued for SIGEP 2024 and Vicenza Oro January 2024, major events pertaining to January 2024. The change of 5,069 relates to the higher share of turnover anticipated in December 2023.

The item "Other payables", amounting to 6,620 thousand euros and increasing by 992 thousand euros compared to the previous year, mainly included payables to employees such as accrued holidays, leaves of absence, time bank, deferred monthly payments and other payables accrued and not yet taken or paid to personnel, accrued and not yet paid to statutory bodies.

The table below details the items includes in "Other payables".

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Payables due to customers	1,173	1,166	7
Payables due to employees	2,028	1,721	307
Payables due to trade union organisations	-	3	(3)
Payables due to statutory bodies	447	417	30
Other payables	198	212	(14)
Personnel - salaries	2,764	2,099	665
Security deposits	10	10	-
TOTAL OTHER PAYABLES	**6,620**	**5,628**	**992**

"Payables due to employees" include the valuation of accruals of holidays, leave, "hour bank", deferred monthly pay and other payables accrued and still not enjoyed or paid to personnel of Italian Exhibition

Group SpA, while "Personnel – salaries" shows the balance of fees accrued in December and paid in January 2024.

25) Disclosure on guarantees given, commitments and other contingent liabilities

As at 31 December 2023, the Parent Company had outstanding surety guarantees in the amount of 452 thousand euros.

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Sureties	452	392	60

The following guarantees were issued:

- by the Company in favour of the lessor of the Milan offices for 193 thousand euros;
- by the Company in favour of the lessor who owns Pavilion 9 of the Vicenza trade fair district for 75 thousand euros;
- by the Company in favour of other parties for a total of 184 thousand euros. Mostly public entities that, in favour of their participation in the exhibition, require guarantees on the Company's services, i.e., the supply of spaces and services related to the event.

It should also be noted that Italian Exhibition Group SpA replaced Fiera di Vicenza SpA in the guarantees issued by the latter in favour of the investee C.I.S. SpA in liquidation in the amount of 1,200 thousand euros. This amount was not recorded under guarantees given as the associated provision for risks is allocated in the financial statements for the same amount.

The Company, in order to support the activities of its subsidiary Summertrade Srl, signed on 22 December 2023 a letter of financial support in the amount of 1.4 million euros until 31 December 2024.

COMMENTS ON THE MAIN INCOME STATEMENT ITEMS

26) Revenues

“Revenues from contracts with customers” include the revenues pertaining to 2023 actually realised in the performance of the company's ordinary activities.

The total of the item “Revenues” rose by 34.491 thousand euros in 2023, equal to +31.8%. This is due to the combined effect of organic growth and the “Restart” effect

For a more comprehensive analysis of the trend in revenues in 2023, please refer to the information already outlined in the Directors' Report on Operations.

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Revenues from contracts with customers	139,711	105,501	34,210
Other revenues	3,241	2,960	281
TOTAL REVENUES	**142,952**	**108,461**	**34,491**

The following tables provide details on revenues from sales and services by line of business.

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Organised Events	113,263	84,778	28,485
Hosted Events	4,845	3,420	1,425
Conferences	20,112	15,501	4,611
Publishing, Sports and Other lines	2,009	1,984	25
Sundry revenues	2,724	2,778	(54)
TOTAL REVENUES	**142,952**	**108,461**	**34,491**

The breakdown of “Other revenues” is shown below.

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Other operating grants	119	151	(32)
Capital gains on disposals of assets	57	29	28
Income relating to previous years	78	50	28
Other revenues and income	2,988	2,730	258
TOTAL OTHER REVENUES	**3,241**	**2,960**	**281**

Other revenues come to 3,241 thousand euros, an increase of 281 thousand euros on the previous year.

27) Operating costs

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Raw materials, consumables and goods for resale	(1,837)	(1,834)	(3)
Services	(75,325)	(68,231)	(7,094)
For use of third-party assets	(204)	(123)	(81)
For personnel	(23,361)	(22,489)	(873)
Other operating costs	(3,141)	(2,881)	(260)
TOTAL OPERATING COSTS	**(103,868)**	**(95,558)**	**(8,310)**

"Operating costs" come to 103.868 thousand euros at 31 December 2023, an increase of 8,310 thousand euros on 31 December 2022. The increase is rather generalised and does not relate to one particular item, but is due to both the organic increase in trade fair turnover and the "*recovery*" effect following previous years still partly influenced by the effects on business of the Covid-19 pandemic.

For a more specific discussion, please refer to what has already been explained in the Report on Operations.

It should be noted that in the financial year 2023, the Group classified the contributions received from the agency "*ICE - Italian Trade Agency*" as a reduction in the item "Costs for services" and no longer in the item "Other revenues", and similarly restated the previous year's balances. For further details, please refer to Annex 2.

	Balance as at 31/12/2022	Balance as at 31/12/2022	Variation
Employees			
Wages and salaries	(16,511)	(15,814)	(696)
Social security costs	(4,700)	(4,420)	(281)
TFR	(1,026)	(1,139)	113
Other costs	(359)	(254)	(105)
For Directors	(765)	(862)	97
TOTAL PERSONNEL COSTS	**(23,361)**	**(22,489)**	**(873)**

The table below provides details of the main costs included in the item "Other operating costs".

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Municipal Property Tax	(483)	(482)	(1)
Other municipal taxes	(717)	(395)	(322)
Vehicle ownership tax	(4)	(5)	1
Membership fees and contributions	(268)	(307)	39
Revenue stamps and certification of the books	(13)	(17)	4
SIAE (Italian Authors and Publishers Association) fees, exhibition taxes	(37)	(19)	(18)
Expenses relating to previous years	(358)	(334)	(24)
Other costs	(307)	(368)	61
Receivable depreciation	(955)	(954)	(1)
TOTAL OTHER OPERATING COSTS	**(3,142)**	(2,881)	(261)

28) Depreciation and Amortisation

By contrast, the table below provides details of amortisation and depreciation:

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Depreciation of intangible fixed assets	(1,542)	(1,628)	86
Depreciation of property, plant and equipment	(9,039)	(9,157)	118
Other asset depreciations	(181)	(42)	(139)
Provisions for risks	0	(289)	289
Value adjustments of financial assets other than equity investments	(532)	(29)	(503)
TOTAL AMORTISATION, DEPRECIATION AND IMPAIRMENT	**(11,294)**	**(11,144)**	**(149)**

Refer to the two paragraphs on property, plant and equipment and intangible fixed assets for more information.

