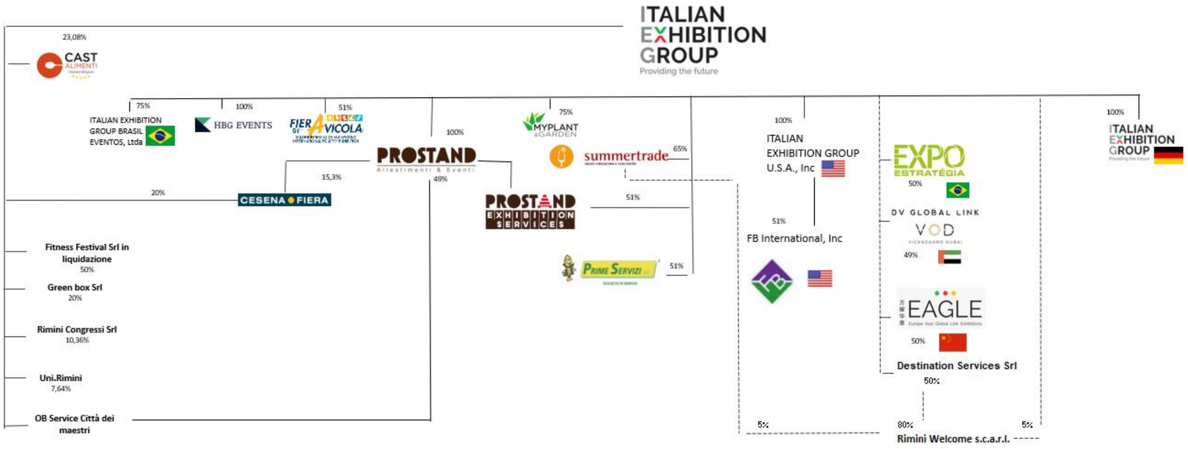
ITALIAN EXHIBITION GROUP
Providing the future

HALF-YEARLY FINANCIAL REPORT 2022

ITALIAN EXHIBITION GROUP S.p.A.
Via Emilia 155 – 47921 Rimini
52,214,897 fully paid-in
Rimini Register of Companies no. 00139440408
NUMBER OF ECONOMIC ADMINISTRATION INDEX 224453
VAT no. and tax code 00139440408

IEG Group structure

IEG GROUP STRUCTURE
POSITION AT 30 JUNE 2022



The IEG Group is active in organising trade fairs, hospitality for trade fairs and other events through the provision of fitted-out exhibition spaces, promoting and managing convention centres and supplying services related to trade fairs and conferences. Lastly, the Group is active in the publishing sector and trade fair services connected with sporting events hosted.

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 at the professional sector (so-called B2B events).

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

- Quartiere Fieristico (Trade Fair District) of Rimini, located in via Emilia no. 155;
- Quartiere Fieristico (Trade Fair District) of Vicenza, situated in via dell'Oreficeria no. 16;
- Palacongressi di Rimini, located in via della Fiera no. 23 in Rimini;
- Vicenza Convention Centre, in via dell'Oreficeria no. 16.

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. Milan, Arezzo, Dubai, Chengdu, Leon, San Paolo, to mention just a few) also through subsidiaries, associated and joint control companies.

As at 30 June 2022, the Parent Company exercises management and coordination activities, pursuant to and in accordance with art. 2497 bis of the Italian Civil Code, for Fieravicola S.r.l., Prime Servizi S.r.l., Prostand Exhibition Services S.r.l., Summertrade S.r.l., Pro.Stand S.r.l., Italian Exhibition Group USA Inc., FB International Inc., HBG Events FZ Llc and Italian Exhibition Group Brasil Eventos Ltda, V- Group S.r.l., Italian Exhibition Group Deutschland Gmbh.

In accordance with article 15 of the Markets Regulation adopted with CONSOB Resolution no. 20249 of 28 December 2017, with reference to the subsidiaries established and governed by countries that are not Member States of the European Union, the Issuer: (a) intends to provide, to the public, the accounting information on the subsidiaries that were used for drawing up the consolidated financial statements, and that include at least the balance sheet and the income statement, by keeping them on file at the registered office or publishing them on the Company's website; (b) has obtained from the subsidiaries the Articles of Association as well as the composition and powers of the corporate bodies; and (c) will ensure that the subsidiaries: (i) provide the Independent Auditors with the information they require to conduct audit activities for the annual and interim accounting of the Company; and (ii) maintain an administrative-accounting system suitable for providing to management and the Independent Auditors the economic, equity and financial data necessary for preparing the consolidated financial statements.

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 in any case not subject to management and coordination by Rimini Congressi S.r.l. pursuant to art. 2497 et seq. of the Italian Civil Code. In fact, none of the activities that typically prove management and coordination activities, pursuant to art. 2497 et seq. of the Italian Civil Code, exist since, merely by way of example:

- 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, at any rate, is not subject in any way - to the financial or credit directives or instructions 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.

COMPOSITION OF THE GROUP AND CHANGES WITH RESPECT TO 31 DECEMBER 2021

A summary of the activities carried out by the various Group companies and the main changes in the composition of the Group compared to the situation as at 31 December 2021 is provided below.

The Group structure at 30 June 2022 differs from that at 31 December 2021 due to the inclusion of two entities in the consolidation scope. The first, Italian Exhibition Group Deutschland Gmbh, is a company established by the Parent Company on 21 April 2022, with registered office in Munich (DE), while the second, V - Group S.r.l., is a company that was acquired by IEG on 01 June 2022 and is held 75%.

During the first half of 2022, moreover, the liquidation process was concluded of the Joint Venture Expo Extratégia Brasil Eventos e Produções Ltda.

Italian Exhibition Group S.p.A. is the Parent Company, created as a result of the transfer to Rimini Fiera S.p.A. of the company managed by Fiera di Vicenza S.p.A. (now Vicenza Holding S.p.A.) and the simultaneous change of the former's company name. Italian Exhibition Group S.p.A., in addition to its role in management of Group activities, organises/hosts trade fairs and conferences at the above-mentioned sites and in other locations. As part of trade fair support services, IEG also carries out publishing activities.

The Group is composed of various **operating subsidiaries** which, when held directly or indirectly with stakes exceeding 50%, are consolidated *on a line-by-line basis*. The companies listed below fall under this group.

Summertrade S.r.l., 65% owned, operates in catering and banqueting in both the trade fair districts of Rimini and Vicenza and at the Palacongressi and Vicenza Convention Centre, for which it is the exclusive concession holder of the service, and at other sales points, restaurants and company cafeterias. Summertrade also manages catering services outside the Group scope, for example at Cesena Fiera, the trade fair district and convention centre of Riva del Garda, the Cesena hippodrome and at the Misano World Circuit “Marco Simoncelli” and Porsche Experience Centre Franciacorta, to mention just the main ones.

Italian Exhibition Group USA Inc., company with registered office in the United States, established in December 2017 by the Parent Company and wholly owned by the latter, acquired 51% of FB International Inc. on 1 March 2018.

FB International Inc., company with registered office in the United States, joined the IEG Group on 1 March 2018 through the acquisition of 51% of the share capital by Italian Exhibition Group USA Inc. The Company operates in the trade fair stand fitting sector in North America.

Prime Servizi S.r.l., established in 2005, is 51% owned and operates in the marketing of cleaning and porterage services.

Pro.Stand S.r.l., an 80% subsidiary, operates in the sales of stand fitting equipment and integrated solutions in support of trade fairs and conferences for the national and international market.

Prostand Exhibition Services S.r.l., 51% owned directly by the Parent Company and 49% indirectly through Pro.Stand S.r.l., operates in the trade fair stand fitting sector. The acquisition of Pro.Stand resulted in the centralisation within it of the business management of the Group’s stand fitting services, hence, effective from January 2019, Prostand Exhibition Services S.r.l. is essentially inactive.

Fieravicola S.r.l., 51% directly owned by the Parent Company, operates in the organization of the trade fair event with the same name, one of the main B2B events in the poultry and rabbit sector.

HBG Events FZ LLC, wholly-owned by the Parent Company, was acquired on 28 October 2020. The company, with registered office in the United Arab Emirates, organises events in the field of sport and fitness (“Dubai Muscle Show”, “Dubai Active”, “Dubai Classic”) and supports other Group initiatives in the Emirates, such as the event JGT Dubai (Jewellery, Gem and Technologies) organised as part of a JV between IEG and Informa Market.

Italian Exhibition Group Brasil Eventos Ltda., with capital held 75% directly by the Parent Company, is based in São Paulo, Brazil and was established on 14 December 2021. It will work on the opportunities offered up by the Brazilian market in the synergic sectors to the Group’s portfolio and with a particular focus on the fitness and jewellery markets.

V-Group S.r.l., of which IEG directly holds 75% of the shares, operates in the organisation of the annual “My Plant and Garden” event, which is held at the Milan Trade Fair District.

Italian Exhibition Group Deutschland Gmbh, company based in Germany, which promotes and sells the trade fair events in the portfolio on German territory.

Some **associated companies** recorded in the consolidated financial statements using the equity method also belong to the Group. The following companies fall into this category.

C.A.S.T. Alimenti S.r.l.: in 2018 IEG S.p.A. acquired 23.08% of the share capital of the company active in the establishment, organisation and management of schools and specialisation courses, management and organisation of conferences in the culinary domain.

Green Box S.r.l.**:** in 2014, Rimini Fiera acquired 20% of the company following agreements with Florasì - Consorzio Nazionale per la promozione dei florovivaisti Soc. Coop.- and Florconsorzi for the organisation in Rimini of an event dedicated to plant nursery in autumn 2015. The company has been inactive since 2017.

Cesena Fiera S.p.A.: in 2017, IEG S.p.A. acquired 20% of the capital of the company active in the trade show events and exhibitions organisation sector. In particular, the company conceived MacFrut, the professional trade show, a reference point of the entire national and international fruit and vegetable chain, held in the Rimini trade fair district. Through the acquisition of Pro.Stand S.r.l., the Group indirectly holds an additional 15.3% of the company.

In addition to the subsidiaries and associated companies cited above, note should be taken of the Parent Company's participation in **joint ventures** for the development of international trade fairs. The following companies fall into this category.

Expo Extratégia Brasil Eventos e Produções Ltda in liquidation: Joint venture held equally by IEG and the Tecniche Nuove Group of Milan for the management of events and publications in the environmental technologies segment. The company is no longer active and liquidation has started.

DV Global Link LLC in liquidation: is 49% owned by IEG S.p.A. and the result of the Joint Venture between the then Fiera di Vicenza S.p.A. and the company DXB Live LLC, a UAE company 99% owned by Dubai World Trade Centre LLC. The joint venture has organized Vicenzaoro Dubai, an event dedicated to jewellery and gold. The company was placed into liquidation on 31 May 2020 since the Group is replanning its presence in the Emirates.

Fitness Festival International S.r.l. in liquidation: company in which IEG S.p.A. in liquidation has held a 50% stake since 2006.

Europe Asia Global Link Exhibitions Ltd. (EAGLE): on 29 December 2018, the Parent Company acquired 50% of the company established in 2018 by VNU Exhibition Asia Co Ltd. The company has its registered office in Shanghai and is active in organising and managing trade fairs in the Asian market. The company has its office in Shanghai and organises and manages trade fair events on the Asian market.

European China Environmental Exhibition Co. Ltd. (ECEE): in 2019, EAGLE established the company Europe China Environmental Exhibitions (ECEE) in joint venture with a partner in Chengdu, owner of the CDEPE - Chengdu International Environmental Protection Expo - with regard to environmental technologies and sustainable development, to jointly carry out this event.

Destination Services S.r.l.: a company in which a 50% stake is held, incorporated on 26 February 2019 together with the shareholder Promozione Alberghiera Soc. Coop. The company will handle the promotion and organisation of tourist services.

Rimini Welcome – Destination Management Company Società Consortile a R.L.: established on 17 October 2019, 80% of which is owned by the joint venture Destination Services S.r.l., 5% by Italian Exhibition Group S.p.A. and 5% by Summertrade S.r.l. The NewCo will act as Destination Management Company.

Lastly, the Group has some **minority equity investments**, listed below, which are classified under non current assets. These will be detailed extensively in the Explanatory notes to the consolidated financial statements.

Rimini Congressi S.r.l.:the company, parent of IEG, merged **Società del Palazzo dei Congressi S.p.A.** by incorporation on 22 December 2020. The latter was incorporated in 2005 by the former Rimini Fiera, through the transfer of its conference business unit, constructed and is the owner of the Rimini Conference Centre which it leases to the Parent Company. In 2007, as a result of the share capital increase and the subsequent entry of new shareholders, Rimini Fiera (now IEG) lost control of the company, reducing its share of ownership to 35.34%. Subsequently, as a result of further share capital increases subscribed by other shareholders, Italian Exhibition Group S.p.A.'s share fell to 18.38%. As a result of the merger of Società del Palazzo dei Congressi in Rimini Congressi Srl, IEG acquired 10.36%

of shares in the parent company.

Uni.Rimini S.p.A.: The purpose of the consortium company is to promote and support the development of the University, scientific research and the higher education and training system in the Rimini area by developing and organising educational activities in various forms: university courses, specialist schools, post-graduate specialisation courses, summer and winter schools. The company is 7.64%-owned by Italian Exhibition Group S.p.A.

Administration and Control Bodies of Italian Exhibition Group S.p.A.

ADMINISTRATION AND CONTROL BODIES OF IEG S.P.A.

BOARD OF DIRECTORS

Lorenzo Cagnoni	Chairman
Corrado Peraboni	Chief Executive Officer
Daniela Della Rosa	Director (*) (1) (3)
Maurizio Renzo Ermeti	Director (2)
Valentina Ridolfi	Director (*) (2)
Andrea Pellizzari	Director (*) (2)
Simona Sandrini	Director (*) (1)
Alessandra Bianchi	Director (*) (1)

(*) Independent pursuant to the Corporate Governance Code
(1) Member of the Control and Risk Committee
(2) Member of the Remuneration and Appointments Committee
(3) Lead Independent Director

BOARD OF STATUTORY AUDITORS

Alessandra Pederzoli	Chairwoman
Massimo Conti	Standing Auditor
Marco Petrucci	Standing Auditor
Meris Montemaggi	Alternate Auditor
Luisa Renna	Alternate Auditor

SUPERVISORY BOARD

Massimo Conti	Chairman
Lucia Cicognani	Standing Member
Monia Astolfi	Standing Member

AUDITING FIRM

PricewaterhouseCoopers S.p.A.

