



Financial Results 1H23

Analyst Call_ August 29th, 2023



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Business

Corrado Peraboni (CEO)



1H23 – RESULTS HIGHLIGHTS

1H23 – Record Revenues, good profitability and cash generation

- ✓ Record Revenue (+64%) with sound growth across all business lines driven by organic expansion (+31,1%) and «Restart» effect (+19,6%)
- ✓ Adj. EBITDA Margin at 24,6% (+16,8 pp vs 1H22) driven by «Organized Events» line of business
- ✓ Net Financial Position at 94,8 M€ decreasing by 0,5 M€, thanks to cash generation improvement vs 1H22. Monetary NFP at 60,9 M€ (vs 58,8 M€ in 2022)
- ✓ Net Result at 10,6 M€ at 8,9% of Revenue

1H 2023 Results

REVENUES	Adj. EBITDA	Adj. EBIT	NET RESULT
€119,2	€29,3	€21,2	€ 10,6
+64,0%	24,6% (+16,8 pp)	17,8% (+22,6 pp)	8,9% (+16,7 pp)

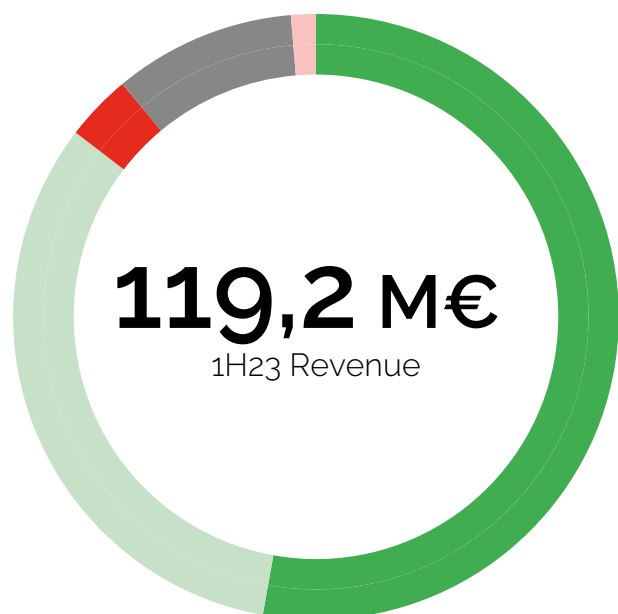
2Q 2023 Results

REVENUES	Adj. EBITDA	Adj. EBIT	NET RESULT
€42,2	€4,6	€0,7	€ (3,3)
+21,8%	>100% (+14,7 pp)	>100% (+20,4 pp)	-55,2% (+13,6 pp)

Net Financial Position € 94,8

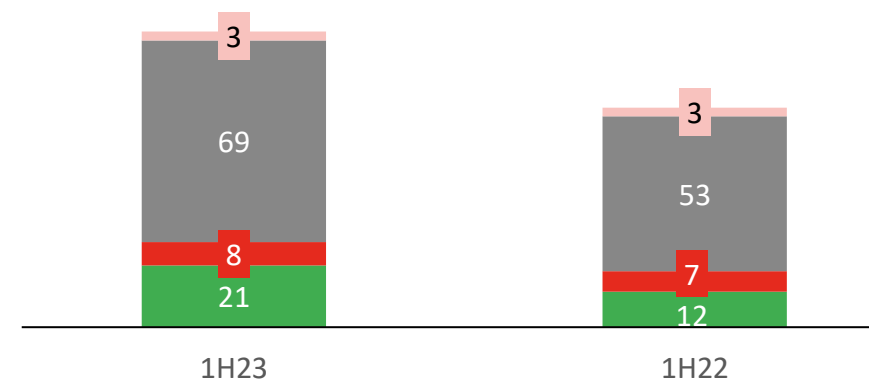
1H23 BUSINESS SEGMENTS PERFORMANCE

1H23 Revenues by line of Business



Organized events	53%
Food, Stand Fitting and cleaning	32%
Congresses	10%
Hosted events	4%
Publishing, sport and other	1%

Number of Events



Organized Events Hosted Events Congresses Other Events

2Q23 BUSINESS UPDATE



The 42nd edition of Oro Arezzo has renewed its concept with greater attention to jewellery production which has been combined with a new exhibition layout.

The Exhibition doubled the hosted buyers vs 2022: 430 coming from 55 countries thanks to the synergy with the ITA Agency, the Ministry of Foreign Affairs and International Cooperation.

Visitors increased by 43% compared to the last edition and by 2% compared to 2019.



Congress line of business reached excellent results both financially and from a business stand point overachieving targets: revenues' growth by 82% compared to 2Q22.

The growth is largely attributable to business development which brought new congresses, of which 16% are international conferences.