29) Financial income and expense

Financial income and expense are noted on the income statement in the year in which they are incurred, as per accruals accounting.

It is also specified that following application of the accounting standard IFRS 16, financial expense on lease contracts have also been noted under this item.

Specifically, interest income and interest expense, of any source, have been entered at the value accrued during the year, net of any deferrals.

The breakdown of "Financial income" is shown below:

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Other interest income	1,611	22	1,599
Interest income on bank deposits			
Actuarial value of the employee severance indemnity provision	(9)	149	(158)
Exchange gains	528	3,328	(2,800)
Exchange gains IRS			
Interest income on intercompany current accounts from subsidiaries	241	115	126
TOTAL FINANCIAL INCOME	**2,371**	**3,615**	**(1,244)**

With a view to optimising the available funds of the Group, the company has established intercompany accounts with the main subsidiaries. Interest accrues on these accounts as at 31 December 2023 at the market rates correlated to the 3-month Euribor.

Other interest income' is mainly attributable to income from the remeasurement of contingent consideration liabilities.

The breakdown of "Interest and financial charges" is shown below.

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Interest expense and expenses on bank debts	(4,235)	(1,523)	(2,712)
Other interest expense and charges	(33)	(64)	31
Negative differences of swaps	(22)	(847)	825
IRS differential	(414)	-	(414)
Interest expense on rights of use - IFRS 16	(440)	(386)	(54)
TOTAL INTEREST AND OTHER FINANCIAL CHARGES	**(5,145)**	**(2,820)**	**(2,325)**

Bank interest expenses relate almost entirely to loans taken out by the Company and only to a residual extent to the temporary use of short-term credit lines.

The "IRS Differential" represents the change in the *fair value* of the management-only hedging derivative contracted with the former Banca Popolare di Vicenza (now Intesa SanPaolo bank), as of 31 December 2023 shows the opposite sign compared to the previous year and has therefore been reclassified under financial expenses.

"Negative differences of swaps" refer to the interest paid to Intesa SanPaolo at the fixed rate established by the above-specified contract and the second stipulated in 2018 and the negative differences of swaps on interest paid to the four banks involved in the pool loan (Bper, Banco BPM, BNL and Credit Agricole). As of 31 December 2023, the total fair value of derivatives was 22 thousand euros below zero, an increase of 825 thousand euros compared to last year, but still recognised as financial expenses.

It should be noted that, as a result of the application of IFRS 16 - Leases, the company recognised interest expense totalling 440 thousand euros.

The breakdown of the item "Exchange gains and losses" is shown below.

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Exchange gains	55	445	(391)
Negative exchange differences	(269)	(609)	340
TOTAL EXCHANGE GAINS AND LOSSES	**(214)**	**(164)**	**(50)**

Exchange rate gains and losses refer to revenues and expenses in foreign currencies related to currency fluctuations. During the 2023 financial year they bring a net loss of 50 thousand euros.

30) Gains and losses from equity investments

Equity investments in associated companies and joint ventures were measured using the equity method. The other equity investments are booked at cost and are written down in the event of a significant and prolonged reduction in the fair value with respect to the cost of recognition. For more information, please refer to the previous comments on financial fixed assets.

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Revaluations of equity investments			
Cesena Fiera SpA	77	**212**	(135)
Rimini Welcome S.c.a.r.l.	2	**(1)**	3
Destination Service	86	**(6)**	92
Total revaluations of equity investments	**165**	**205**	**(40)**
Write-downs of equity investments			
Expo Estrategia Brasil Eventos e Producoes Ltda	0	**(26)**	26
IEG China - (formerly Eagle)	0	**(26)**	26
C.A.S.T. Alimenti Srl	(71)	**59**	(130)
IGECo Srl	(3,612)	**0**	(3,612)
Total Write-down of equity investments	**(3,683)**	**7**	**(3,690)**
Total effect of valuation of equity investments with the equity method	**(3,518)**	**213**	**(3,730)**

31) Income taxes

Taxes are calculated in application of the tax regulations in force.

	Balance as at 31/12/2021	Balance as at 31/12/2022	Variation
Taxes from previous years	256	-	256
Current taxes	(4,213)	(672)	(3,541)
Total direct taxes	**(3,957)**	**(672)**	**(3,285)**
Advance IRES	(3,330)	(438)	(2,892)
Advance IRAP	(2)	46	-48
Total deferred tax assets	**(3,332)**	**(392)**	**(2,940)**
Deferred IRES	156	(36)	192
Deferred IRAP	9	9	0
Total deferred taxes	**166**	**(27)**	**193**
TOTAL INCOME TAXES FOR THE YEAR	**(7,123)**	**(1,091)**	**(6,032)**

Pursuant to point 14) of Art. 2427 of the Italian Civil Code, and the requirements of IAS 12, the required information on deferred and prepaid taxes is shown below.

Deferred tax liabilities have been calculated according to the global allocation approach, taking into account the cumulative amount of all temporary taxable differences, based on the expected average rates in force when these temporary differences are offset.

Deferred tax assets were recorded given there is reasonable certainty as to the existence, in the years in which the temporary deductible differences will carry forward, in respect of which prepaid taxes were recognised, of a taxable income not lower than the amount of the differences that will be cancelled.