MANAGER RESPONSIBLE FOR PREPARING THE COMPANY'S FINANCIAL DOCUMENTS

Carlo Costa

The Board of Directors was appointed by the Shareholders' Meeting held on 29 April 2021 and shall remain in office for three financial years and then until the shareholders' meeting convened to approve the financial statements for the year ended as at 31 December 2023.

During the meeting held on 29 April, the Board of Directors appointed the Supervisory Body, in accordance with Italian Legislative Decree no. 231/2001, comprising three members chosen from those meeting the professionalism and independence requirements and having specific skills in terms of inspections and consultancy. The Supervisory Body, confirmed in its previous members, consists of Massimo Conti (Chairman), Monia Astolfi and Lucia Cicognani.

The Board of Statutory Auditors was appointed by the Shareholders' Meeting held on 08 June 2020 and shall remain in office until the 2022 financial statements are approved.

The nine-year auditing appointment (in accordance with Italian Legislative Decree no. 39/2010) was conferred upon the company PricewaterhouseCoopers by the shareholders' meeting held on 17 October 2018, with effect subject to the start of trading of IEG shares on the Electronic Stock Exchange (MTA) organised and managed by Borsa Italiana (today Euronext Milan); this took place on 19 June 2019. The audit engagement will finish with approval of the financial statements for the year ended as at 31 December 2027.

On 19 March 2021, after acquiring the opinion of the Board of Auditors, the Board of Directors appointed Carlo Costa as company CFO and Manager responsible for preparing the company's financial documents.

The Board of Directors is vested with all the widest powers for the ordinary and extraordinary administration of the Company, with the sole exclusion of those acts that the national or regional laws reserve to the shareholders' meeting or which are assigned to it by the company Articles of Association (for example, the issuing of significant guarantees and transfer of trademarks).

The Board of Directors meeting held on 29 April 2021 confirmed Corrado Peraboni as CEO in charge of the establishment and maintenance of the internal control and risk management system in accordance with Recommendation 32, letter b) of the Corporate Governance Code issued by the Corporate Governance Committee and adopted by the Company.

On 30 June 2022, Carlo Costa, the Company's CFO and Manager responsible for preparing the company's financial documents, tendered his resignation with effect from 1 September 2022, to head towards a new professional challenge. The Parent Company has started the selection process to identify a successor with a similar profile, whose name will be disclosed to the market in accordance with the legal deadlines. On 29 August 2022, after acquiring the opinion of the Board of Auditors, the Board of Directors assigned the office of Manager responsible for preparing the company's financial documents on a *pro tempore* basis to Lucia Cicognani, the Company's Financial Reporting Manager.

On 18 July 2022, Marino Gabellini - Sole Director of Rimini Congressi S.r.l. - tendered his resignation from the office of Director, considering, with the approval of the 2022-2027 business plan, that he had completed his work for the Company. Mr Gabellini was appointed from the list submitted by Rimini Congressi Srl, is not classified as an independent director and does not hold any roles on the committees established within the Board of Directors.

Interim Report on Operations

PERFORMANCE AND ANALYSIS OF THE MAIN RESULTS OF THE FIRST HALF OF 2022

The first half of 2022 closed with positive results despite the fact that the start of the year was characterised by a worsening of Covid-19 infections, which led to the essential inactivity of the Group in Italy for the first two months of the year and the need to reposition some of the most important events organised by the Group in March, with penalising consequences. Despite this, the trade fair market continues to be extremely reactive and this confirms the strategic and industrial importance of the trade fairs for the recovery and growth of the reference segments.

The **Organised Events** suffered the effects of the latest pandemic wave brought about by the *Omicron* variant of the Sars-Cov-2 infection, the peak of which occurred in January, the month during which the events Sigep, Vicenza Oro January and TGold are traditionally scheduled. Although no legislation has been introduced to prohibit trade fair-conferences, following discussions with the main stakeholders involved in the production and distribution chains of the companies taking part in the trade fairs of January and February, the Company decided to postpone the events Vicenza Oro January, TGold, Sigep and Beer & Food Attraction, from the original dates, to March. The results have confirmed the reasonableness of the approach taken, both in protecting operator health and maintaining an adequate value standard generated during the events, which require adequate participation of exhibitors and visitors. The events carried out produced satisfactory results, above all as regards the gold sector, the results of which have approached pre-Covid levels, whilst the ice cream sector in Sigep showed suffering, insofar as the March positioning was late in respect of the reference market needs.

In February, Dubai hosted the AND first edition of the JGT Dubai event organised as a joint venture with Informa Market, an event that culminated in public success and economic results exceeding expectations.

The second quarter has seen certain important events back occupying the historic date, including Rimini Wellness, Oroarezzo and Abilmente Primavera. In April, the first edition of Solar Exhibition & Conference was also launched, an appointment that will be back for the next editions of Key Energy.

All the most important events organised by the Group remain duly scheduled for the forthcoming months, with the sole exception being the HIT Show, which has been postponed to February 2023.

The performance of the **Hosted Events** was decidedly positive, having achieved results that even exceeded the pre-pandemic years. In addition to Macfrut and Expodental, again back at the historic spring dates with excellent performance, new events took place, including “Focus on PCB” and “YED” at Fiera di Vicenza and “We Make Future” at Rimini Fiera.

The **Congress business** initially suffered the effects of the pandemic, with just 5 events held during the first two months of the year but over the next few months, a total of 46 congresses were held in Palazzo dei Congressi di Rimini and the Vicenza Congress Center (VICC) with excellent levels of participation and business volumes.

Related Services conclude the half-year with business volume exceeding expectations, both as concerns stand fitting services and food serving services, which, in addition to benefiting from the recovery of congress trade fair activities in the districts served, also showed growing volumes for other activities held in other locations (stadiums, canteens, car racing circuits and catering points, etc.). However, whilst the re-engineering of processes and the corporate reorganisation implemented starting autumn 2020 in the fittings sector, led to a recovery of margins, the catering sector suffers for the high growth of the prices of food and energy commodities.

In terms of **international activities**, the first few days of January saw the closure of the transaction whereby IEG Brasil Eventos purchased the assets for the organisation of the Brasil Trading Fitness Fair, the next edition of which is scheduled for São Paulo form 18 to 20 November 2022.

In January, a Letter of Intent was signed between the Parent company and Koelnmesse GMBH for the development in a joint venture of the SIGEP event in some non-European countries in which Fiera di Colonia organises the major food fair Anuga (Anufood abroad). Under the scope of this relationship, on 16 March, the agreement was signed for the organisation of Sigep China starting 2023, alongside Anufood China in Shenzen.

On 27 May, with effect from 1 June, the Group acquired 75% of the company V-Group Srl, which organises the “Myplant & Garden” event, created in 2015 and which represents the most important professional plant nursery and vegetable growers event of the landscape and garden in Italy, and is a key point of reference at a European level.

Summary of the income statement results for H1 2022

Total Group revenues came to 72.7 million euros, up 65.7 million euros on the 7.0 million euros of H1 2021, during which COVID-19 pandemic restrictions had very much limited business.

First half EBITDA is positive for 3.4 million euros, up 17.5 million euros on the same period of the previous year, when a loss was recorded of 14.1 million euros.

During H1, Adjusted EBITDA comes to 5.7 million euros, an improvement of 19.3 million euros on H1 2021. This result does not take into account any specific non-recurring items, which have impacted the economic results of both half financial years.

EBIT amounted to -5.7 million euros, an improvement of 18.9 million on the same period of the previous year. The pre-tax result benefited from positive financial operations and was -5.1 million euros, an improvement of approximately 20.9 million compared to the first half of 2021.

The Group’s result for the period amounted to a loss of 5.6 million euros, improving by 20.6 million euros compared to the same period of the previous year. The result for the period attributable to the Parent Company’s shareholders amounted to a loss of 5.2 million euros compared to a loss of 25.0 million euros in the first half of 2021, improving by 19.8 million euros.

ANALYSIS OF CONSOLIDATED RECLASSIFIED INCOME STATEMENT DATA

The table below presents the IEG Group's reclassified Income Statement, in order to highlight the main operating results as at 30 June 2022 and the changes with respect to the previous period. The table also shows the percentage breakdown of revenues and the percentage impact of each item with respect to the "Total Revenues".

IEG Group Reclassified income statement	30.06.2022	%	30.06.2021(*)	%	Changes 2022 - 2021	% chg.
Revenues from sales and services	70,143	*96.5%*	5,452	*77.4%*	64,691	*>100%*
Other revenues - recurring	1,869	*2.6%*	1,310	*18.6%*	559	*42.7%*
Other revenues - non-recurring	*665*	*0.9%*	*281*	*4.0%*	*384*	*>100%*
Total Revenues	**72,677**	***99.1%***	**7,043**	***96.0%***	**65,634**	***>100%***
Operating costs - recurring	(48,288)	*(66.4%)*	(9,603)	*<100%*	(38,685)	*>100%*
Operating costs - non-recurring	*(2,930)*	*(13.7%)*	*(775)*	*23.2%*	*(2,155)*	*>100%*
Value added	**21,459**	***29.5%***	**(3,336)**	***(47.4%)***	**24,794**	***<100%***
Staff costs	(18,021)	*(24.8%)*	(10,742)	*<100%*	(7,279)	*67.8%*
Gross Operating Profit (EBITDA)	**3,438**	***4.7%***	**(14,078)**	***<100%***	**17,515**	***<100%***
EBITDA - Adjusted	**5,703**	***7.8%***	**(13,583)**	***<100%***	**19,286**	***<100%***
Amortisation/depreciation of fixed assets	(7,581)	*(10.4%)*	(8,061)	*<100%*	480	*(6.0%)*
Write-downs of fixed assets - recurring	(42)	*(0.1%)*	165	*0.0%*	(207)	*<100%*
Impairment of fixed assets - non-recurring	*0*	*0.0%*	*(1,427)*	*0.0%*	*1,427*	*(100.0%)*
Write-downs of Receivables, provisions, adjustments Val. assets financial	(1,541)	*(2.1%)*	(75)	*(1.1%)*	(1,467)	*>100%*
Write-downs of Receivables, provisions, adjustments Assets Fin. - non-recurring	*0*	*0.0%*	*(1,143)*	*(16.2%)*	*1,143*	*(100.0%)*
Operating Profit/Loss	**(5,726)**	***(7.9%)***	**(24,618)**	***<100%***	**18,892**	***(76.7%)***
EBIT - Adjusted	**(3,461)**	***(4.7%)***	**(21,554)**	***<100%***	**18,093**	***(83.9%)***
Financial operations - recurring	411	*0.6%*	(1,044)	*(14.8%)*	1,455	*<100%*
Financial income (expenses) - recurring	(1,154)	*(1.6%)*	(1,175)	*(16.7%)*	21	*(1.8%)*
Fin. income (expense) - non-recurring	0	*0.0%*	(158)	*(2.2%)*	158	*(100.0%)*
Mark to Market derivatives	1,993	*2.7%*	680	*9.7%*	1,313	*193.1%*
Financial income (charges) for IFRS 16	(212)	*(0.3%)*	(135)	*0.0%*	(77)	*56.8%*
Financial charges on put options	(17)	*(0.0%)*	(188)	*(2.7%)*	171	*(90.7%)*
Exchange gains (losses)	(198)	*(0.3%)*	(68)	*(1.0%)*	(130)	*>100%*
Gains and losses from equity investments	228	*0.3%*	(300)	*(4.3%)*	528	*<100%*
Pre-tax profit/(loss)	**(5,087)**	***(7.0%)***	**(25,962)**	***<100%***	**20,875**	***(80.4%)***
Income tax	(530)	*(0.7%)*	(292)	*(4.1%)*	(238)	*81.4%*
Group result for the period	**(5,616)**	***(7.7%)***	**(26,254)**	***<100%***	**20,637**	***(78.6%)***
Of which:						
Result for the period attributable to minority interests	*(368)*	*(0.5%)*	*(1,206)*	*(17.1%)*	*837*	*(69.5%)*
Result for the period attributable to Shareholders of the Parent Company	**(5,248)**	***(7.2%)***	**(25,048)**	***<100%***	**19,800**	***(79.0%)***

(*) Some of the amounts shown in this column do not correspond to those of the financial statements published as at 30/06/2021, as they reflect the valuations made at the time of the Purchase Price Allocation of HBG Events at final values.

It is specified the data presented in the tables in this report are stated in thousands of Euros, unless specified otherwise.

With reference to the Group's single business sector, relating to the "Hosting of trade fairs, events and performance of related services", the revenues from sales and services are presented below, broken down according to the following business lines:

- organisation and holding of trade fairs and exhibitions (the "**Organised Events**");
- the rental of trade fair facilities at events organised by third-party organisers (the "**Hosted Events**");
- the promotion and management of convention centres and the supply of specific connected services (the "**Conferences**");
- the provision and supply of services related to trade fairs and conferences, in relation to both proprietary events and events organised by third parties at the Group's facilities or in other locations (the "**Related Services**");
- the performance of other activities and the provision of non-core services, such as publishing, sports, rental of advertising spaces and commercial and advertising activities to promote the local territory ("**Publishing, Sporting Events and Other Activities**").

IEG Group
Value of Production by business line

	Balance as at 30/06/2022	%	Balance as at 30/06/2021	%	Change	Change %
Organised Events	32,623	44.9%	1,375	19.5%	31,248	>100%
Hosted Events	3,179	4.4%	796	11.3%	2,383	>100%
Conferences	5,769	7.9%	313	4.4%	5,456	>100%
Related Services	29,855	41.1%	3,040	43.2%	26,816	>100%
Publishing, Sporting Events and Other Activities	1,251	1.7%	1,519	21.6%	(268)	-17.6%
TOTAL INCOME	**72,677**	100.0%	**7,043**	100.0%	65,635	>100%

Revenues rose by 65.6 million euros compared to the same period of the previous year, with significant impacts on each of the business lines.

The change recorded during the half-year is the result of various factors that are best broken down into the different effects. The "Restart" effect encompasses the change in turnover of the events that were able to be held in H1 2022 and not in H1 2021, due to the pandemic; the "Organic" effect, which records all change in turnover on events or services that were present in both halves and, finally, the "Calendar" effect, for the changes in turnover that depend on a shift in the half-year in which the event was scheduled, or the two-yearly or three-yearly frequency of the events. Finally, the change linked to non-recurring revenues has been defined as a "one-off" effect.