Within the Congress division IEG, in partnership with I. A. Spiegata Semplice, launched a new event dedicated to artificial intelligence: 'AI WEEK, The Artificial Intelligence Week'. The conference is dedicated to Italian managers and entrepreneurs who aspire to use artificial intelligence and the technology applied to company processes.



SIGEP China debuted in Shenzhen for its first edition in May 2023 with >100 flagship brands excellence of Made in Italy, a representation of the elite of the Italian pastry art.

During the event the Gelato China Cup was held with a Chinese selection valid for participation in the Gelato World Cup scheduled at Sigep 2024 in Rimini.



STRATEGY EXECUTION UPDATE

ESG Roadmap & Rating

- IEG launched the ESG Roadmap aimed at designing a path to embed sustainability into business strategy.
- In June, IEG was also rated in the "Integrated Governance Index" (IGI), an ESG index that measures the integrated sustainability of companies, promoted by the ET. Group.



M&A International Expansion

- Completed the acquisition in Brazil of Mundogeo Eventos e Consultoria Empresarial Ltda. a trade fairs and online events organizer in the space industry, eVTOLs, drones, autonomous robots and geotechnology, expanding Group portfolio in Latin America.



IEG in the Top 27 Global Exhibitors' Ranking

- Italian Exhibition Group was ranked amongst the Top 27 Exhibition Organizers globally, as the only Italian player, in the Stax ranking that evaluates the event industry's leading players based solely on their exhibition-organizing revenues throughout 2022.



2H23 Booking vs Target

98,4%
Net SQM

- Organized Events Booking achievement vs Budget

108,3%
ISF REV



Finance

Teresa Schiavina (CFO)



1H23 INCOME STATEMENT

Revenues

- ✓ At 119,2 M€ +64,0% vs 1H 2022 driven mainly by organic growth (+22,6M€) and 'Restart' from pandemic (+14,2 M€)

Contribution margin

- ✓ At 49,3M€, or 41,4% thanks to volume despite inflation

Adjusted EBITDA

- ✓ at 24,6% (+16,8 pp YoY), mainly thanks to volume and partially to positive pricing

Adjusted EBIT

- ✓ at 17,8% (+22,6 pp YoY), at 21,2 M€, improving by 24,7 M€ back to normalized activity

Net Result

- ✓ at 10,6 M€ (8,9%), back to profitability improving by 16,3 M€

	1H 2023	1H 2022	Change	%
Revenues	119,2	72,7	46,5	+64,0%
Operating costs	(69,9)	(51,2)	(18,7)	+36,5%
Contribution Margin	49,3	21,5	27,8	>100%
Personnel	(20,4)	(18,0)	(2,3)	+13,0%
<i>Non recurring EBITDA items</i>	0,4	2,3	(1,9)	+412,9%
Adjusted EBITDA	29,3	5,7	23,6	>100%
<i>% Adj Ebitda Margin</i>	<i>24,6%</i>	<i>7,8%</i>	<i>+16,8 pp</i>	
D&A	(8,7)	(9,2)	0,5	-5,2%
<i>Non recurring EBIT items</i>	0,6	0,0	0,6	>100%
Adjusted EBIT	21,2	(3,5)	24,7	>100%
<i>% Adj Ebit Margin</i>	<i>17,8%</i>	<i>-4,8%</i>	<i>+22,6 pp</i>	
<i>Non recurring items</i>	(1,0)	(2,3)	1,3	-57,8%
Net Financials	(4,3)	0,6	(5,0)	<-100%
Profit before Tax	15,9	(5,1)	21,0	>100%
<i>% PBT Margin</i>	<i>13,3%</i>	<i>-7,0%</i>	<i>+20,4 pp</i>	
Taxes	(5,3)	(0,5)	(4,7)	>100%
Net Result	10,6	(5,6)	16,3	>100%
<i>% Net Result Margin</i>	<i>8,9%</i>	<i>-7,8%</i>	<i>+16,7 pp</i>	



1H 2023 VS 1H22 EBITDA BRIDGE





1H23 BALANCE SHEET

Net Invested Capital

- ✓ Fixed Assets decrease due to depreciation and deferred tax assets release
- ✓ NWC negative at 36,4 M€ improve by 20,8 M€ thanks to clients' downpayments release on Exhibitions held in 1H-23