	2023			2022		
	Temporary differences	Rate	Tax effect	Temporary differences	Rate	Tax effect
Deferred tax assets:						
Bad debt provision	7,100	24.00%	1,704	6,326	24.00%	1,518
Provisions for risks and charges	1,540	27.90%	430	1,429	27.90%	399
Emoluments of statutory bodies not paid in the year	619	24.00%	149	638	24.00%	153
Amortisation/depreciation not deductible in the year	958	25.44%	244	952	25.48%	243
Asset impairment	1,114	24.32%	271	1,297	24.37%	316
Photovoltaic prepaid amounts	956	27.90%	267	1,069	27.90%	298
Statutory/fiscal misalignment on revaluation of land	1,657	27.90%	462	1,657	27.90%	462
Other Components	313	24.68%	77	14,794	23.96%	3,545
Total deferred tax assets charged to Income Statement	**14,257**		**3,603**	**28,162**		**6,934**
Tax effect on "Actuarial Gain & Losses" component of actuarial calculation of Employee benefits	153	24.00%	37	153	24.00%	37
Effect of cash flow hedge derivatives	0	n.a.	0	0	n.a.	0
IFRS16	1,941	23.32%	453	1,941	23.32%	453
Total deferred tax assets charged to Shareholders' equity	**2,094**		**489**	**2,094**		**490**
Deferred tax liabilities:						
Statutory/fiscal misalignment on revaluation of land	4,537	27.90%	1,266	4,537	27.90%	1,266
Amortised cost - loans	489	24.00%	117	548	24.00%	132
Recognised of deferred tax liabilities on PPA	2,759	27.90%	770	2,999	27.90%	837
Exchange differences	39	24.00%	9	391	24.00%	94
Total deferred tax liabilities charged to Income Statement	**7,824**		**2,162**	**8,475**		**2,329**
Statutory/fiscal misalignment on revaluation of land	1,542	27.90%	430	1,542	27.90%	430
Effect of cash flow hedge derivatives	1,015	24.00%	244	1,704	24.00%	409
Total deferred tax liabilities charged to Shareholders' equity	**2,557**		**674**	**3,246**		**839**

The tables below show the differences between theoretical tax charges (IRES 24% and IRAP 3.9%) and the tax charge that can actually be recorded in the financial statements, as suggested by IAS 12.

RECONCILIATION BETWEEN THEORETICAL IRES AND IRES AS PER THE FINANCIAL STATEMENTS	
Earning Before Taxes	**21,284**
Theoretical tax charge (24.0%)	*(5,108)*
Changes	
Photovoltaic plant	(113)
Use/cancellation of provisions allocated in previous years	(134)
Deductible and non-deductible portions of board and lodging expenses	3,541
Revaluation and Devaluation of Equity Investments	4,072
Fiscal depreciation in excess of statutory depreciation, non-deductible depreciation and other provisions	514
Other increases and decreases	(1,711)
IRAP and lump-sum portion on employee severance indemnity paid	(39)
Total variations	**6,130**
Taxable amount for IRES (regional business tax) purposes pertaining to the year	**27,399**
IRES (corporate income tax) pertaining to the year (24% of actual IRES income)	(6,579)
Tax consolidation income for recovery of past tax losses	3,620
IRES in Income statement	**(2,959)**

RECONCILIATION BETWEEN THEORETICAL IRAP AND IRAP AS PER THE FINANCIAL STATEMENTS	
Difference between production revenues and costs	**28,322**
Non-relevant costs for IRAP purposes	23,732
Theoretical taxable income	**52,054**
Theoretical tax charge (3.90%)	*-2,030*
Variations on decrease	
INAIL (Italian National Institute for Insurance against Accidents at Work), Trainees, Tax wedge and similar	(20,943)
Excess tax amortisation	(29)
Use/cancellation of provisions allocated in previous years	(101)
Other decreases	(475)
Total decreases	**(21,548)**
Increases	
Directors' fees	887
Municipal Property Tax	483
Increases	269
Total increases	**1,639**
Taxable amount for IRAP (regional business tax) purposes pertaining to the year	**32,144**
IRAP in Income statement	**(1,254)**

32) Related party transactions

The Parent Company, Italian Exhibition Group SpA, in addition to its role of management of Group activities, has operating relations with subsidiaries and associated companies, aimed at maximising synergies. All transactions are settled contractually and services are rendered and assets transferred at market prices.

In the stand fitting sector, Prostand maintains supply relations with the Parent Company, to which it pays fees for the commercial brokerage activities carried out. FB International provides stand fitting services to Italian Exhibition Group SpA for events in the United States. Summertrade is the official supplier for catering in the trade fair districts of Rimini and Vicenza, to the Palacongressi di Rimini and the Vicenza Convention Centre; the relationship makes provision not only for the sale of assets and services to Italian Exhibition Group SpA, but the payment of a fee on the activities carried out in the premises made available to it. Prime Servizi is the supplier of Italian Exhibition Group SpA regarding cleaning and porterage activities. Italian Exhibition Group SpA, also provides Fieravicola Srl, V-Group and Igeco Srl with accounting and administrative services. IEG is an agent for HBG Events for the sale in Italy of the Dubai events; HBG is an agent of IEG for the sale of Rimini Wellness. With reference to relations with the latest entrant, the company A&T Srl, IEG mainly dealt with the management of the second 2023 edition of "the fair dedicated to innovation, technologies, reliability and competence 4.0" at the Vicenza fairgrounds, recognising what was contractually due to the newly acquired company.

The statement of financial position and statement of comprehensive income and statement of cash flows show the amounts of positions or transactions with related parties separately from the reference items.

Rimini Congressi is the parent company of the Group and the leaseholder of Palazzo dei Congressi. The following table shows receivable/payable and cost/revenue transactions as at 31 December 2023 between IEG and the parent company.

In addition, it should be noted that, on application of the IFRS 16 accounting standard, the costs for the use of third-party assets, relating to rental agreements for the Palacongressi di Rimini stipulated between IEG SpA and Rimini Congressi Srl, were completely eliminated and replaced with amortisation/depreciation and financial charges, as more fully detailed in the table. Financial payables amounting to 12.978 thousand euros relate entirely to the discounting of lease instalments to be paid for the rental of Palacongressi di Rimini, as set forth in IFRS 16.

Equity transactions with the Parent Company	Rimini Congressi Srl
Trade Receivables	879
Trade Payables	0
Financial payables	12,978

Revenues and costs with the parent company	Rimini Congressi Srl (*)
Revenues	
Revenues from sales and services	40
Other revenues	83
OPERATING COSTS	
Costs of services	0

Costs for the use of third-party assets (*)	(1,350)
Other operating charges	0
GROSS OPERATING PROFIT (EBITDA)	**(1,228)**
FINANCIAL INCOME AND EXPENSE	
Financial income	0
TOTAL FINANCIAL CHARGES AND INCOME	**0**
TOTAL	**(1,228)**

(*) In applying IFRS 16, costs for use of third-party assets are completely eliminated and replaced with amortisation/depreciation on rights of use for 1,020 thousand euros and financial charges for 330 thousand euros.