Revenues of **Organised Events** came to 32.6 million euros, up 31.2 million on H1 2021, when only digital events could be held. It therefore follows that the change is almost entirely due to the "**Restart**" component, which had an impact of 30.9 million. The remainder is due to organic growth as a result of the holding of the first edition of JGT at the Dubai World Trade Center.

There were 9 **hosted events** during the half-year, which recorded 3.2 million euros in revenues, up 2.4 million on the previous half-year, which had essentially only seen the holding of the Volley Nations League in a context still characterised by the pandemic restrictions. The positive change is partly due to the return, with excellent performance, of the main events Macfrut and Expodental to the spring calendar and partly to the acquisition of new events, carried out both at Rimini Fiera and Fiera di Vicenza.

The **Congress Events** include the results deriving from the management of the structures of the Palacongressi of Rimini and the Vicenza Convention Centre (VICC). During the first half of 2022, 51 conferences were held, booking revenues of 5.8 million euros, showing a recovery of 5.5 million euros on the same period of 2021, all of which can be classified as "**Restart**".

Revenues from **Related Services** came to 29.9 million, up 26.8 million on H1 2021. The business volume exceeded expectations, both as concerns stand fitting services and food serving services, which, in addition to benefiting from the recovery of congress trade fair activities in the districts served, also showed growing volumes for other activities held in other locations (stadiums, canteens, car racing circuits and catering points). The increase is due to the “restart” effect for 23.5 million euros and for 2.5 million to the “Organic” effect, while around 0.7 million euros were due to the “one-off” effect deriving from the conversion to grants of a government loan disbursed by the US to the subsidiary FB International Inc. during the lock-down period.

The business connected to **Publishing, Sporting Events and Other Activities** includes publishing activities, linked to information related to Tourism (TTG Italia, Turismo d’Italia and HotelMag) and the gold sector (VO+ and Trendvision), sporting events (during the quarter, in line with last year, the Archery Championship was held) and other residual revenues and, therefore, not directly attributable to the other business lines. This line has not recorded any particularly negative impacts due to the pandemic and the main reason for the reduction of around 0.3 million on H1 2021 is due to the calendar effect for the shifting to the second half of the year of the event “Ginnastica in Festa Summer Edition”.

H1 2022 **Staff costs** came to 18.0 million euros, up 7.3 million euros on H1 2021 (+67.8%) as a result of the restarting of activities and the simultaneous closure of the emergency provisions, such as the Salary Integration Fund.

Gross Operating Profit (EBITDA) for H1 2022 was positive for 3.4 million, up 17.5 million as compared with the same period of last year. **Adjusted EBITDA**, a result that does not take into account any specific non-recurring items that have impacted the results of both half-years, comes to 5.7 million euros, an improvement of 19.3 million on the same period of the previous year.

In terms of non-monetary operative items of income, in H1 2022, approximately 1.4 million euros less **Amortisation, depreciation and impairment** is recorded as compared with the same period of the previous year, which had included the impairment of approximately 1.3 million in respect of the work to redo the roof of Pavilion 7 of Fiera di Vicenza.

As a result of the events described above, the Group’s **Operating Profit/Loss (EBIT)** for the first half of 2022 stood at -5.7 million, a 18.9 million improvement on the same period of the previous year.

Financial management improved by around 1.5 million compared to the first half of 2021. The largest variation is in the change in the fair value of derivative financial instruments, which improved by around 1.3 million compared to the same half of the previous year. “Ordinary” financial management improves by around 0.2 million, despite the rise in interest rates, thanks to greater liquidity, which enabled lesser use of short-term debt.

The **Pre-tax result** at 30 June 2022 was -5.1 million, up 20.9 million euros compared to the same period of the previous year.

Period income tax came to 0.5 million euros and is mainly deferred: during the half-year in question, the Group had a tax loss and mainly IRAP current tax was approximately 0.1 million euros, whilst the adjustment of prepaid and deferred tax came to an expense of 0.4 million euros.

The **Group result for the period** amounted to a loss of 5.6 million, improving by 20.6 million on the 30 June 2021 result. **The result for the period attributable to the Parent Company’s shareholders** amounted to a loss of 5.2 million euros compared to a loss booked at 30 June 2021 of 25.0 million euros, thereby improving by 19.8 million.

ANALYSIS OF RECLASSIFIED CONSOLIDATED BALANCE SHEET FIGURES

The statement of financial position data reclassified according to the sources-uses model is presented below. In fact, it is believed that this layout for the reclassification of the equity-financial figures is able to provide an additional disclosure of the breakdown of net invested capital and the nature of the sources used for its financing.

USES	Balance as of 30/06/2022	Balance as of 31/12/2021
Tangible fixed assets	187,441	190,674
Intangible assets	37,499	34,519
Equity investments	13,629	14,255
TOTAL FIXED ASSETS AND EQUITY INVESTMENTS	**238,569**	**239,448**
Deferred tax assets	5,994	6,736
Other non-current assets	172	142
Employee provisions	(3,788)	(3,754)
Other non-current liabilities	(3,708)	(3,850)
OTHER NON-CURRENT ASSETS/(LIABILITIES)	**(1,329)**	**(727)**
NWC	**(31,678)**	**(40,234)**
TOTAL USES	**205,562**	**198,488**

SOURCES	Balance as of 30/06/2022	Balance as of 31/12/2021
Loans payable	108,506	114,483
Non-current financial payables for rights of use	24,813	24,026
Other non-current financial liabilities	6,511	12,523
Other non-current financial assets	(896)	(1,006)
Other current financial assets	(307)	(445)
Current financial payables for rights of use	3,839	3,346
Other current financial liabilities	4,538	4,530
Shareholders - dividends and payables due to shareholders	1,012	304
Short-term indebtedness (excess)	(31,217)	(52,651)
TOTAL non-monetary NFP	**116,800**	**105,110**
of which monetary NFP (excluding IFRS 16, put options, derivatives)	***(83,396)***	***(69,562)***
Shareholders’ equity attributable to shareholders of the Parent Company	90,131	94,550
Shareholders’ equity attributable to minority interests	(1,369)	(1,172)
TOTAL SHAREHOLDERS’ EQUITY	**88,762**	**93,378**
TOTAL SOURCES	**205,562**	**198,488**

Analysis of the Consolidated Net Financial Position

IEG Group
Net financial position (based on the ESMA format)

Net financial position (Euro/000)		Balance as of 30/06/2022	Balance as of 31/12/2021
A.	Cash and cash equivalents	31,217	52,651
B.	Cash equivalents		
C.	Other current financial assets	123	290
D.	**Liquidity: (A) + (B) + (C)**	**31,340**	**52,941**
E.	Current financial payables	(10,032)	(10,723)
F.	Current portion of non-current financial debt	(17,764)	(19,480)
G.	**Current financial debt: (E) + (F)**	**(27,795)**	**(30,203)**
H.	**Current net financial indebtedness: (G + D)**	**3,545**	**22,738**
I.	Non-current financial liabilities	(114,330)	(115,815)
J.	Debt instruments	0	0
K.	Trade payables and other non-current payables	(6,511)	(12,523)
L.	**Non-current financial debt: (I) + (J) + (K)**	**(120,841)**	**(128,338)**
M.	**Total financial debt: (H) + (L)**	**(117,296)**	**(105,600)**

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

The Group’s **Net Financial Position** (hereinafter NFP) as at 30 June 2022 amounted to **117.3 million euros**, a worsening of around 11.7 million euros compared to 31 December 2021. This amount includes **financial payables for put options** relating to acquisitions for a total of **5.7 million euros, financial payables for rights of use** (IFRS 16) equal to **28.1 million euros, and financial payables for derivative financial instruments for 0.1 million euros.**

The **non-monetary components of the NFP** totalled **33.9 million euros** and show a reduction of 2.1 million euros compared with the situation as at 31 December 2021.

Excluding the aforementioned non-monetary effects, the “**Monetary NFP**” amounted to **83.4 million euros** as at 30 June 2022, compared to 69.6 million euros at 31 December 2021 and 115.8 million euros at 30 June 2021, thus marking an increase in indebtedness over the close of the previous year of 13.8 million euros. The change between 31 December 2021 and 30 June 2022, is due to:

- an absorption of operating cash available of 7.2 million euros (of which the first cash flow from current operations generated 4.2 million euros, whilst the dynamics of current assets absorbed cash for 11.4 million euros);
- investments in the amount of 5.7 million euros (for further details, refer to the paragraph entitled “Investments”);
- other outflows of 0.8 million euros due in large part to financial charges paid during the half-year.

FINANCIAL STATEMENT

IEG Group Cash Flow Statement of NFP (Values in Euro/000)	30.06.2022	30.06.2021 (*)
Flows generated (absorbed) by:		
Operating profit/loss (EBIT)	(5,726)	(24,618)
Impairment of fixed assets under construction	2,930	0
Adjustments of EBITDA for put options	(42)	(21)
Adjustments of EBITDA for IFRS 16	(1,936)	(2,267)
Adjustments of amortisation/depreciation for IFRS 16	1,645	1,655
Monetary operating profit/loss (EBIT)	**(3,130)**	**(25,251)**
Amortisation, depreciation and write-downs of fixed assets (no IFRS 16)	5,978	7,669
Allocation to the provision for credit risks and other provisions	1,510	111
Other non-monetary operating revenues	(97)	(97)
Current income taxes	(124)	(9)
1st cash flow from current operations	**4,137**	**(17,577)**
Flows generated (absorbed) by the change in NWC:		
Changes in inventory leftovers	(165)	(150)
Change in trade receivables	(326)	2,167
Change in other current assets	(4,458)	(220)
Net change in tax receivables/payables for direct taxes	(112)	26
Change in trade payables	3,594	(2,719)
Change in other current liabilities	(9,889)	1,569
Change in NWC	**(11,357)**	**674**
Cash flow from current operations	**(7,220)**	**(16,903)**
Flows generated (absorbed) by investment activities:		
Investments in intangible fixed assets	(1,002)	(248)
Investments in property, plant and equipment	(2,112)	(3,392)
Equity investments in associated companies and other companies	(0)	(132)
Net equity investments in subsidiaries	(2,609)	-
Flows generated/(absorbed) by investment activities	**(5,723)**	**(3,773)**
Flows generated (absorbed) by the change in other non-current items		
Changes in deferred tax assets/liabilities	(9)	(19)
Net change in other non-current assets	(31)	3
Change in employee severance indemnity and other provisions	(17)	(87)
Net change in other non-current liabilities	(10)	-
Flows generated/(absorbed) by the change in other non-current items	**(67)**	**(102)**
Cash flow from operations	**(13,010)**	**(20,778)**
Flows generated (absorbed) by:		
Income (expenses) of financial management	(1,353)	(1,401)
Gains (losses) from equity investments	-	-
Distribution of dividends	-	-
Other capital changes (share capital increases, etc.)	535	140
Payable due for the exercise of the put option	**-**	**-**
Level 1 cash flow (change in "Monetary NFP")	**(13,827)**	**(22,038)**
Changes in NFP for IFRS 16 on Level 1 cash flow	**(1,368)**	**2,067**
Changes in NFP for PUT OPTIONS on Level 1 cash flow	**24**	**(167)**
Changes in NFP for derivatives and Other non-monetary items on Level 1 cash flow	**3,481**	**1,029**
Level 2 cash flow (change in NFP)	**(11,690)**	**(19,109)**
Change in financial current and non-current payables due to banks	(5,977)	2,791
Change in other non-current financial liabilities – put options	(24)	(83)
Change in other non-current financial liabilities – derivatives	(3,481)	(1,029)
Change in other current and non-current financial liabilities for rights of use	1,368	(1,816)
Change in other current and non-current financial liabilities - other	(1,790)	357
Change in other current and non-current financial assets	161	(9)
Level 3 cash flow (change in cash and cash equivalents)	**(21,434)**	**(18,898)**
Cash and cash equivalents at start of year	52,651	28,108
Cash and cash equivalents at end of year	**31,217**	**9,209**

(*) Some of the amounts shown in this column do not correspond to those of the financial statements published as at 30/06/2021, as they reflect the valuations made at the time of the Purchase Price Allocation of HBG Events at final values.

INVESTMENTS

The tables below detail the net investments made by the Group in the first half of 2022.

Net investments in Intangible fixed assets

Euro/000	Investments	Change in scope of consolidation	Reclassifications	Exchange rate effect	Net investments 1st half 2022
Industrial patent and intellectual property rights	160		16		176
Grants, Licenses, Trade Marks and Similar Rights	308	69		8	385
Goodwill	2,815			521	3,336
Other intangible fixed assets	6		174		180
Assets under construction & payments on account			(190)		(190)
TOTAL NET INVESTMENTS IN INTANGIBLE FIXED ASSETS	3,289	69	0	529	3,886

Under the item "**Industrial patents and intellectual property rights**", the costs for the purchase of software licences and legally protected intellectual property are capitalised. The increases are mainly linked to the purchase of software licences and consultancy activities activated to develop the digital platforms.

The increase recorded under "**Grants, licences, trademarks and similar rights**" is mainly connected with the purchase of the assets necessary to the organisation of Brasil Trading Fitness Fair and the My Plant & Garden trademark, the latter through the acquisition of the company V Group S.r.l.

"**Goodwill**" changes due to the acquisition of V Group S.r.l., which generated a provisional surplus between the cost of aggregation and the fair value of the assets liabilities and potential liabilities acquired, of 2.8 million euros. The residual increase of 0.5 million euros is linked to the changes in the euro/dollar exchange rate on goodwill entered following the acquisitions of FB International Inc and HBG Events.

"**Other intangible fixed assets**" referred entirely to the development by Prostand S.r.l. of new management software.

Net investments in property, plant and equipment

Euro/000	Investments	Reclassifications	Disinvestments	Exchange rate effect	Net investments 1st half 2022
Land and buildings	109	(102)		49	56
Plants and machinery	1,002	585			1,587
Equipment	671	43		52	766
Other assets	199	118	(14)	61	364
Assets under construction & payments on account	32	(645)			(613)
TOTAL NET INV. IN PROPERTY, PLANT AND EQUIPMENT	2,013	0	(14)	162	2,161

"**Land and buildings**" record an increase of 109 thousand euros due to the improvements made to some of the warehouses held by the subsidiary Prostand for the storage of the equipment necessary to develop the stands.