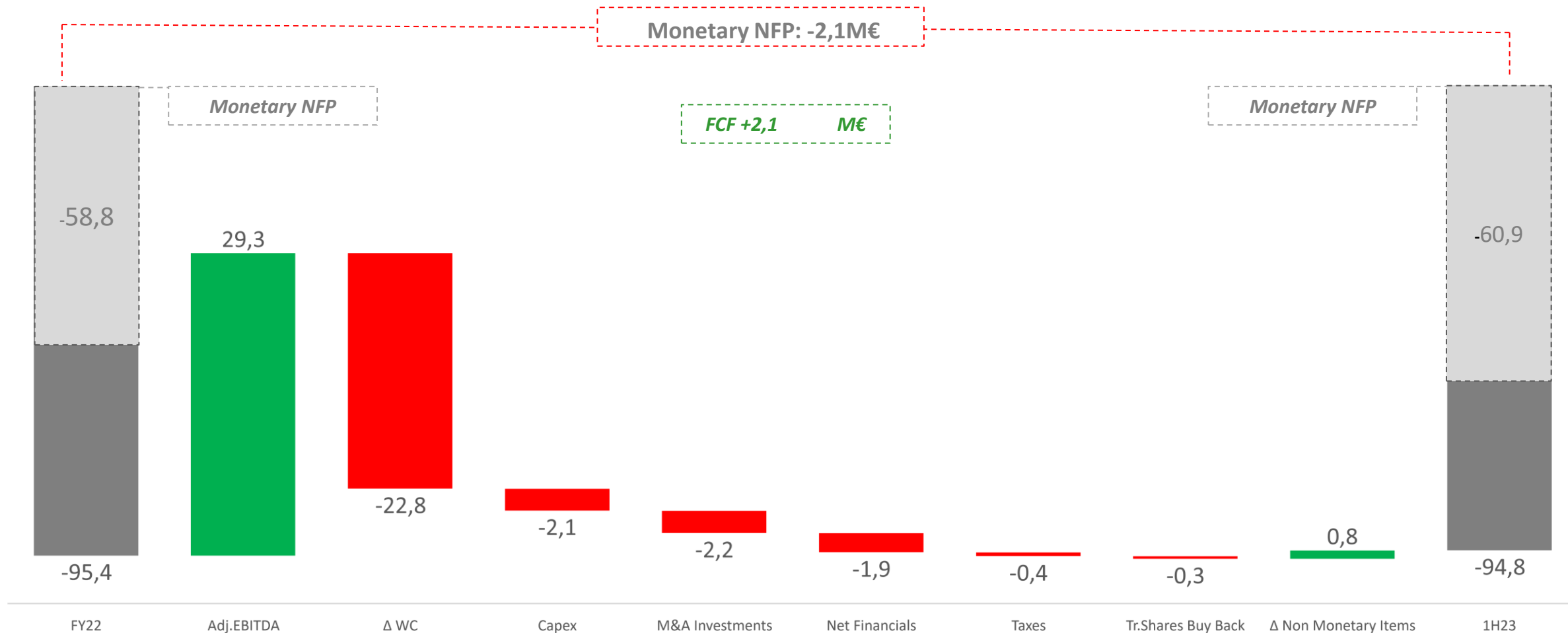
Net Financial Position

- ✓ At 94,8 M€ improves thanks to a positive FCF of +2,1 M€ driven by organic growth and normalized business

	Jun-23	Dec-22	Change	%
Total Fixed Assets	243,7	253,8	(10,1)	-4,0%
Trade receivables	38,9	30,0	8,9	29,6%
<i>% on 12m rolling sales</i>	18,7%	18,6%	+0,1 pp	
Inventories	1,0	0,9	0,2	18,8%
<i>% on 12m rolling sales</i>	0,5%	0,5%	-0,0 pp	
Trade payables	(41,3)	(42,8)	1,5	-3,5%
<i>% on 12m rolling sales</i>	-19,8%	-26,4%	+6,6 pp	
Trade Working Capital	(1,4)	(11,9)	10,5	-88,4%
<i>% on 12m rolling sales</i>	-0,7%	-7,4%	+6,7 pp	
Other Current Assets/Liabilities	(35,1)	(45,3)	10,2	-22,6%
Net Working Capital	(36,4)	(57,2)	20,8	-36,3%
<i>% on 12m rolling sales</i>	-17,5%	-35,3%	+17,8 pp	
Other Non-Current Liabilities	(7,2)	(6,9)	(0,3)	4,2%
Net Invested Capital	200,0	189,7	10,3	5,4%
Net Financial Position	94,8	95,4	(0,5)	-0,5%
Net Equity	105,2	94,3	10,9	11,5%
Total Sources	200,0	189,7	10,3	5,4%



1H23 vs ACT22 NFP BRIDGE





FY23 OUTLOOK

Despite the forecasted macroeconomic scenario for 2023 is still marked by uncertainty, with eased inflation, tight monetary policies, and global geo-political tensions, the second quarter of 2023 confirmed not only a sound post pandemic recovery, but also the consolidation of the growth in all line of business allowing the Group to outperform 2019 results on revenues.

In this context, the Group expects for 2023 to improve the margin targets set in the business plan, exceeding the expected turnover volumes, improving cash generation to support investments.



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