OTHER INFORMATION

33) Disclosure no 124 pursuant to Law 4 August 2017

With reference to the fulfilment of the disclosure obligations of transparency and publicity of public disbursements dictated by Article 1, paragraphs 125 - 129 of Law no. 124 of 4 August 2017, the Company has analysed its situation and summarises in the table below the grants received during the financial year 2023, indicating the quarter in which they were received.

No.	Name of disbursing entity	Reason	Allocation date	Sum collected (€)	Collection date
1	Municipality of Rimini	Bike to work' project	31/03/2023	3,058	n.a.
2	Municipality of Vicenza	Municipality of Vicenza grant VIOFF23	-	17,618	07/04/2023
3	Fondirigenti	Contribution for training and development	-	3,073	27/07/2023
4	Municipality of Arezzo	Grant OAR23	-	15,000	26/10/2023
5	Municipality of Vicenza	Municipality of Vicenza grant VOS23	-	7,558	15/11/2023
6	Fondimpresa	Contribution for training and development	30/11/2023	27,805	25/01/2024
7	REGION Emila Romagna	call for "fairs and supply chains 2023"-DGR 680 2023-Attribution-Commitment	06/12/2023	80,919	n.a.
			Total	**155,032**	

Please note that you can always consult the National Register of State Aid RNA at www.rna.gov.it.

34) Employees

The average number of employees is expressed as the number of FTE (full-time equivalent) workers. The comparison between the average number of employees in 2023 and the previous year is shown below.

FTE	2023	2022
Executives	6.1	6.8
Middle managers/White-collar workers	307.6	284.9
Blue-collar workers	8.5	7.5
AVERAGE NUMBER OF EMPLOYEES	**322.2**	**299.1**

The exact number of workers (headcount) as at 31 December 2023 compared with the figure as at 31 December 2022 is shown here below.

HC	31/12/2023	31/12/2022
Executives	6	7
Middle managers/White-collar workers	330	306
Blue-collar workers	9	9
AVERAGE NUMBER OF EMPLOYEES	**345**	**322**

35) Compensation for Corporate Officers

Compensation for Directors was defined by the shareholders' meeting on 29 April 2021 for the three years 2021-2023. The compensation resolved envisages a part of fixed remuneration to be assigned to each director, whether executive or independent or taking part in one of the internal Board committees and, only for executive directors, a short- and medium-term variable remuneration linked to the achievement of corporate objectives. The fees of the Board of Statutory Auditors were resolved by the Shareholders' Meeting on 28 April 2023.

	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Directors	774	709	65
Statutory Auditors	76	76	0
TOTAL COMPENSATION FOR CORPORATE OFFICERS	**850**	**785**	**65**

36) Independent Auditors' fees

The table below shows the compensation paid to the independent auditors. The shareholders' meeting of 30 April 2019 elected PricewaterhouseCoopers SpA as the company's independent auditors.

Total compensation accrued by the PWC network and booked to the company's financial statements is reported below.

COMPENSATION FOR THE STATUTORY AUDIT	Balance as at 31/12/2023	Balance as at 31/12/2022	Variation
Annual statutory accounting audit	88	72	16
Limited audit on the half-yearly accounts	29	35	(6)
Other services and sundry advisory services	38	47	(9)
TOTAL FEES FOR THE STATUTORY AUDIT	**155**	**154**	**1**

Rimini, 19 March 2024

The Board of Directors

The Chief Executive Officer

Annexes

ANNEX 1

ATTESTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS IN ACCORDANCE WITH ART. 154 BIS, PARAGRAPH 5 OF ITALIAN LEGISLATIVE DECREE 58/1998 AND ART. 81-TER OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999 AS AMENDED AND SUPPLEMENTED

1. The undersigned, Corrado Peraboni, in his capacity as Chief Executive Officer, and Lucia Cicognani, in her capacity as Manager responsible for preparing the corporate accounting documents of Italian Exhibition Group SpA, certify, also taking into account the provisions of Art. 154-*bis*, paragraphs 3 and 4, of Legislative Decree 24 February 1998, no. 58:
   - the adequacy with respect to the company's profile, and
   - of the administrative and accounting procedures for the preparation of the Financial Statements as at 31 December 2023.

2. It is also certified that:
   2.1. the separate financial statements as at 31 December 2022:
   - were prepared in accordance with the applicable international accounting standards recognised in the European Community pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002;
   - correspond to the results of the books and the accounting records;
   - is capable of giving a true and fair view of the financial situation,

   economic and financial situation of the issuer.

   2.2. the Directors' Report on Operations includes a reliable analysis of the trends and results of operations as well as of the position of the issuer, together with a description of the main risks and uncertainties they are exposed to.

Rimini, 19 March 2024

Chief Executive Officer	Manager responsible for preparing the company's financial documents
Corrado Peraboni	Lucia Cicognani

ANNEX 2

The Income Statement for the year ended 31 December 2022 was restated following the classification of ICE - Agency for the Promotion Abroad and Internationalisation of Italian Enterprises contributions from Other Revenues to Costs for Services, as allowed by IAS 20 paragraph 29 and IAS 8 regarding changes in accounting policy.

INCOME STATEMENT

	31/12/2022 Published	Restatements	31/12/2022 Reassigned
REVENUES			
Revenues from sales and services	105,500,786		105,500,786
Other revenues	4,456,489	-1,496,152	2,960,337
TOTAL REVENUES	**109,957,275**	**-1,496,152**	**108,461,123**
OPERATING COSTS			
Change in inventories	0		0
Costs for raw materials, consumables and goods for resale	-1,833,920		-1,833,920
Costs of services	-69,727,650	1,496,152	-68,231,498
Costs for use of third-party assets	-122,648		-122,648
Personnel costs	-22,488,765		-22,488,765
Other operating costs	-2,880,891		-2,880,891
TOTAL OPERATING COSTS	**-97,053,874**	**1,496,152**	**-95,557,722**
GROSS OPERATING PROFIT (EBITDA)	**12,903,401**	**0**	**12,903,401**
Depreciation and Amortisation	-11,143,545		-11,143,545
OPERATING PROFIT (EBIT)	**1,759,856**	**0**	**1,759,856**
Financial income	3,614,848		3,614,848
Financial charges	-2,820,378		-2,820,378
Exchange rate gains and losses	-163,828		-163,828
TOTAL FINANCIAL INCOME AND EXPENSE	**630,642**	**0**	**630,642**
TOTAL GAINS AND LOSSES FROM EQUITY INVESTMENTS	**212,880**		**212,880**
EARNING BEFOR TAXES	**2,603,378**	**0**	**2,603,378**
TOTAL INCOME TAXES	**-1,090,630**		**-1,090,630**
PROFIT FOR THE YEAR	**1,512,748**	**0**	**1,512,748**

Independet Auditors’ Report to the Consolidated Financial Statement

Please refer to the document published in Italian for the clean opinion of PricewaterhouseCoopers.