Period investments in "**Plant and machinery**" of 1 million euros mainly consist of works to redo the CED room in Rimini, the development of the new Pavilion 9 ventilation system and the restructuring works of Pavilion 3.1 in the Vicenza district. The commissioning of the ventilation and air conditioning systems installed at Pavilion 3.0 and 8 of the Vicenza district is also noted, for 0.6 million euros.

Investments in "**Industrial and commercial equipment**" amount to approximately 0.7 million euros and mainly refer to structures for the building of trade fair stands acquired by Prostand and FB International.

Investments in "**Other assets**" mainly relate to the purchase of office machines and computers and furnishings for Summertrade restaurants.

RELATIONS WITH SUBSIDIARIES, ASSOCIATED COMPANIES AND PARENT COMPANIES

To supplement the information already reported in the section “Group structure”, the main data relating to the subsidiaries, associated companies and other companies are summarised below (taken from local financial statements), adjusted to the period-end and average exchange rates where necessary:

Description	Registered office	Financial Statements	Value of Production	Profit/(loss) for the period	Employees (FTE)	Net equity
Subsidiaries						
Prostand Exhibition Services S.r.l.	Via Emilia, 155 - 47921 Rimini	30/06/2022	0	(1)	0	110
Prime Servizi S.r.l.	Via Flaminia, 233/A - 47924 Rimini	30/06/2022	1,715	(8)	1	485
Summertrade S.r.l.	Via Emilia, 155 - 47921 Rimini	30/06/2022	6,941	(1,478)	169	(3,554)
Ieg Usa Inc	1001 Brickell Bay Dr., Suite 2717° Miami (FL)	30/06/2022	0	0	0	6,888
Fb International Inc	1 Raritan Rd, Oakland, NJ 07436	30/06/2022	13,514	417	40	(941)
Pro.Stand S.r.l.	Via Santarcangiolese 18 – 47824 Poggio Torriana (RN)	30/06/2022	17,091	1,315	55	6,777
Fieravicola S.r.l.	Via Emilia, 155 – 47921 Rimini	30/06/2022	0	(9)	0	119
HBG Events FZ LCC	Office 430, Al Saaha Office, Building B, Souq Al Bahar, Old Town Island, Burj Khalifa District, Dubai, UAE.	30/06/2022	162	(434)	8	(198)
Italian Exhibition Group Brasil Eventos LTDA	Av. Angelica, 2530 – 12° andar – Sao Paolo (Brazil)	30/06/2022	0	(110)	0	676
V – Group S.r.l.	Via Emilia, 155 – 47921 Rimini	30/06/2022	1	(44)	0	709
Italian Exhibition Group Deutschland Gmbh	München, Germany	30/06/2022	0	(23)	0	2
Associated companies						
Cesena Fiera Spa	Via Dismano 3845 – Cesena (FC)	31/12/2021	6,580	540	12	4,799
Green Box S.r.l.	Via Sordello 11/A – 31046 Oderzo (TV)	nd	nd	nd	nd	nd
Cast Alimenti S.r.l.	Via Serenissima, 5 - Brescia (BS)	31/12/2021	4,006	(47)	26	(2,569)
Jointly controlled company						
Expo Estrategia Brasil Eventos E Producoes Ltda in liquidation	Rua Felix de Souza, 307 Vila Congonhas - Sao Paulo	31/12/2021	0	(382)	nd	44
Dv Global Link LLC in liquidation	P.O. Box 9846 – Dubai – U.A.E.	31/12/2020	1	(205)	nd	151
Europe Asia Global Link Exhibitions Ltd	no. 18 Tian Shan Road 900-341, Changning District, Shanghai, China	31/12/2021	7	(124)	nd	366
Europe China Environmental Exhibitions Co., Ltd.	Getan Building 1, No. 588, Yizhou Avenue, High-tech Zone Chengdu, China	nd	N/A	nd	nd	nd
Destination Services S.r.l.	Viale Roberto Valturio 44 – Rimini (RN)	31/12/2021	205	4	nd	37
Rimini Welcome S.c.a.r.l.	Via Sassonia, 30 – Rimini (RN)	31/12/2021	1,056	4	nd	143
Other equity investments						
Centro Interscambio Merci e Servizi - C.I.S. S.p.A. in liquidation	Contrà Gazzolle 1, 36100 - Vicenza (VI)	nd	nd	nd	nd	nd
Turismo e Benessere soc. cons.	Via Rasponi 8 – Ravenna (RA)	31/12/2019	55	0	1	20
Uni.Rimini	Via Angerà, 22 – Rimini	31/12/2019	1,211	14	N/A	1,408

Amounts in €/thousand

The Parent Company, Italian Exhibition Group S.p.A., 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 S.p.A. and Prostand 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 S.p.A., 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 S.p.A. and Summertrade, regarding cleaning and porterage activities. Italian Exhibition Group S.p.A., also provides Fieravicola S.r.l. 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.

The following tables show the amount and nature of the receivables/payables as at 30 June 2022 and details of the costs/revenues for the year deriving from relations between the individual company (indicated in the line heading) and all other companies included in the scope of consolidation.

Intercompany receivables	Trade and TAx Receivables	Financial Receivables	TOTAL
Italian Exhibition Group SpA	9.555	228	9.784
IEG USA / FB International	74	1.409	1.483
Pro.Stand Srl	2.688	1.270	3.958
HBG Events	14	238	252
Summertrade Srl	798	2.164	2.962
Prostand Exhibitions Service S.r.l.	-	177	177
Fieravicola S.r.l.	9	-	9
Ieg Brasil	-	-	0
V-Group S.r.l.	-	-	0
IEG Deutschland GMBH	-	-	0
Prime Servizi S.r.l.	-	-	-
TOTAL ELIMINATIONS	**13.138**	**5.486**	**18.624**

Intercompany payables	Trade and tax payables	Financial debt	TOTAL
Italian Exhibition Group S.p.A.	3,430	4,571	8,001
IEG USA/FB International	103	687	791
Pro.Stand Srl	7,415	222	7,637
HBG Events	-	-	0
Summertrade Srl	1,310	-	1,310
Prostand Exhibitions Service S.r.l.	33	-	33
Fieravicola S.r.l.	-	-	0
Ieg Brasil	-	7	7
V-Group S.r.l.	-	-	0
IEG Deutschland GMBH	-	-	0
Prime Servizi S.r.l.	847	-	847
TOTAL ELIMINATIONS	**13,139**	**6,586**	**19,724**

Costs and revenues	Italian Exhibition Group S.p.A.	IEG USA/FB International	Pro.Stand srl	HBG	Summer trade S.r.l.	Prostand Exhibition Service S.r.l.	Fiera Avicola Srl	Prime Servizi S.r.l.	TOTAL ELIMINATIONS
REVENUES									
Revenue from sales and services	1,314	553	6,106	-	1,303	-	-	936	**10,213**
Other revenues	412	-	427	-	-	-	-	-	**839**
OPERATING COSTS									
Costs for raw materials	(9)	-	-	-	-	-	-	-	**(9)**
Costs of services	(8,708)	-	(1,600)	-	(221)	-	(2)	(36)	**(10,567)**
Costs for use of third-party assets	-	-	(24)	-	(445)	-	-	-	**(469)**
For personnel	-	-	-	-	-	-	-	-	**0**
Other operating costs	(7)	-	-	-	-	-	-	-	**(7)**
EBITDA	**(6,997)**	**553**	**4,909**	**0**	**637**	**0**	**(2)**	**900**	**0**
FINANCIAL INCOME AND CHARGES									
Financial income	19	-	-	-	-	-	-	-	**19**
Financial charges	-	-	(4)	-	(15)	-	-	-	**(19)**
TOTAL CHARGES AND INCOME FIN.	**19**	**0**	**(4)**	**0**	**(15)**	**0**	**0**	**0**	**0**
TOTAL	**(6978)**	**553**	**4,905**	**0**	**622**	**0**	**(2)**	**900**	**0**

The tables below summarise all credit/debit and cost/revenue transactions as at 30 June 2022 between companies in the IEG Group and the associated companies:

Receivables due from associated companies	Cesena Fiera S.p.A.	C.A.S.T. Alimenti Srl	Rimini Welcome	Hannover Fair Mexico	DV Global Link LLC	Destination Services	Total
Trade receivables	1,004	-	-	-	54	-	**1,058**
Loans	-	-	-	173	8	85	**266**
TOTAL	**1,004**	**0**	**0**	**173**	62	**85**	**1,324**

Payables due to associated companies	Cesena Fiera S.p.A.	C.A.S.T. Alimenti Srl	Rimini Welcome	Hannover Fair Mexico	DV Global Link LLC	Destination Services	Total
Trade payables	62	12	-	-	8	-	**82**
TOTAL	**20**	**12**	**0**	**0**	**0**	**0**	**82**

Revenues and costs with associated companies	Cesena Fiera S.p.A.	DV Global Link LLC	C.A.S.T. Alimenti Srl	Total
REVENUES				
Revenues from sales and services	2,320	-	2	**1,711**
Other revenues	-	-	-	**0**
OPERATING COSTS				
Costs of services	(42)	-	(8)	**(8)**
Costs for use of third-party assets	(19)	-	-	**(19)**
Other operating charges	-	-	-	**0**
GROSS OPERATING PROFIT (EBITDA)	**2,258**	**0**	**(6)**	**1,683**
FINANCIAL INCOME AND CHARGES				
Financial income	-	-	-	**0**
TOTAL FINANCIAL CHARGES AND INCOME	**0**	**0**	**0**	**0**
TOTAL	**2,258**	**0**	**(6)**	**(1,683)**

Rimini Congressi is the parent company of the Group and the leaseholder of Palazzo dei Congressi. The tables below indicate the receivable/payable and cost/revenue transactions as at 30 June 2022 between IEG and the parent company. In addition, it should be noted that, on application of the new

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 S.p.A. and Rimini Congressi S.r.l., were completely eliminated and replaced with amortisation/depreciation and financial charges, as more fully detailed in the table. Financial payables amounting to 14 million 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 S.r.l.
Trade receivables	755
Trade payables	0
Financial debt	14,091

Revenues and costs with the parent company	Rimini Congressi S.r.l.
REVENUES	
Revenues from sales and services	20
Other revenues	59
OPERATING COSTS	
Costs of services	0
Costs for the use of third-party assets (*)	(626)
Other operating charges	0
GROSS OPERATING PROFIT (EBITDA)	**(547)**
FINANCIAL INCOME AND CHARGES	
Financial income	0
TOTAL FINANCIAL CHARGES AND INCOME	**0**
TOTAL	**(547)**

(*) In applying IFRS 16, costs for use of third-party assets are completely eliminated and replaced with amortisation/depreciation on rights of use for 500 thousand euros and financial charges for 99 thousand euros.

RESEARCH AND DEVELOPMENT

Research and development activities play a significant role in the pursuit of the Group's objectives and in staying competitive in a sector that is becoming increasingly more competitive, characterised by a growing installed productive capacity in relation to a market with more restrained dynamics.

The lines of action of research and development activities were organised primarily with two methods. The development of products and of the ordinary activities of the various subsidiaries and associated companies is handled directly by the Chief Executive Officers of said companies, while at IEG S.p.A. it is monitored by dedicated personnel who deal with both development of the products in the portfolio and the analysis of development of new exhibitions and events. The study of new sectors and major strategic projects are coordinated directly by the management of IEG S.p.A. and the Group, in close collaboration with the Board of Directors.

Research and development costs are expensed in full in the relevant year.

RISKS CONNECTED TO THE EXTERNAL CONTEXT

The activities and results of the IEG Group depend on the investments budgeted for by its customers (including third-party organisers, conference promoters, exhibitors and other customers of the subsidiaries) in trade fairs, conferences and related services; the volume of these investments is, in turn, heavily influenced by the economic trend in the countries in which the Group customers operate and where the Group operates, with particular reference to the Italian market.

The growth prospects for the Italian market, also thanks to the stimuli of the Italian national recovery and resilience plan (PNRR), are at levels that had not been seen for decades, however the uncertainty of the international context and the very great tension on prices and the availability of raw materials and energy, may compromise expectations over an economic recovery and entail possible negative impacts on the Group's business and its economic, equity and financial position.

The trade fair market in particular, although having shown signs of recovery in Italy too in 2019, remains a mature market characterised by a concentration of investments towards the most important events and those of international appeal, to the detriment of those intended for national territory.

Starting end 2021, on a global economic level, major inflation has been recorded, due in particular to the increase in the cost of commodities, which worsened with the outbreak of the conflict in Ukraine last February.

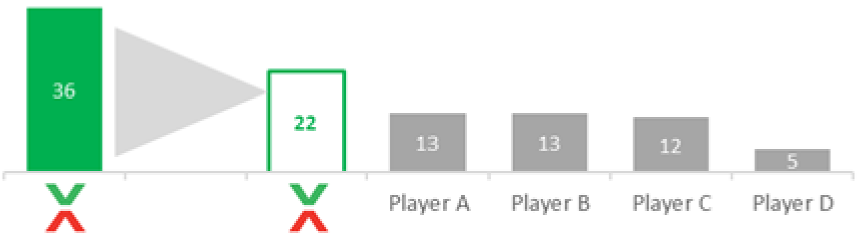
This conflict in Ukraine has entailed the adoption of sanctions by numerous countries against Russia, with clear repercussions on Italian exports and imports, particularly of gas, towards that country. To date, the Group does not entertain significant relations with Russian or Ukrainian subjects. The credit risk is also extremely marginal. Greater risks, albeit shared with the whole of the national and international sector, should be hypothesised in respect of possible additional rises in the costs of energy, with consequent lesser possibility for operators to invest in the trade fair segment. Instead, in terms of visitation, the Group does not boast products calling for a particular presence of buyers from Russia.

The mitigation actions implemented by the Group are embodied by the constant monitoring of the levels of profitability needed to ensure the objectives of financial and capital equilibrium are met, as well as the continuous alignment with the budget plans and other plans formulated, through diligent reporting to the Top Management and the Board of Directors.

RISKS CONNECTED TO THE INTERNAL CONTEXT

Group operations primarily entail trade fair activities, whose revenues are distributed among an extremely broad number of customers, concentrated, however, on a small number of events, some of which organised on the basis of agreements with associations representing the biggest exhibitors. Although the risk deriving from the possible loss of events organised by third parties is contained, given that the revenues and margins linked to these events are small, more significant is the potential risk related to a change in relations with the associations or with groups of leading customers which could involve a loss of some events.