Board of Statutory Auditors' Report

ITALIAN EXHIBITION GROUP SpA
Registered office in Rimini, Via Emilia 155
Share Capital EUR 52,214,897.00 fully paid-up
Tax code and registration number with the Romagna-Forlì-Cesena Companies' Register 00139440408

* * *

Report of the Board of Statutory Auditors to the Shareholders' Meeting pursuant to Art. 153 of Italian Legislative Decree no. 58/1998 and Art. 2429 Italian Civil Code

Dear Shareholders,

This report, drawn up pursuant to Art. 153 of Italian Legislative Decree no. 58/1998 (Consolidated Law on Finance) and Art. 2429 of the Italian Civil Code, outlines the supervisory activities conducted by the Board of Statutory Auditors of the Company Italian Exhibition Group SpA (hereinafter also the 'Company') for the year ended 31 December 2023. These activities align with the 'Principles of Conduct of the Board of Statutory Auditors of Listed Companies' set forth by the National Council of Chartered Accountants and Accounting Experts, Consob recommendations on corporate controls and activities of the Board of Statutory Auditors, and the guidelines of the Corporate Governance Code prepared by the Corporate Governance Committee of Borsa Italiana and adopted by the Company.
The Board of Statutory Auditors also acted as the Audit Committee.

The Board of Statutory Auditors was appointed by the Shareholders' Meeting on 28 April 2023 with the following composition:
Alessandra Pederzoli, Chairman
Fabio Pranzetti, Standing Auditor
Stefano Berti, Standing Auditor
Alternate auditors: Meris Montemaggi (included in the majority list) and Luisa Renna (included in the minority list).
The appointment was conducted according to the law and the Articles of Association, based on the lists submitted by the shareholders, also considering the provisions on gender balance.
On 23 June 2023, following the death of Ms Alessandra Pederzoli, pursuant to Art. 22.11 and 22.12 of the Articles of Association, the alternate auditor included in the minority list, Ms. Luisa Renna, assumed the role of Chairman.
As per Art. 2401 of the Italian Civil Code, Ms Renna will continue to hold office until the Shareholders' Meeting determines any additions to the Board of Statutory Auditors.
The term of office for the Board of Statutory Auditors will conclude with the Shareholders' Meeting convened to approve the financial statements for the year ending 31 December 2025.

The Board of Statutory Auditors confirmed, upon accepting the appointment and subsequently during the tenure, that its members fulfilled the integrity and professionalism requirements stipulated by Ministerial Decree no. 162 of 30 March 2000, the non-existence of grounds for disqualification and ineligibility, as well as meeting the independence criteria specified in Art. 2399 of the Italian Civil Code and Art. 148(3) of Italian Legislative Decree no. 24 February 1998, no. 58 and set out in the Corporate Governance Code.
All members also declare that they do not hold administrative or control positions equal to or exceeding the limits established by current laws and regulations.

The auditing firm PWC SpA conducts accounting control and auditing activities. It has been appointed to perform the statutory audit for the financial years 2019-2027 and certify the Non-Financial Statement's compliance.

In carrying out its institutional activities, the Board of Statutory Auditors notes that it has:

- supervised compliance with the Law and the Articles of Association;
- supervised compliance with disclosure obligations regarding regulated, inside information;
- attended all Shareholders' Meetings, Board of Directors meetings, and Board Committees meetings established within the Board of Directors, and continuously received information from directors and company management regarding activities, general performance of operations, foreseeable evolution, progress of strategic projects, and significant economic, equity, and financial transactions undertaken during the financial year;
- acknowledged the declarations made by the Directors and the evaluations expressed by the Board of Directors and verified the correct application of the assessment procedures adopted to evaluate the independence of the members of the Board of Directors, concerning which the Board of Statutory Auditors did not find any matters to mention in this report;
- ascertained the adequacy of the composition and functioning of the Board of Directors, particularly focusing on the preparation of the Company's strategic guidelines, evaluation of ongoing results, analysis of the Company's risk profile, and definition of the organisational structure;
- acquired knowledge of and supervised, within its scope of competence, the adequacy of the Company's organisational structure and compliance with principles of proper administration. Additionally, it assessed the adequacy of the administrative accounting system and its reliability in accurately representing management events. This was achieved by collecting data and information from the heads of the main functions and the auditing firm;
- assessed and supervised the adequacy of the instructions given to the subsidiaries, pursuant to Art. 114(2) of Italian Legislative Decree no. 58/1998;
- maintained communication with the Italian subsidiaries' respective Boards of Statutory Auditors to exchange relevant data and information. No critical issues arose from this exchange;
- obtained information on the organisational and procedural activities implemented in accordance with Italian Legislative Decree 231/2001, including through meetings with the Company's Supervisory Board, and exchanged information with internal control functions. No issues warrant mentioning in this report;
- monitored, as the Internal Control and Audit Committee pursuant to Art. 19 of Italian Legislative Decree no. 39/2010, *(i)* the financial reporting process, *(ii)* the effectiveness of the internal control and risk management system, *(iii)* the statutory audit of the annual financial statements and consolidated financial statements, and *(iv)* the independence of the statutory auditor;
- monitored compliance with the Company's procedure on Related Party Transactions, finding no intra-group transactions conducted with related parties that were atypical, unusual, or capable of significantly impacting the Company's economic, equity, and financial situation. This report contained no noteworthy issues regarding the appropriateness and compliance with the Company's interest of Related Party Transactions. The information provided on these transactions in the notes to the financial statements and in the report on operations was deemed adequate;
- ascertained that the 'Report on Corporate Governance and Ownership Structure' was prepared in accordance with Art. 123-bis of the Consolidated Law on Financial Intermediation. The report provides a detailed overview of the actual implementation of corporate governance rules outlined in the Corporate Governance Code, which the Company follows;
- verified the contents of the 'Report on Remuneration Policy and Remuneration Paid' prepared in accordance with Art. 123-ter of the Consolidated Law on Finance. This report, approved by the Board of Directors on 19 March 2024, provides a detailed analysis of the actual implementation of the remuneration policies. The Board of Statutory Auditors verified the implementation of the Company's remuneration policies, specifically focusing on Executive Directors with Strategic Responsibilities and the single Executive with Strategic Responsibilities. In its meeting on 19 March 2024, the Board of Directors confirmed the attainment of targets for the remuneration plan applicable to Directors holding special offices and for the Executive with Strategic Responsibilities. On these matters, the Board of Statutory Auditors provided its opinion in accordance with the law;

- met regularly with the auditing firm to exchange pertinent information and data, overseeing the financial reporting process, ensuring its adequacy and integrity, and verifying compliance with legal provisions regarding the preparation, layout, and structure of the financial statements;
- regarding the disclosure of non-financial information and details on diversity within the composition of the administration, management, and control bodies of large companies and groups (Italian Legislative Decree 254 of 30 December 2016 and Implementing Regulation adopted by CONSOB by resolution no. 20267 of 18 January 2018),
  - verified the Company's organisational structure, facilitating compliance with the obligation to prepare the Non-Financial Declaration as per Italian Legislative Decree 254/2016;
  - received a report on the activities conducted to define the non-financial disclosure areas relevant to the IEG Group to include in the Non-Financial Statement;
  - met with the auditing firm PWC SpA, which was tasked with certifying the conformity (limited assurance) of the Non-Financial Statement;
- received from the auditing firm the 'Report to the Audit Committee' required by Art. 11 of Regulation 537/EU/2014, which *(i)* includes the auditor's declaration of independence, *(ii*) clarifies the audit's scope and schedule, delineates the methodology employed, and specifies the quantitative level of overall significance., *(iii)* shows the valuation methods applied to the different items in the financial statements highlighting no critical issues regarding the appropriateness of the accounting standards adopted (*iv*) raises no doubts about the Company's ability to continue to operate as a going concern, *(v*) does not indicate significant deficiencies in the internal control system in relation to the financial reporting process, *(vi*) does not contain disclosures of instances of non-compliance with laws, regulations or statutory provisions, *(vii)* does not contain disclosures of limitations on auditing activities or the existence of significant difficulties arising from the audit (*vii*) does not contain any sign of significant issues in the audit of the compliance of the financial statements with the regulatory provisions on the Single Electronic Reporting Format (ESEF). This report did not reveal any issues deemed significant by the independent auditors and management and, therefore worthy of your attention;
- received from the auditing firm the report on the consolidated non-financial statement, indicating that no evidence was found suggesting that the consolidated non-financial statement of the IEG Group for the financial year ended 31 December 2023 was not materially prepared in compliance with the requirements of Articles 3 and 4 of Italian Legislative Decree 254/2016 and the GRI standards.

Based on the information gathered, the Board of Statutory Auditors believes that the activity was conducted in accordance with the principles of proper administration. Furthermore, the organisational, administrative, and accounting structure governing the financial reporting process and the internal control and risk management system are deemed adequate for the Company's present requirements. Additionally, the Board considers the organisational structure overseeing non-financial reporting sufficient.

Following Consob's guidelines outlined in communication DEM/1025564 dated 6 April 2001, the following information is provided below:

1. <u>Consideration of the most significant economic, financial, and asset operations undertaken by the Company, ensuring compliance with the law and the Articles of Association</u>
   At least quarterly, we obtained information from the directors regarding the activities conducted and the most significant economic, financial, and asset operations carried out by the Company and its subsidiaries. We also received updates on the foreseeable evolution of operations and the progress of strategic projects. We can reasonably assure you that the actions decided upon and implemented by the Company comply with the Law and the Articles of Association. They are not manifestly imprudent, risky, or in conflict with resolutions passed by the shareholders' meeting, nor do they compromise the integrity of the Company's assets.
   The following are descriptions of the most significant transactions carried out during the year that the Board of Statutory Auditors deems necessary to disclose:

- acquisition of the remaining 20% minority interest in the capital of the subsidiary Pro.stand Srl;
- acquisition of the business units relating to the Café Asia / Sweets & Bakes Series & Restaurant Asia ('CARA') and Singapore International Jewelry Expo ('SIJE') exhibitions by the subsidiary IEG Asia Pte Ltd was completed;
- acquisition of the Company Mundogeo Eventos e Consultoria Ltda by the subsidiary Italian Exhibition Group Brasil Eventos Ltda. Established in 1997, the acquired company has organised exhibitions and online events in sectors such as space, eVLOTs, drones, autonomous robots, and geotechnology since 2011;
- acquisition of 51% of the capital of A&T Srl; the Company owns and organises the event A&T - Automation & Testing, dedicated to innovation and industrial technologies from a 4.0 perspective;
- acquisition of some of the events organised by Montgomery Events Asia Pte Ltd by its subsidiary IEG Asia Pte Ltd. The events acquired are in the Food & Beverage segment, which the Group already covers with some of its leading events: Speciality Food & Drinks Asia', 'Food2Go (Singapore)' and 'Speciality Coffee & Tea';
- initiation by the Board of Directors of a programme for the purchase and disposal of treasury shares, in execution of the authorisation resolution approved by the Shareholders' Meeting of 28 April 2023, which envisages the purchase of a maximum number of 400,000 IEG shares, equivalent to approximately 1.3% of the share capital, for a maximum total value of EUR 1.5 million. The payment will be made in several instalments over a period not exceeding eighteen months;
- obtaining the Gender Equality Certification under the Guidelines on the Management System for Gender Equality - UNI/PdR 125:2022, evidence of IEG's ethical and proactive approach to ESG principles and the Company's sustainable action;
- joining The Net Zero Carbon Events initiative for the decarbonisation of the trade fair sector by 2050 and the Global Compact Network initiative with the aim of promoting a sustainable global economy;
- obtaining the Certification for Sustainable Events at the exhibition grounds, the Rimini Convention Centre and the Ecomondo event, following the sustainable development vision of the UN Agenda 2030.