In order to counteract this phenomenon, the Group has, for some time, pursued specific diversification strategies, including the enhancement of the events portfolio, the internationalisation of events, the launch of commercial and strategic collaborations and partnerships with other districts and/or organisers and the stipulation of long-term agreements with the most representative trade associations as part of the events organised. From this perspective, the Group is considered the leading national trade fair organiser, as borne out in the latest UFI report published in December 2020 and relating to 2019[1]: of the 36 events organised by IEG in that year, 20 of them were international events, almost double that of the leading national competitors. Reference is maintained to 2019 insofar as this is representative of the last year of “ordinary” trade fair calendars before the onset of the Covid-19 pandemic and without UFI - Euro Fair Statistics report relative to subsequent years.



Calculations by the Company on data published by UFI, Euro Fair Statistics 2019, updated to November 2021.

The Group is constantly committed to research, targeted at distinguishing itself from its competitors, thanks to the continuous improvement in the offering and in the quality of the events organised, by developing the high levels of in-house skills and know-how, the strength of the brands and contents and synergies between the businesses.

Financial Risks

The IEG Group 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 Group on financial instruments that generate interest.

It is also specified that the business conducted by the IEG Group means that it is not significantly exposed to risks associated with climate change.

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. The positions considered at risk were, nonetheless, 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 IEG S.p.A. and used by the main subsidiaries keeps a track of each reminder.

Liquidity risk

The Group believes it is fundamentally important to maintain a level of available funds suited to its requirements.

The two main factors that determine the Group's 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 Group has adopted a series of policies and processes for optimising the management of financial resources, reducing liquidity risk:

- *maintenance of an adequate level of available liquidity;*
- *obtaining of adequate credit lines;*
- *monitoring of prospective liquidity conditions*, in relation to the process of business planning.

As part of this type of risk, as regards the composition of net financial indebtedness, 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.

Market risk

Foreign exchange risk

The IEG Group is 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. and vis-à-vis the United Arab Emirates for the investment made in the Joint Venture DV Global Link LLC (in liquidation) HBG Events FZ LLC and in the Joint Venture JGT, vis-à-vis the Brazilian Real for the investment made in the Joint Venture Expo Estrategia Brasil and in IEG Brasil and vis-à-vis the Chinese Renminbi for the investment made in the Joint Venture Europe Asia Global Link Exhibition Ltd. Purchases and sales of the Italian companies are almost all in the accounting currency and purchases not in Euro are negligible.

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.

Pricing risk

The type of activity performed by the Group companies operating in the Organised events, Hosted events and Conferences business lines, 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, with the exception, to a certain extent, of energy costs necessary to climate control the trade fair and conference venues. More immediately exposed to the risks of price changes are the companies operating in the Related services sector (fitting out and catering in particular), which immediately suffer the disturbance of costs of commodities, transport and energy.

For the sake of complete disclosure, it should be noted that, as at 30 June 2022, 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”.

To complete the information reported hereunder, please refer to the section “Financial Risks” of the Explanatory notes.

INFORMATION ON TREASURY SHARES AND PARENT COMPANY SHARES

As at 30 June 2022, Italian Exhibition Group does not have any treasury shares in the portfolio. During the year, no treasury share purchase or sale transactions were carried out. The same is true for the other companies included in the scope of consolidation.

In December 2020, the incorporation took effect of Società del Palazzo dei Congressi S.p.A: (in which IEG has an investment) into Rimini Congress Srl and IEG became the holder of 10.36% of the share capital of Rimini Congressi S.r.l.

INFORMATION ON HUMAN RESOURCES

In 2022, no workplace accidents occurred involving a fatality or serious injuries to workers recorded in the company's employee register. In compliance with the regulations governing workplace safety, the Single Document for the Assessment of the Risks of Interference (DUVRI) was prepared, and the operating plans for the safety of the suppliers operating in the trade fair district were examined.

No charges were recorded against any Group companies regarding occupational illnesses involving employees or former employees and cases of mobbing.

INFORMATION ON THE ENVIRONMENT

Italian Exhibition Group S.p.A. considers the focus on the requirements and pursuit of satisfaction of its customers and stakeholders, respect for and safeguarding of the environment and protection of workplace health and safety to be essential values for the development of its business activities.

These values represent the fundamental primary aspects that do not conflict with the Company’s development but, on the contrary, promote the Company by distinguishing it. They constitute elements of productive investment and are a tangible and qualifying expression of the commitment to sustainable development and continuous improvement of activities and qualitative, environmental and safety performances.

To this end, Italian Exhibition Group S.p.A. launched a process designed to plan, develop and keep active an integrated company management system compliant with the applicable regulations on the environment (UNI EN ISO 14001:2015) and Workplace Health and Safety (UNI ISO 45001:2018).

The trade fair districts are currently equipped with an Environmental Management System and a certified Workplace Health and Safety Management System which complies with the requirements of the applicable regulations, for the purpose of protecting the health of its workers and other operators that work in the trade fair district. The process is currently in progress that will, within a year, lead to the certification of all IEG districts according to international standard ISO 20121, which defines the requirements of an event sustainability management system.

In all sites managed by IEG, the presence of personnel is monitored from outside Italian Exhibition Group S.p.A. operating in the structures and IEG provides them with all the information relating to the specific risks in the environment in which they are due to operate and the measures for the prevention, protection and management of existing emergencies. In order to optimise the management of safety as a whole, Italian Exhibition Group S.p.A. has outsourced the role of Prevention and Protection Service Manager to a professionally recognised external party.

The Vicenza site holds the environmental certification UNI EN ISO 14001:2015 and the certification UNI ISO 45001:2018 and is also implementing an Energy Efficiency Programme by adhering to the criteria of standard UNI CEI EN ISO 50001:2011 to reach the maximum level of efficiency and effectiveness in observance of protection of the environment and worker health and safety and the quality of services.

The Rimini Trade Fair District, which holds the environmental certification UNI EN ISO 14001:2015 and the certification OHSAS 45001:2018, was designed and managed with a view to a low environmental impact (it was awarded with the prestigious international ELCA “Building with Green” Trend award in Nuremberg). The wood that dominates the architecture of the district comes from Scandinavia, which has a continuous reforestation cycle. Large windows and skylights allow primarily natural light; in addition, in the entrance areas, where constant lighting is needed, LED lighting technology is mostly used, with an 85% saving in electricity. A photovoltaic system has already been in operation on the roof of the main entrance since 2005, which extends over an area of 400 square metres, providing energy to the central hall, saving Rimini roughly 40 tonnes of carbon dioxide annually.

The photovoltaic systems constructed over the years has made Rimini Fiera a “zero impact” trade fair district, since it is able to generate more electricity from renewable sources than it consumes annually. Additional photovoltaic plants will be installed to increase the portion of self-produced energy.

Air conditioning in the district is obtained through a system that produces cold air during night-time hours and recirculates the cold air during daytime hours (a sort of “ice bank” which allows a reduction in the electricity power burden of approximately 50%). By contrast, for the heating, a heating system is in place with condensing boiler, which saves the city of Rimini 90% of nitrogen oxide emissions with respect to burner boilers. The internal and external green spaces cover an area of 160 thousand square metres, with more than 1,500 plants and 30 thousand square metres of lawns (and the irrigation systems use exclusively surface waters).

The fountains are all recirculated water, while in the toilets of the trade fair district, the water jets are pressure controlled (two initiatives with a saving of 23 million litres of water per year). A number of ecological islands are also present throughout the entire district and in the external areas, allowing visitors to separate waste products. Lastly, the district can be reached by train thanks to the railway station located at the southern entrance, which lightens the impact of traffic on the environment.

The same focus on the themes of eco-sustainability is also evident from the Palacongressi venue. The structure is 100% eco-friendly. Low environmental impact, integration in the urban setting, they are completed perfectly with flexibility, functionality and aesthetic quality. For the construction of its 39 rooms with 9,000 seats, eco-compatible materials were used: wood, glass, stone. Spaces and environments are illuminated by natural light, thanks to large windows. Artificial fluorescent lamps are equipped with dimmer switches and those for the lighting of escape routes are equipped with LED technology, thanks to which optimum lighting and minimum energy waste is achieved. By contrast, a rainwater collection system ensures the irrigation of the green areas around the building and alleviates the water burden for storm overflow sewers and combined sewer overflow systems. One of the eco-green jewels is the ice accumulation system. During the night, storage tanks accumulate the energy needed to generate cold air, used during the day to cool the building. Result: 30% reduction in electricity used. At the same time, latest generation boilers and exchangers guarantee energy savings and lower emissions of fumes into the environment.

INFORMATION ON THE ADMINISTRATIVE LIABILITY OF COMPANIES AND PERSONAL DATA PROCESSING

Italian Exhibition Group S.p.A. adopted an organisation, management and control model pursuant to Legislative Decree 231/2001, approved recently by the Board of Directors at the meetings on 15 October 2020 following the update to the model for the extension to the predicate offences "Tax offences" and "Trafficking of illicit influences".

Italian Exhibition Group S.p.A.'s Code of Ethics, 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 responsibilities that it assumes vis-à-vis the internal and external environments in relation to all stakeholders.

In compliance with Regulation EU 679/2016 (GDPR), the company communicates that it has appointed a Data Protection Officer and special proxies and, more generally speaking, has complied with the obligations set forth in the aforementioned EU legislation.

EVENTS SUBSEQUENT TO THE END OF THE HALF YEAR AND BUSINESS OUTLOOK

The participation recorded during the events of the first half and the results achieved, both in terms of volumes and, above all, maintenance of the pricing applied, suggest that the darkest period of this pandemic can be considered as definitively behind us and, despite the collapse of the Draghi government, it is reasonable to expect that the government authorities will not, for the next autumn-winter, re-proposed policies to limit the spread of the pandemic based on closing places of public gathering. If this can be considered true for Italy and the western world in general, it cannot be confirmed for China, which still today is in a situation where restrictions are imposed on economic activities and personal travel. Although to date the Group is not directly exposed on that market, these policies have caused certain development strategies to slide for that area.

Confirmations of the positive sensations on the recovery of the domestic market come from the visibility on sales of the second half events. Almost all of these are, to date, in line or even exceed expectations, showing the operators' faith and allowing the Group to seek to organise high quality events.

As regards the continuation of the Russia-Ukraine conflict and the instability that it is generating in Europe in terms of the procurement of raw materials and energy and consequent price increases, for the latter in particular, the Group is operating with the aim of adjusting the tariffs to fit with the altered economic scenario. More specifically, as concerns the business of the organised events, the formulation of tariffs for the editions planned in 2023 already to a large extent takes into account the inflation effects. The Related Services businesses, on the other hand, have allowed for a more dynamic management of prices, for which intervention was possible even this year.

The next few months will see a continuation of events present in the IEG Group portfolio, including the two-yearly events Tecnargilla and IBE. The only exception is the HIT Show, for which the appointment is February 2023.

On 30 June 2022, Carlo Costa, the Company's CFO and Manager responsible for preparing the company's financial documents, tendered his resignation with effect from 1 September 2022, to head towards a new professional challenge. The Parent Company has started the selection process to identify a successor with a similar profile, whose name will be disclosed to the market in accordance with the legal deadlines.

On 03 July 2022, the Company signed a non-binding Memorandum of Understanding with Deutsche Messe AG aimed at establishing an equal-footed joint venture that will combine the trade fair business of the two companies in North America (USA and Canada) and Mexico. According to the Protocol signed, the future joint venture agreement to be stipulated will result in the establishment of an Italian company, held jointly by IEG and Deutsche Messe AG, into which the shares in the Deutsche Messe AG companies currently existing in Canada, the USA and Mexico, will flow. The results of the joint venture will be reported in the IEG financial reports using the equity method.

The value of the companies to be acquired has been estimated as around Euro 10.0 million, plus the NFP, on the basis of a valuation multiple applied to the average net result for the period 2022-2025 generated by the events currently in the portfolio of the Deutsche Messe AG companies. The purchase price of the share of IEG, again excluding the NFP, has been set at a guaranteed minimum of Euro 3.0 million, to be paid upon signing the deed of purchase of the shares in the joint venture ("Purchase Agreement") plus a maximum earn-out of Euro 3.0 million, to be liquidated by June 2026, linked to the average economic results of the three companies acquired during the period 2022-2025, calculated on the basis of the existing business at the time the joint venture is established.

On 31 May 2022, the Company had signed a letter of intent with the reference shareholders of Eurostands - operating in the trade fair-conference installations segment - under which IEG reserved exclusive rights until 31 July 2022 to complete due diligence and formulate a binding offer, in any case subject to a series of conditions precedent, including the achievement of the majorities envisaged for the approval of the new plan and new proposed settlement to be formulated to creditors of Eurostands, allowing for the reduction of existing debt in a manner that is sustainable for IEG. On 5 July, the Company declared its intention not to make any binding offer and not to proceed with the acquisition considered.

The tax audit carried out by the Revenue Agency for tax year 2017, which began during the previous months, is still in progress.

From 12 to 14 July, the first edition of Ecomondo Mexico was held in León, organised in a partnership with Hannover Fair Mexico, which constitutes an additional step towards the implementation of the 4x4 globalisation strategy. The event proved very popular with exhibitors and saw encouraging levels of visitor affluence.

On 18 July 2022, the parent company's Board of Directors approved the "Strategic Plan 2022-2027". The key points of the plan were presented to analysts and investors the next day and are currently published on the company's website, in the Investor Relations section.

In light of these considerations, the Company has confirmed its expectations in respect of **Turnover** and **Adjusted EBITDA**[1] indicated in the Business Plan, respectively as 139 and 13 million euros.

Rimini, 29 August 2022

1 Adjusted EBITDA is the operating profit gross of amortisation/depreciation and non-recurring items, as better explained in the previous reclassified income statement.

Condensed consolidated half-yearly financial statements as at 30 June 2022

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS (Values in Euro/000)	Note	30/06/2022	31/12/2021
NON-CURRENT ASSETS			
Tangible fixed assets	1	187,441	190,674
Intangible assets	2	37,499	34,519
Equity investments valued using the equity method	3	3,640	3,397
Other equity investments	4	9,989	10,858
of which with related parties		*9,901*	*10,770*
Deferred tax assets	5	5,994	6,736
Non-current financial assets for rights of use	6	400	487
Non-current financial assets	7	496	519
of which with related parties		*173*	*159*
Other non-current assets	8	172	142
TOTAL NON-CURRENT ASSETS		245,632	247,332
CURRENT ASSETS			
Inventories	9	896	731
Trade receivables	10	22,003	23,126
of which with related parties		*1,813*	*813*
Tax credits for direct taxes	11	565	352
Current financial assets for rights of use	12	184	184
Current financial assets	13	123	261
of which with related parties		*93*	*48*
Other current assets	14	8,755	5,674
Cash and cash equivalents	15	31,217	52,651
TOTAL CURRENT ASSETS		63,744	82,979
TOTAL ASSETS		309,376	330,311

LIABILITIES (Values in Euro/000)	Note	30/06/2022	31/12/2021
NET EQUITY			
Share capital	16	52,215	52,215
Share premium reserve	16	13,947	13,947
Other reserves	16	30,155	29,257
Profit (loss) for previous years	16	(938)	(2,507)
Profit (Loss) for the period attributable to shareholders of the Parent Company	16	(5,248)	1,638
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY		90,131	94,550
Share capital and reserves attributable to minority interests	16	(1,000)	1,140
Profit (loss) attributable to minority interests	16	(368)	(2,312)
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO MINORITY INTERESTS		(1,369)	(1,172)
TOTAL GROUP SHAREHOLDERS' EQUITY		88,762	93,378
NON-CURRENT LIABILITIES			
Payables due to banks	17	89,917	92,277
Non-current financial liabilities for rights of use	18	24,813	24,026
of which with related parties		*13,129*	*14,170*
Other non-current financial liabilities	19	6,511	12,523
Provisions for non-current risks and charges	20	1,795	1,830
Employee provisions	21	3,788	3,754
Other non-current liabilities	22	1,913	2,020
TOTAL NON-CURRENT LIABILITIES		128,737	136,430
CURRENT LIABILITIES			
Payables due to banks	17	18,589	22,157
Current financial liabilities for rights of use	23	3,839	3,346
of which with related parties		*962*	*863*
Other current financial liabilities	24	5,551	4,884
Trade payables	25	37,180	33,825
of which with related parties		*82*	*71*
Tax payables for direct taxes		121	19
Other current liabilities	26	26,596	36,272
TOTAL CURRENT LIABILITIES		91,876	100,503
TOTAL LIABILITIES		309,376	330,311

CONSOLIDATED PROFIT-AND-LOSS ACCOUNT

(Values in Euro/000)	Note	30/06/2022	30/06/2021 (*)
REVENUES			
Revenues from sales and services	27	70,143	5,452
of which with related	2	*2,342*	*33*
Other revenues	28	2,533	1,590
of which with related parties		*59*	*0*
TOTAL INCOME		72,677	7,043
of which non-recurring revenues		*665*	*281*
Change in inventories		165	149
Costs for raw materials, consumables and goods for resale		(7,461)	(1,456)
Costs of services		(42,728)	(8,234)
of which with related parties		*(50)*	*(32)*
Costs for use of third-party assets		(168)	(83)
of which with related parties		*(19)*	*0*
Personnel costs		(18,021)	(10,742)
Other operating costs		(1,027)	(754)
TOTAL OPERATING COSTS	29	(69,239)	(21,120)
of which non-recurring operating costs		*(2,930)*	*(775)*
GROSS OPERATING PROFIT (EBITDA)		3,438	(14,078)
Amortisation, depreciation and write-downs of fixed assets	30	(7,622)	(9,323)
of which non-recurring write-downs		*0*	*(2,570)*
Write-down of receivables	10	(1,498)	(1)
Provisions	20	(12)	(111)
of which non-recurring provisions		*0*	*(182)*
Value adjustments of financial assets other than equity investments		(31)	(1,106)
OPERATING PROFIT/LOSS		(5,726)	(24,618)
FINANCIAL INCOME AND EXPENSE			
Financial income		2,012	691
Financial charges		(1,402)	(1,667)
of which non-recurring financial charges		*0*	*(158)*
Exchange rate gains and losses		(198)	(68)
TOTAL FINANCIAL INCOME AND CHARGES	31	411	(1,044)
GAINS AND LOSSES FROM EQUITY INVESTMENTS			
Effect of valuation of equity investments with the equity method		228	(300)
Other gains/losses from equity investments		0	0
TOTAL GAINS AND LOSSES FROM EQUITY INVESTMENTS	32	228	(300)
PRE-TAX RESULT		(5,087)	(25,962)
INCOME TAX			
Current taxes		(121)	(9)
Taxes related to previous years		(3)	0
Deferred tax assets/(liabilities)		(406)	(283)
TOTAL INCOME TAXES	33	(530)	(292)
PROFIT (LOSS) FOR THE PERIOD		(5,616)	(26,254)
PROFIT (LOSS) ATTRIBUTABLE TO MINORITY INTERESTS		(368)	(1,206)
PROFIT (LOSS) ATTRIBUTABLE TO THE PARENT COMPANY		(5,248)	(25,048)
EARNINGS PER SHARE		(0.1700)	(0.8116)
DILUTED EARNINGS PER SHARE		(0.1700)	(0.8116)

(*) Some of the amounts shown in this column do not correspond to those of the financial statements published as at 30/06/2021, as they reflect the valuations made at the time of the Purchase Price Allocation of HBG Events at final values.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Values in Euro/000)	30/06/2022	30/06/2021 (*)
PROFIT (LOSS) FOR THE PERIOD	**(5,616)**	**(26,254)**
Other comprehensive income components which will be subsequently reclassified under profit/(loss) for the period, net of tax:		
Gains/(losses) on financial instruments for cash flow hedges	1,131	266
Gains/(losses) on translation of financial statements in foreign currency	549	170
Total Other comprehensive income components which will be subsequently reclassified under profit/(loss) for the period, net of tax:	**1,680**	**436**
Other comprehensive income components which will not be subsequently reclassified under profit/(loss) for the period, net of tax:		
Actuarial gains/(losses) from defined benefit plans for employees – IAS 19	0	0
Gains/(losses) on financial assets measured at FVOCI	(869)	(110)
Total other comprehensive income components which will not be subsequently reclassified under profit/(loss) for the period, net of tax:	**(869)**	**(110)**
TOTAL PROFIT/(LOSS) BOOKED TO SHAREHOLDERS' EQUITY	**812**	**326**
COMPREHENSIVE PROFIT/LOSS FOR THE PERIOD	**(4,805)**	**(25,928)**
Attributable to:		
Minority interests	**(385)**	**(1,197)**
Shareholders of the Parent Company	**(4,420)**	**(24,731)**

(*) Some of the amounts shown in this column do not correspond to those of the financial statements published as at 30/06/2021, as they reflect the valuations made at the time of the Purchase Price Allocation of HBG Events at final values.

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

	Share capital	Share premium reserve	Revaluation reserves	Own shares 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 31/12/2020 (*)	**52,215**	**13,947**	**56,390**	**10,770**	**10,401**	**2,532**	**(51,447)**	**8,782**	**(11,289)**	**92,300**	**1,912**	**(1,160)**	**93,052**
- Distribution to shareholders										0			0
- Allocation to reserves								(11,289)	11,289	0	**(1,160)**	**1,160**	0
Changes in consolidation area										0			0
Shareholder payment										0			0
Other variations								(31)		(31)			(31)
Comprehensive income/loss for the period							317		(25,048)	(24,731)	9	(1,206)	(25,928)
Balance as at 30/06/2021 (*)	**52,215**	**13,947**	**56,390**	**10,770**	**10,401**	**2,532**	**(51,130)**	**(2,538)**	**(25,048)**	**67,538**	**761**	**(1,206)**	**67,093**
- Distribution to shareholders										0			0
- Allocation to reserves								(11,289)	11,289	0	**(1,160)**	**1,160**	0
Changes in consolidation area										0	167		167
Shareholder payment										0	238		238
Other variations								31		31			31
Comprehensive income/loss for the period							294		26,687	26,981	(27)	(1,106)	25,848
Balance as at 31/12/2021	**52,215**	**13,947**	**56,390**	**10,770**	**10,401**	**2,532**	**(50,836)**	**(13,795)**	**12,927**	**94,550**	**(21)**	**(1,151)**	**93,378**
- Distribution to shareholders										0			0
- Allocation to reserves					42	8	20	12,857	(12,927)	0	**(1,151)**	**1,151**	0
Changes in consolidation area										0	188		188
Shareholder payment										0			0
Other variations										0			0
Comprehensive income/loss for the period							829		(5,248)	(4,419)	(17)	(368)	(4,804)
Balance as at 30/06/2022	**52,215**	**13,947**	**56,390**	**10,770**	**10,443**	**2,540**	**(49,987)**	**(938)**	**(5,248)**	**90,131**	**(1,001)**	**(368)**	**88,762**

(*) Some of the amounts shown in this column do not correspond to those of the financial statements published as at 30/06/2021, as they reflect the valuations made at the time of the Purchase Price Allocation of HBG Events at final values.

CONSOLIDATED STATEMENT OF CASH FLOWS

Values in Euro/000	Note	30/06/2022	30/06/2021 (*)
Profit before tax		**(5,087)**	**(25,962)**
Of which with related parties		*2,331*	*(31)*
Adjustments to trace profit for the year back to the cash flow from operating activities:			
Amortisation, depreciation and write-downs of property, plant and equipment and intangible assets	30	10,552	9,323
Appropriations and losses	10	1,498	1
Other provisions	20	12	111
Charges/(income) from valuation of equity investments in other companies with the equity method	3 – 4	(228)	300
Write-down of financial assets		31	1,106
Net financial charges	31	(411)	1,044
Costs for use of third-party assets (IFRS 16)		(1,936)	(2,267)
Effect on EBIT of integration of historical shareholders put option		(42)	(21)
Other non-monetary changes	29	(97)	(97)
Cash flow from operating activities before changes in working capital		**4,292**	**(16,462)**
Change in working capital:			
Inventories	9	(165)	(150)
Trade receivables	10	(326)	2,167
Of which with related parties		*(1,070)*	*553*
Trade payables	25	3,594	(2,719)
Of which with related parties		*29*	*10*
Other current and non-current assets	8 – 13	(4,489)	(216)
Other current and non-current liabilities	22 – 24	(9,899)	1,569
Receivables/payables for current taxes	11 – 25	(236)	17
Of which with related parties		-	-
Deferred tax assets/liabilities		(9)	(19)
Cash flow from changes in working capital		**(11,530)**	**650**
Income taxes paid		-	-
Employee provisions and provisions for risks		(17)	(87)
Cash flows from operating activities		**(7,255)**	**(15,899)**
Cash flow from investment activities			
Net investments in intangible fixed assets	2	(1,002)	(248)
Net investments in property, plant and equipment	1	(2,112)	(3,403)
Disinvestments in intangible fixed assets	2	-	-
Disinvestments in tangible fixed assets	1	-	10
Change in current and non-current financial assets	7 – 13	(129)	(1,115)
Of which with related parties		*(161)*	*(181)*
Net equity investments in subsidiaries		(2,609)	
Changes in equity investments in associated companies and other companies	3 – 4	0	(132)
Cash flow from investment activities		**(5,593)**	**(4,887)**
Cash flow from financing activities			
Change in other financial payables	19 -24	(2,618)	1,274
Payables due to shareholders	24	708	7
Obtainment/(repayment) of short-term bank loans	17	(1,722)	(1,300)
Loans	17	0	6,495
Loan repayment	17	(4,135)	(3,328)
Net financial charges paid	31	(1,353)	(1,401)
Dividends paid		-	-
Change in Group reserves	16	535	140
Put option payment	19 – 24	-	-
Cash flow from financing activities		**(8,585)**	**1,888**
Net cash flow for the period		**(21,434)**	**(18,899)**
Opening cash and cash equivalents		52,651	28,108
Closing cash and cash equivalents		31,218	9,210

(*) Some of the amounts shown in this column do not correspond to those of the financial statements published as at 30/06/2021, as they reflect the valuations made at the time of the Purchase Price Allocation of HBG Events at final values.

Explanatory Notes to the financial statements

STRUCTURE AND CONTENTS OF THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Italian Exhibition Group S.p.A. (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 S.p.A. to Rimini Fiera S.p.A. and the simultaneous change of the latter's company name to Italian Exhibition Group S.p.A..

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

It should be noted that, pursuant to article 70, paragraph 8 and article 71, paragraph 1-bis, of the Regulation adopted by CONSOB by means of 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 S.p.A. is controlled by Rimini Congressi S.r.l., which holds 49.29% of the share capital and holds voting rights for 55.86%. The Company, nonetheless, is not subject to management and coordination by Rimini Congressi S.r.l. pursuant to art. 2497 et seq. of the Italian Civil Code. In fact, none of the activities that typically prove management and coordination activities, pursuant to art. 2497 et seq. of the Italian Civil Code, exists since, by way of a non-exhaustive example:

- 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, at any rate, is not subject in any way - to the financial or credit directives or instructions 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 trend is therefore characterised by an increase in working capital in the first half, while the fourth quarter generally, thanks to the advances received on events organised at the start of the next period, shows a significant improvement in the net financial position.

2. METHOD OF PRESENTATION AND ACCOUNTING STANDARDS

2.1. Method of presentation

The Condensed Consolidated Half-Yearly Financial Statements were prepared in compliance with the International Financial Reporting Standards, issued by the International Accounting Standards Board and adopted by the European Union (**EU-IFRS**). EU-IFRS 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 Consolidated Financial Statements, 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. In particular, it is pointed out that the EU-IFRS were applied consistently to all periods included in this document.

In particular, the Condensed Consolidated Half-Yearly Financial Statements were prepared in compliance with IAS 34, concerning interim financial disclosures. IAS 34 allows the drafting of the financial statements in "condensed" form and, that is, based on the minimum level of information which is significantly less that required by the International Financial Reporting Standards, issued by the International Accounting Standards Board and adopted by the European Union (hereinafter "EU-IFRS"), where a complete set of financial statements prepared on the basis of the EU-IFRS have been made available to the public for the previous year. The Condensed Consolidated Half-Yearly Financial Statements must, therefore, be read together with IEG's consolidated financial statements for the year ended as at 31 December 2021, drafted in compliance with the EU-IFRS and approved by the Board of Directors on 24 March 2022.

In order to prepare these Condensed Consolidated Half-Yearly Financial Statements, the subsidiaries of the IEG Group, which continue to draft their financial statements according to local accounting standards, have prepared the financial positions in compliance with the international standards.