The Board of Statutory Auditors also notes that during the year, Mr Maurizio Renzo Ermeti was appointed as Chairman by the Board of Directors, succeeding the deceased Chairman, Mr Lorenzo Cagnoni.

2. <u>Indication of any atypical and/or unusual transactions, including those within the Group or involving related parties.</u>
   Intra-group or related party transactions comply with the law, the Articles of Association, and the Company's procedure for related party transactions. They are unlikely to cast doubts on the accuracy and completeness of related financial statement disclosures, situations of conflict of interest, or the safeguarding of corporate assets.
   Based on the available information, the Board of Statutory Auditors confirms that there were no atypical and/or unusual transactions, as defined in Note 2 of CONSOB Communication no. DEM/1025564 of 6/4/2001.
3. <u>Assessment of the adequacy of the information provided in the Directors' Report on Operations regarding atypical and/or unusual transactions, including intra-group and related party transactions.</u>
   The directors have adequately disclosed and described the characteristics of the main intragroup or related party transactions in the specific notes accompanying the separate and consolidated financial statements.
4. <u>Supervisory Oversight on the Statutory Auditing activity</u>

In compliance with Art. 19 of Italian Legislative Decree no. 39/2010, the Board of Statutory Auditors conducted the required supervisory activity on the operations of the auditing firm. In this regard, the Board of Statutory Auditors met several times with the auditing firm PWC SpA as stipulated by Art. 150 of the Consolidated Law on Finance, addressing, among other matters:

- the examination of the Additional Report under Art. 11 EU Regulation 537/2014;
- the limited audit of the Company's Half-Year Report as at 30 June 2023;
- the planning of audit activities for the Annual Report as at 31 December 2023;
- the progress of the audit work on the Financial Statements as at 31 December 2023 and the results of the audit work on the Financial Statements as at 31 December 2023.

During these meetings, the auditing firm did not identify any facts considered reprehensible or irregularities necessitating reporting under Art. 155, paragraph 2 of the Consolidated Law on Finance

5. <u>Observations and proposals on the remarks and references in the auditors' report</u>

On 5 April 2024, the independent auditors issued their Report on the audit of the financial statements for the year ended 31 December 2023 and the Report on the audit of the consolidated financial statements for the year ended 31 December 2023 of the Company, expressing *(i)* an opinion that the financial statements and consolidated financial statements of Italian Exhibition Group SpA present a true and fair view of the financial position of Italian Exhibition Group SpA and the Group as of 31 December 2023, including the results of operations and cash flows for the year then ended, in accordance with the IAS/IFRS standards adopted by the European Union. *(ii)* a consistency opinion that the Management Reports accompanying the statutory financial statements and the consolidated financial statements as at 31 December 2023 and certain specific information contained in the 'Report on Corporate Governance and Ownership Structure' mentioned in Art. 123-bis, paragraph 4, of the Consolidated Law on Finance, the responsibility for which lies with the Company's Directors, are drawn up under the law; *(iii)* a declaration that they have nothing to report regarding any significant errors in the Management Report, based on their knowledge and understanding of the Company and its context.

On 5 April 2024, the Auditing Firm submitted the Additional Report provided for in Art to the Board of Statutory Auditors as the Internal Control and Audit Committee. 11 of European Regulation 537/2014. Today, under Art. 19 of Italian Legislative Decree no. 39/2010, the Board examined the document and forwarded it with its observations to the Board of Directors.

6. <u>Indication of whether complaints were lodged pursuant to Art. 2408 of the Italian Civil Code of any steps taken and their outcome</u>

During the year ending 31 December 2023, the Board of Statutory Auditors received no complaints or allegations pursuant to Art. 2408 Italian Civil Code.

7. <u>Indication of any complaints lodged, any initiatives taken and their outcome</u>

The Board of Statutory Auditors received no complaints.

8. <u>Indication of whether any further assignments were made to the auditing firm and the costs involved</u>

During the financial year 2023, the Company did not entrust PWC SpA with tasks other than auditing, which is prohibited under Art. 5 of Regulation (EU) 537/2014.

The fees for the audit work conducted by PWC SpA were expensed in the income statement and are itemised in the Annual Financial Report, as mandated by Art. 149-twelve of the Issuers' Regulation.

It should also be noted that other companies within the IEG Group have enlisted the services of PWC for audit purposes.

On 5 April 2024, the auditing firm issued the annual confirmation letter of independence, as required by Art. 6(2)(a) of Regulation (EU) 537/2014, which revealed no situations that could compromise independence. The Board of Statutory Auditors noted the Transparency Report prepared by the auditing company pursuant to Art. 13 of European Regulation 537/2014, published on its website.

Taking into account the assignments entrusted by IEG SpA and the Group's companies to PWC, the Board of Statutory Auditors does not find any critical aspects regarding the independence of PWC SpA.

9. Indication of whether any assignments were entrusted to individuals associated with the auditing firm and the associated costs
During the financial year 2023, the Company did not give positions to persons associated with the auditing company.
10. Statement of the existence of opinions issued in compliance with the law during the financial year
During the financial year 2024, as required by current legislation, the Board of Statutory Auditors, by the Corporate Governance Code and the policies and procedures adopted by the Company: *(i)* an opinion, as per Art. 154-bis of the Consolidated Law on Financial Intermediation, regarding the appointment of Ms Lucia Cicognani as Executive in Charge on a transitional basis, replacing Ms Teresa Schiavina during her compulsory absence from work due to maternity leave,*(ii)* opinion concerning the remuneration policies presented in the Remuneration Report.
11. Statement of the frequency and number of meetings held by the Board of Directors and the Board of Statutory Auditors
The following meetings took place during the financial year, in which the Board of Statutory Auditors participated collectively:
    - no. 1 Shareholders' Meeting,
    - no. 15 meetings of the Board of Directors,
    - no. 7 meetings of the Audit and Risk Committee,
    - no. 3 Remuneration Committee meetings.