These Condensed Consolidated Half-Yearly Financial Statements were prepared:

- based on the best understanding of the EU-IFRS and taking into account the best interpretations in this area; any future interpretative guidelines and updates will be reflected in subsequent years, according to the procedures envisaged by the accounting standards in question at any given time;
- on the basis of the going concern assumption, as the Directors verified that there were no financial, managerial or other indicators that could signify critical issues concerning the Group's ability to

meet its obligations in the foreseeable future and, in particular, over the next 12 months;

- based on the conventional historical cost method, with the exception of the measurement of financial assets and liabilities in cases in which the application of the fair value criterion is mandatory.

2.2. Form and content of the financial statements

The Condensed Consolidated Half-Yearly Financial Statements were drafted in Euro, which is the currency of the prevailing economic area in which the entities forming part of the Group operate. All amounts included in this document are in thousands of Euros, unless specified otherwise.

Shown below are the financial statements layouts and the relative classification criteria adopted by the Group, as part of the options provided by IAS 1 “Presentation of Financial Statements”:

- the *consolidated statement of financial position* has been prepared by classifying assets and liabilities in accordance with the “current/non-current” criterion;
- the *consolidated income statement* – whose layout is based on the classification of costs and revenues on the basis of their nature; the net profit (loss) before taxes and the effects of discontinued operations is shown, as well as the net profit (loss) attributable to minority interests and the net profit (loss) attributable to the Group;
- the *consolidated statement of comprehensive income* – presents the changes in shareholders' equity deriving from transactions other than capital transactions carried out with the company's shareholders;
- the *consolidated cash flow statement* has been prepared by stating cash flows arising from operating activities according to the “indirect method”.

The formats used are those that best reflect the Group's profit or loss, assets and liabilities and cash flows.

GOING CONCERN

Although the period of government-imposed restrictions to stem the epidemic caused by the spread of the SARS-CoV2 infection can now be considered as over, the outbreak of the war between Russia and Ukraine and the consequent increase in the price of commodities keeps the Group's attention focussed on its capacity to satisfy its obligations over the next 12 months. The Company considers it appropriate and correct to operate as a going concern, on the basis of the following considerations.

- The Company and Group have completed the process for finalising the new Business Plan with a time frame through to 2027. This document, which was approved by the Board of Directors on 18 July 2022, reveals that the Group will be able to return to the pre-pandemic performance standards in 2023. For FY 2022, EBITDA and Net Financial Position levels are expected that would result in covenant breaches of certain loans subscribed by the Parent Company. The Company will take action as soon as possible to ask the Banks to which these guarantees refer to suspend application of the economic-equity restrictions for this year.
- At the date of drafting of this document, the Group has liquidity stocks, augmented by authorised credit lines and not drawn down for an amount of at least 45 million euros. The forecasts over the next 12 months show that the Group will be able to maintain its financial balance, regardless of whether or not it obtains letters of waiver on the loans as per the previous point.
- At the date on which this document is prepared, the Company confirms that all events present in the portfolio will be carried out, most of which at today's date have overall levels of adhesion

that are in line or, in some cases, higher than the expectations set forth in the 2022-2027 Business Plan.

- As regards macroeconomic context, considering the continuation of the Russia-Ukraine conflict and the instability that it is generating in Europe in terms of the procurement of raw materials and energy and consequent price increases, the Group is operating with the aim of adjusting the tariffs to fit with the altered economic scenario.
- The company will continue to keep a close eye on the management of its trade receivables, will adopt prudent policies in the payment of its suppliers and in managing its operating costs which, given always characterised by a significant incidence of variable costs, will enable it to contain the impacts on margins.

EVALUATION CRITERIA

Tangible fixed assets

Property, Plant and Equipment 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% - 10%
Plants 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 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.

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.

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.

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 removal of the value in goodwill can be restored at a future date.

Business combinations

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.

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 assets designated at amortised cost

This category includes financial assets that meet both 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 - measured at historical cost - whose short duration makes the effect of the discounting principle negligible, for those without a set maturity and for revocable loans.

Financial assets designated at fair value through comprehensive income

This category includes financial assets that meet both 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 right to receive cash flow from the business has died out;
- 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 the cases the company has transferred the rights to receive all the financial flows from a business and has not transferred or maintained all the risks and benefits or still has control over the business, the business shall be entered in the balance sheet of the company to the extent of its residual involvement in the business itself. 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.

EC Regulation no. 475/2012 was issued in 2012, 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.

It is acknowledged that due to the relatively negligible relevance, the IAS 19R appraisal is only updated when preparing the cash flow statement at 31 December each year.

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

The Group granted put options to minority shareholders which entitle the latter to sell to the Group the shares held by them at a future date.

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 IFRS 9, 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.

Company's own shares

Treasury shares are posted as a reduction in shareholders' equity. The original cost of the treasury shares and the revenues from any subsequent sales are recognised as changes in shareholders' equity.

Acknowledging the proceeds

Revenue from contracts with customers are recognised when the following conditions are verified:

- 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.

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.

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.

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 charges and proceeds

Financial income and charges 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.

Taxation

Taxes for the period include current and deferred taxes. Income taxes 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 the taxes the company expects to have to pay on taxable income in the year and are calculated in compliance with the legislation in force at the reporting date.

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.

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 Group's financial statements mainly concern:

- the measurement of fixed assets (amortisation/depreciation and any write-downs due to impairment);
- the measurement of receivables and reported public contributions;
- the recognition and quantification of contingent liabilities;
- the determination of deferred tax assets/liabilities;
- the determination of liabilities relating to "Employee severance indemnity" kept at the company, which was carried out by making use of the actuarial evaluation prepared by independent actuaries.

However, some measurement processes, especially those which are more complex, such as the calculation of impairment losses on non-current assets, are generally carried out fully only upon drawing up the annual financial statements, or when all information required is available, except cases in which there are impairment indicators which require an immediate measurement of any impairment losses.

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.

The economic result for the period is presented net of taxes recognised on the basis of the best estimate of the expected weighted average rate for the whole year.

FINANCIAL RISK MANAGEMENT

The IEG Group 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 Group on financial instruments that generate interest.

For a more detailed examination, please refer to the Directors' Report and the contents of the financial report to the financial statements for the year ended as at 31 December 2021.

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:* different input from the quoted prices under the previous point, that are directly (prices) or indirectly (derived from the prices) observable in 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 30 June 2022 and 31 December 2021.

30/06/2022						
in euro/000	Note	Fair value level	Amortised cost	Fair value through OCI	Fair value through profit and loss	Total
ASSETS						
Other equity investments	4	2-3		9,901	88	9,989
Non-current financial assets	7	1-2	573		323	896
Other non-current assets	8		172			172
Trade receivables	10		22,003			22,003
Current financial assets	13		307			307
Other current assets	14		8,755			8,755
Cash and cash equivalents	15		31,217			31,217
TOTAL ASSETS			**63,028**	**9,901**	**411**	**73,340**
LIABILITIES						
Non-current payables due to banks	17		89,917			89,917
Other non-current financial liabilities	19	2	31,195	(1,017)	1,146	31,324
Other non-current liabilities	22		1,913			1,913
Current payables due to banks	17		18,589			18,589
Other current financial liabilities	24		9,390			9,390
Trade payables	25		37,180			37,180
Other current liabilities	26		26,596			26,596
TOTAL LIABILITIES			**214,780**	**(1,017)**	**1,146**	**214,910**

31/12/2021						
in euro/000	Note	Level of fair value	Amortised cost	Fair value through OCI	Fair value through profit and loss	Total
ASSETS						
Other equity investments	4	2-3		10,770	88	10,858
Non-current financial assets	7	1-2	646		360	1,006
Other non-current assets	8		142			142
Trade receivables	10		23,126			23,126
Current financial assets	13		445			445
Other current assets	14		5,674			5,674
Cash and cash equivalents	15		52,651			52,651
TOTAL ASSETS			**82,684**	**10,770**	**448**	**93,902**
LIABILITIES						

Non-current payables due to banks	17		92,277			92,277
Other non-current financial liabilities	19	2	32,966	444	3,139	36,549
Other non-current liabilities	22		2,020			2,020
Current payables due to banks	17		22,157			22,157
Other current financial liabilities	24		8,230			8,230
Trade payables	25		33,825			33,825
Other current liabilities	26		36,272			36,272
TOTAL LIABILITIES			**227,747**	**444**	**3,139**	**231,330**

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 30 June 2022 and 30 June 2021 is reported below. For 30 June 2022, it should be noted that the fair value changes in Other non-current financial payables refer to the improvement in the MTM value of the derivatives subscribed by the Parent Company; while the other non-monetary changes include the impacts from the application of the accounting standard IFRS 16 and the change in payables for put options (for further details, refer to Notes 17, 18, 19, 23 and 24 of this document).

in Euro/000	Balance as at 31/12/2021	Change in cash flow	Change in fair value	Other non-monetary changes	Balance as at 30/06/2022
Current bankable debts	22,157	(3,568)			18,589
Non-current bankable debts	92,277	(2,360)			89,917
Other current financial payables	8,230	690		469	9,390
Other non-current financial payables	36,549	(2,618)	(3,481)	875	31,324

Euro	Balance as at 31 December 2020	Change in cash flow	Change in fair value	Other non-monetary changes	Balance as at 30 June 2021
Current bankable debts	28,873	8,155			36,992
Non-current bankable debts	85,986	(5,358)			80,627
Other current financial payables	5,927	1,368		(216)	7,085
Other non-current financial payables	37,770	(1,363)	(680)	(1,771)	33,957

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.

SCOPE OF CONSOLIDATION AND CHANGES

The Condensed Consolidated Half-Yearly Financial Statements as at 30 June 2022 include the economic and equity data of IEG S.p.A. (Parent Company) and all companies which it directly or indirectly controls.

The consolidated financial statements have been drafted on the basis of the accounting positions as at 30 June 2022 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 and the related share owned by the Group, with an indication of the method used for consolidation is provided in attachment 1 of the Explanatory notes.

The balance sheet and income statement figures as at 30 June 2022 also include the share of profits and losses of associates and joint ventures measured using the equity method on the date on which the company gained its significant influence over management up to its cessation.

The Interim financial report as at 30 June 2022 includes the economic and equity data of IEG S.p.A. (Parent Company) and all companies which it directly or indirectly controls.

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 consolidation area at 30 June 2022 differs from that at 31 December 2021 due to the inclusion of two entities in the consolidation scope. The first Italian Exhibition Group Deutschland Gmbh, is a company established by the Parent Company on 21 April 2022, with registered office in Munich (DE), while the second, V - Group S.r.l., is a company that was acquired by IEG on 01 June 2022 and is held 75%.

During the first half of 2022, moreover, the liquidation process was concluded of the Joint Venture Expo Extratégia Brasil Eventos e Produções Ltda.

IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLIED FROM 1 JANUARY 2022 OR APPLICABLE IN ADVANCE

In 2022, the IEG Group adopted the following new accounting standards, amendments and interpretations, revised by the IASB.

- Amendment to IFRS 3 – Business combinations. This document, issued by the IASB on 22 October 2018, is targeted at resolving the difficulties that arise when an entity determines whether it has acquired a company or a group of assets. The application of this amendment on the consolidated financial statements of the IEG Group has not had any impact on the financial statements closed at 31 March 2022.
- Amendment to IAS 37 Provisions, Contingent Liabilities and Contingent Assets. This amendment, issued by IASB in May 2020, indicates which costs must be considered in order to evaluate whether a contract can be defined as an onerous contract. The application of this amendment on the consolidated financial statements of the IEG Group has not had any impact on the financial statements closed at 31 March 2022.

- Annual Improvements 2018-2020: In May 2020, the IASB issued some amendments to IFRS 1 First time adoption of IFRS, IFRS 9 Financial instruments, IAS 41 Agriculture and to the illustrative examples accompanying IFRS 16 Leases. The application of these Annual Improvements on the consolidated financial statements of the IEG Group has not had any significant impact on the financial statements closed at 31 March 2022.
- Amendment to IAS 16 Property, Plant and Equipment. The purpose of the amendment is to set some constraints on some types of capitalisable expenses in order to make the asset available and ready to be used. The application of this amendment on the consolidated financial statements of the IEG Group has not had any significant impact on the financial statements closed at 31 March 2022.

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

The following new accounting standards, amendments and interpretations, approved by the competent bodies of the European Union. 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, to IFRS Practice Statement 2: Disclosure of Accounting policies and to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates. The specified amendments issued by the IASB on 12 February 2021 aim to improve the disclosure on accounting policies and aim to help companies distinguish between the effects that can cause changes in the accounting estimates with respect to those deriving from changes in the main accounting policies. The amendments will take effect from 1 January 2023.

- IFRS 17 Insurance Contracts: this standard introduces a new accounting approach to insurance contracts by insurance companies, to date indicated in IFRS 4 (in force). These amendments aim to make the accounting of insurance products more transparent and to improve the consistency of their accounting representation. Once approved, the standard will come into force on 1 January 2023.

COMMENTS ON MAIN ASSET ITEMS

NON-CURRENT ASSETS

1) Tangible fixed assets

The table below indicates the changes in the first half of 2022.

	Balance as at 31/12/2021	Changes in the first half 2022								Balance as at 30/06/2022
		Increases	Changes IFRS 16	Write-downs	Decr.	Depr	Depr IFRS 16	Transfers	Exchange rate effect	
Land and buildings										
Book value	305,967	109	4,071					(117)	284	310,314
Depreciations	(137,207)					(2,479)	(1,573)	15	(235)	(141,479)

Total land and buildings	**168,760**	**109**	**4,071**	**0**	**0**	**(2,479)**	**(1,573)**	**(102)**	**49**	**168,835**
Plants and machinery										
Book value	79,027	1,002						585		80,614
Depreciations	(70,425)					(802)				(71,227)
Total plant and machinery	**8,602**	**1,002**	**0**	**0**	**0**	**(802)**	**0**	**585**	**0**	**9,387**
Industrial and commercial equipment										
Book value	34,459	671						43	227	35,400
Depreciations	(30,710)					(1,195)			(175)	(32,080)
Total industrial and commercial equipment	**3,748**	**671**	**0**	**0**	**0**	**(1,195)**	**0**	**43**	**52**	**3,320**
Other assets										
Book value	25,364	199	180	0	(161)			118	138	25,838
Depreciations	(19,728)				147	(552)	(72)		(77)	(20,282)
Total other assets	**5,636**	**199**	**180**	**0**	**(14)**	**(552)**	**(72)**	**118**	**61**	**5,556**
Total Fixed assets under construction and payments on account	**3,928**	32		(2,971)				(645)		**344**
TOTAL	**190,674**	**2,013**	**4,251**	**(2,971)**	**(14)**	**(5,028)**	**(1,645)**	**0**	**162**	**187,441**

The net value of **"Land and buildings"** as at 30 June 2022 amounted to roughly 168.8 million euros, a net increase of 75 thousand euros. For 0.1 million euros, the increases are related to improvements made to some of the warehouses held by the subsidiary Prostand to store the equipment necessary to developing the stands, whilst as regards the increases noted in compliance with accounting standard IFRS16, the subsidiary Prostand has signed a new lease contract for the use of a storage warehouse in Vicenza and extended some lease contracts, including that signed with Rimini Congressi, for the use of the Rimini Palazzo dei Congressi. The reductions regards the natural amortisation/depreciation process for the period under analysis.