    The Board of Statutory Auditors met ten times during the financial year.
12. Observations on compliance with the principles of good administration
The Board of Statutory Auditors had no observations to make regarding compliance with the principles of good administration, which seem to have been consistently adhered to.
13. Observations on the adequacy of the organisational structure
The Board of Statutory Auditors monitored the adequacy of the organisational structure and had no observations to report to the Shareholders' Meeting.
14. Observations regarding the adequacy of the internal control system, particularly on the activities conducted by the internal control officers, along with the highlighting of any corrective actions implemented and/or those still pending
The Board of Statutory Auditors monitored the adequacy of the Internal Control and Risk Management System, proceeding with the assessment through joint meetings with the Risk Control Committee and meetings with the Head of the Internal Audit Function to receive information on the results of the audit activities. The Board of Statutory Auditors regularly exchanged information with reference to analysing and monitoring the main corporate risks with the Supervisory Board.
15. Observations on the adequacy of the administrative accounting system and its reliability in correctly representing management events
The Board of Statutory Auditors monitored the adequacy of the internal control system and the administrative-accounting system and the reliability of the latter in accurately reflecting management events. This was achieved by obtaining information from the Manager responsible for preparing accounting and corporate documents and reviewing company documents. The findings from the activity conducted by the Board of Statutory Auditors do not indicate any critical aspects concerning compliance with Law 262/2005.
The Board of Statutory Auditors paid attention to the following *(i)* updating internal procedures relating to the primary corporate cycles, as well as the verification activities carried out within the internal control system; *(ii)* adopting administrative procedures to provide the information on the management and economic, equity and financial data of companies incorporated and regulated by the laws of non-EU countries that are of significant importance; *(iii)* verifying that the information flows provided by non-EU subsidiaries were adequate to conduct the control of

annual and interim accounts as required by Art. 15 of the Market Regulations adopted by CONSOB resolution no. 20249 of 28 December 2017.

Regarding the preparation of the financial statements, the Board of Statutory Auditors acknowledges that the Board of Directors verified the compliance of the impairment test methodology with the requirements of International Accounting Standard IAS36. The notes to the financial statements include the assumptions used to conduct the test and the evaluation results. The Board of Statutory Auditors had no observations regarding the impairment test procedure adopted.

16. <u>Observations on the adequacy of the provisions issued by the Company to its subsidiaries pursuant to Article 114(2) of Italian Legislative Decree no. 58/1998</u>

    We have acquired knowledge and supervised through various means, including: *(i)* information acquired from the Chief Financial Officer; *(ii*) acquisition of information from the heads of corporate functions; *(iii*) meetings and information exchanges with the Boards of Statutory Auditors of the subsidiaries; and *(iv*) meetings with the independent auditors, within our competence, regarding the adequacy of the provisions issued by the Company to the subsidiaries pursuant to Art. 114(2) of Italian Legislative Decree no. 58/1998.

    The Board of Statutory Auditors had no observations regarding the adequacy of the information flows provided by the subsidiaries to the Parent Company, aimed at ensuring the timely fulfilment of reporting obligations required by law

17. <u>Comments on any relevant issues that arose during the meetings held with the auditors pursuant to Art. 150424, paragraph 2, of Legislative Decree no. 58/1998</u>

    During periodic exchanges of data and information between the Board of Statutory Auditors and the auditing firm, pursuant also to Art. 150(3) of Legislative Decree no. 58/1998, no issues that need to be highlighted in this report emerged.

18. <u>Statement of whether the Company adheres to the Corporate Governance Code of the Corporate Governance Committee of Listed Companies</u>

    The Company has adhered to the Corporate Governance Code of Listed Companies promoted by the Italian Stock Exchange; to the extent of its specific competence, the Board of Statutory Auditors has monitored the procedures for the concrete implementation of the corporate governance rules to which the Company has declared it adheres; in particular, concerning the Corporate Governance Code, the Board of Statutory Auditors monitored *(i)* how the corporate governance rules were implemented, as reported in the Report on Corporate Governance and Ownership Structure, formulating no remarks; *(ii)* the correct application of the criteria and procedures adopted by the Board of Directors to assess the independence of its members.

19. <u>Concluding remarks on the supervisory activity carried out and on any omissions, reprehensible facts or irregularities detected during the supervisory activity</u>

    The Board of Statutory Auditors conducted its supervisory activities in the usual manner throughout the financial year 2023, and no omissions, reprehensible facts, or irregularities have emerged warranting reporting.

20. <u>Indication of any proposals to be presented to the Shareholders' Meeting pursuant to Art. 153(2) of Leg. 58/1998</u>

    In summary of the supervisory activities performed during the year, the Board of Statutory Auditors has no proposals to make pursuant to Art. 153(2) of Legislative Decree no. 58/1998, concerning the separate financial statements as at 31 December 2023 of Italian Exhibition Group SpA, their approval and matters within its competence.

Conclusions

The financial statements for the year ended 31 December 2023 of Italian Exhibition Group SpA and the consolidated financial statements at the same date were prepared under the IAS/IFRS issued by the International Accounting Standard Board (IASB), in compliance with Italian Legislative Decree No. 38 of 28 February 2005, implementing EC Regulation No. 1606/2002 of the European Parliament and of the Council of 19 July 2002.

The Board of Statutory Auditors scrutinised the criteria employed in preparing the aforementioned financial statements, specifically focusing on their content and structure, the consolidation scope, and the consistent application of accounting principles. Additionally, the examination encompassed the availability of sufficient information concerning the Company's performance, assessments conducted to ascertain asset impairment (impairment test), and the ongoing fulfilment of business continuity requirements. The auditors did not comment on the information provided.

Not tasked with conducting an in-depth analysis of the content of the financial statements, we oversaw the general approach to the financial statements and the consolidated financial statements, including their general compliance with the law as regards their formation and structure. We have no specific observations to report in this regard.

To the best of our knowledge, the Directors have complied with the provisions of the law, as outlined in Art. 2423(4) of the Italian Civil Code in preparing the annual financial statements.

We have verified that the financial statements and management report accurately reflect the facts and information within our knowledge obtained through the performance of our duties. We have no observations to make in this regard.
The statutory financial statements and consolidated financial statements of Italian Exhibition Group SpA are accompanied by the required auditors' report, to which we refer for further details.

Based on the above considerations, the Board of Statutory Auditors finds no reasons to oppose the approval of the financial statements as of 31 December 2023 and the resolution proposals formulated by the Board of Directors.

Modena, 5 April 2024

BOARD OF STATUTORY AUDITORS

Luisa Renna

Stefano Berti

Fabio Pranzetti

ITALIAN EXHIBITION GROUP
Providing the future

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