The net value of the item "**Plants and machinery**" at 30 June 2022 is 9.4 million euros, incorporating increases of 1 million euros mainly due to the investments made by the Parent Company to redo the CED room in Rimini, the development of the new Pavilion 9 ventilation system and the restructuring works of Pavilion 3.1 in the Vicenza district. The commissioning of the ventilation and air conditioning systems installed at Pavilion 3.0 and 8 of the Vicenza district is also noted, for 0.6 million euros.

The item "**Industrial and commercial equipment**", with a balance of 3.3 million, recorded a net decrease of 0.4 million euros. Period increases amounted amount to approximately 0.7 million euros and mainly refer to structures for the building of trade fair stands acquired by Prostand and FB International. This category is impacted by period amortisation/depreciation for 1.2 million euros and the exchange rate effect for 52 thousand euros.

The item "**Other assets**", with a balance of 5.6 million euros, recorded a net decrease of 0.1 million euros. Period increases come to 0.4 million euros - including the effect of increases due to application of accounting standard IFRS16, relative to the purchase of office machines and vehicles by the Parent Company and furniture for the Summertrade restaurants. The depreciation for the period amounted to 0.6 million euros, in line with the previous half-year.

Finally, "**Assets under construction & payments on account**" shows a reduction of 3.6 million euros, of which 0.6 million in investments concluded and commissioned and 3.0 million euros relative to the abandonment of the project to expand and requalify the district of Rimini, which envisaged the development of a large, circular, multi-purpose pavilion measuring approximately 17,000 square metres in gross exhibition space, as per the decision taken by the Board of Directors on 18 July, during the presentation and approval of the new Business Plan through to 2027.

2) Intangible assets

	Balance as at 31/12/2021	Changes in the first half 2022						Balance as at 30/06/2022
		Net increases	Decreases	Amortisation/depreciation/write-downs	Transfers	Exchange rate effect	Change in area	
Industrial patent and intellectual property rights								
Book value	4,710	160						4,870
Accumulated amortisation	(4,195)			(182)				(4,377)
Total industrial patent and intellectual property rights	**515**	**160**	**0**	**(182)**	**0**	**0**	**0**	**493**
Grants, Licenses, Trade Marks and Similar Rights								
Book value	11,861	308			16	8	68	12,261
Accumulated amortisation	(4,179)			(267)				(4,446)
Total concessions, licenses, trademarks and similar rights	**7,682**	**308**	**0**	**(267)**	**16**	**8**	**68**	**7,815**
Starting up	**22,112**	**2,815**	**0**	**0**	**0**	**521**	**0**	**25,449**
Assets under construction & payments on account	**190**	**0**	**0**	**0**	**(190)**	**0**	**0**	**0**
Other intangible fixed assets								
Book value	10,524	6			174			10,704
Accumulated amortisation	(6,505)			(458)				(6,963)
Total other intangible fixed assets	**4,019**	**6**	**0**	**(458)**	**174**	**0**	**0**	**3,741**
TOTAL INTANGIBLE FIXED ASSETS	**34,519**	**3,290**	**0**	**(907)**	**0**	**529**	**68**	**37,499**

Under the item "**Industrial patents and intellectual property rights**", the costs for the purchase of software licences and legally protected intellectual property are capitalised. The balance at the end of the period amounted to 0.5 million euros. The increases are mainly linked to the purchase of software licences and consultancy activities activated to develop the digital platforms.

The item "**Grants, licences, trademarks increase recorded and similar rights**" records an increase of 0.4 million euros on 31 December 2021, mainly due to the purchase of the assets necessary to the organisation of Brasil Trading Fitness Fair and the My Plant & Garden trademark, the latter through the acquisition of the company V Group S.r.l.

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. At 30 June 2022, the balance of said item was roughly 25.4 million euros, recording an increase of 3.3 million euros, of which 0.5 million euros relative to the exchange rate effect between the euro/dollar and 2.8 million in provisional goodwill that emerged from the merger with V Group S.r.l.

The figures acquired in the merger, the fair value of the price paid and the provisional goodwill that emerged, are given in the table below. The provisional goodwill was allocated to the VGroup CGU, represented by the entire company acquired.

Euro/000	(A) - Book values at the acquisition date	(B) - Fair value at the acquisition date (provisional values)
Tangible fixed assets	0	0
Property, plant and equipment IFRS16	0	191
Intangible assets	71	69
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)	(0)
Other current liabilities	(4)	(7)
Total net assets acquired	**781**	**753**

Minority interests measured at fair value (25%)			**(188)**
Cost of acquisition (cash and cash equivalents)			**3,380**
Provisional goodwill at 01.06.2022			**2,815**

Details of the breakdown of “Goodwill” at 30 June 2022 are shown in the table below:

Euro/000	**Balance as of 30/06/2022**	**Balance as of 31/12/2021**
Goodwill emerging from the transfer of Fiera di Vicenza	7,948	7,948
Other goodwill	355	355
Goodwill emerging from the purchase of FB International Inc.	922	912
Goodwill emerging from the purchase of Pro.Stand S.r.l. and Colorcom S.r.l.	8,847	8,847
Goodwill emerging from the purchase of HBG Events	4,562	4,051
Goodwill emerging from the purchase of V Group S.r.l.	2,815	0
TOTAL GOODWILL	**25,449**	**22,112**

As outlined in the chapter relating to the “Measurement criteria”, goodwill is subject to impairment testing at the date of year-end or more frequently if there are indicators of impairment. Although we can now assume we are in the closing phases of the Covid-19 pandemic and lock-downs will no longer be considered as measures by the government authorities by which to limit the spread of the disease, the outbreak of the Russian-Ukraine war and the consequent increase in the price of food and, above all, energy commodities keeps management’s attention closely focussed on the possible loss of value of corporate assets and Goodwill in particular, which has been impairment tested early, at the date on which the half-yearly financial statements are prepared.

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.

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.

The goodwill that has emerged from the purchases of the fitting companies FB International Inc. and Prostand S.r.l. has been allocated to the cash generating units called **FB CGU** and **Italy CGU**, which respectively represent the flows of the financial statements of the US “stand-alone” subsidiary and those mainly comprising the IEG CGU, the Pro.Stand CU and the Summertrade CGU, which indicatively constitute the flows of the whole of the IEG Group except for those of FB International Inc., VGroup S.r.l., IEG Brasil and HBG Events. The latter forms the CGU called **Emirates**, to which the goodwill has been allocated as emerging form the acquisition of the subsidiary.

For the IEG CGU, the FB CGU, the Emirates CGU and the Italy CGU, the relevant value in use was determined by adopting the Group’s Discounted Cash Flow (DCF) methodology.

Unlevered free cash flows were determined by using the new 2022-2027 Business Plan approved by the Board of Directors on 18 July 2022.

To determine the Terminal Value, a long-term growth rate (“g”) of 2.0% was used. The source of data is the estimated inflation forecast by the International Monetary Fund through to 2027 and that at the date of this analysis shows no real differences between the various countries analysed, namely Italy, the United States of America and the United Arab Emirates (the geographic areas in which cash flow originates).

Also the parameters for the discounting of the explicit cash flows and the Terminal Value were analysed by country and, in particular a WACC rate of:

- 10.93% for flows produced by Italian entities;
- 11.34% for flows produced by FB;
- 11.16% for flows produced by HBG;

In constructing all the WACCs, a Small Size Premium of 3.0% was used, in consideration of the smaller size of the Group with respect to comparable companies (Source: Duff & Phelps) and, prudentially, a Specific Risk Premium of 1.00% inserted to take account of the "execution risk" resulting from the reduced forecasting capacity generated by the economic and political instability consequent to the Covid-19 pandemic and the Russia-Ukraine war.

Just like in the past, 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 gross of change in capex (+/- 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:

	WACC	g	Reduction in cash flow
IEG CGU	13.3%	-1.2%	88.8%
Italy CGUs	17.1%	-9.0%	70.9%
FB CGU	19.3%	-25.2%	61.5%
HBG CGU	23.3%	-41.9%	57.1%

At 30 June 2022, "**Other intangible fixed assets**" had a balance of 3.7 million euros, up by 0.2 million euros on 31 December 2021 due to the commissioning of the management software developed by the subsidiary Prostand S.r.l. and with a reduction in period amortisation of around 0.5 million euros.

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 at 30/06/2022	Balance as of 31/12/2021	Changes in the 1st half 2022				Balance as of 30/06/2022
			Increases	Decreases	Revaluations/ Write-downs	Exchange rate effect	
Associated companies							
Cesena Fiera S.p.A.	35.30%	1,490			203		1,693
CAST Alimenti S.r.l.	23.08%	1,467			59		1,526
TOTAL ASSOCIATED COMPANIES		***2,957***	***0***	***0***	***262***		***3,219***
Jointly controlled companies							
Expo Estrategia Brasil Ltda	50.00%	23			(26)	3	0
Destination Services srl	50.00%	42			(6)		36
Rimini Welcome Scarl	48.00%	16			(2)		14
EAGLE Asia	50.00%	359				12	370

TOTAL JOINTLY CONTROLLED COMPANIES	***440***	***0***	***0***	***(34)***	***15***	***420***
TOTAL EQUITY INVESTMENTS MEASURED USING THE EQUITY METHOD	**3,397**	**0**	**0**	**228**	**15**	**3,640**

At 30 June 2022, the item came to 3,640 thousand euros, on which a net increase of 243 thousand euros applies, of which 15 thousand euros for the exchange effect and 228 thousand euros for the equity measurement of the investee companies.

4) Shareholdings in other companies

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

	% held at 30/06/2022	Balance 31/12/2021	Changes in the 1st half 2022				Balance 30/06/2022
			Increases	Decreases	Revaluations/Write-downs	Transfers	
Uni Rimini S.p.A.	7.64%	62					62
Rimini Congressi S.r.l.	10.36%	10,770			(869)		9,901
ObService - Città dei Maestri		15					15
BCC Alto Vicentino	<0.5%	1					1
BCC San Giorgio	<0.5%	10					10
TOTAL EQUITY INVESTMENTS IN OTHER COMPANIES		**10,858**	**0**	**0**	**(869)**	**0**	**9,989**

At 30 June 2022, the item came to Euro 9,989 thousand and recorded a total reduction of 869 thousand euros, consisting exclusively of the fair value measurement through OCI without recycling of the equity investment in Rimini Congressi.

5) Deferred tax assets

"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.

	Balance as at 30 June 2022	Balance as at 31 December 2021
Credits for advance IRES/IRAP	8,868	9,478
Total deferred tax assets	**8,868**	**9,478**
Provision for deferred IRES	(2,874)	(2,742)
Total deferred tax liabilities	**(2,874)**	**(2,742)**
TOTAL DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES	**5,994**	**6,736**

6) Non-current financial assets for rights of use

"Non-current financial assets for rights of use" amounting to 400 thousand euros refer to financial receivables for active sub-leases of rights of use.

7) Non-current financial assets

	Balance	Changes in the 1st half 2022			Balance
	31/12/2021	Increases/decreases	Revaluations/Write-downs	Exchange rate effect	30/06/2022
Gambero Rosso shares	29		(6)		23
TFR policy	331	(31)			300
Payables due to minority interests	159			14	173
TOT. NON-CURRENT FINANCIAL LIABILITIES	**519**	**(31)**	**(6)**	**14**	**496**

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.

8) Other non-current assets

“Other non-current assets” amounted to 172 thousand euros, up by 30 thousand euros during the half, and refer primarily to security deposits.

Current assets

9) Inventories

	Balance as of 30/06/2022	Balance as of 31/12/2021
Raw and Complementary Materials, Consumable Items	421	323
Finished products and goods	475	408
TOTAL INVENTORIES	**896**	**731**

The item "Inventories" is composed of finished products and goods relating to the stand fitting company Prostand and raw materials relating to the catering activities performed by Summertrade.

10) Trade receivables

	Balance as of 30/06/2022	Balance as of 31/12/2021
Receivables from customers	20,190	22,313
Receivables from associated companies	1,004	83
Receivables from jointly controlled companies	54	54
Receivables from parent companies	755	676
TOTAL TRADE RECEIVABLES	**22,003**	**23,126**

“Trade receivables” amounted to 22 million euros, down 1.1 million euros on 31 December 2021 following the collection made of residual receivables relating to the events of last year. The item in question represents the balance of amounts due from organisers and exhibitors for services relating to the provision of trade fair/conference spaces and the supply of event-related services and increase due to the resumption of trade fair activities.

“Receivables from associated companies” totalled 1,004 thousand euros and refer to trade receivables due to the Group from Cesena Fiera S.p.A., for the district hire and fittings services provided during Macfrut 2022.

“Receivables from jointly controlled companies” include receivables of the Parent Company due from the company DV Global Link LLC, related primarily to the re-invoicing of costs incurred for the event VicenzaOro Dubai 2019.

“Receivables due from parent companies” shows the portion due to Rimini Congressi S.r.l. by the Parent company, which for 491 thousand euros refers to the portion not yet collected of the listing costs incurred by IEG and pertaining to the parent company, invoiced in 2019.

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

	Balance as of 31/12/2021	Changes in the 1st half 2022				Balance as of 30/06/2022
		Uses	Provisions	Transfers	Change Scope of consolidation	
Bad debts provision	989	(4)	1,372	-	-	2,357
Bad debt provision - taxed	4,711	(25)	126	-	-	4,812
Bad debt provision - DV Global	0	-	-	-	-	0
TOTAL BAD DEBT PROVISION	**5,700**	**(29)**	**1,498**	**0**	**0**	**7,169**

11) Tax credits for direct taxes

	Balance as of 30/06/2022	Balance as of 31/12/2021
Tax credits for direct taxes	565	352
TOTAL TAX RECEIVABLES FOR DIRECT TAXES	**565**	**352**

The balance as at 30 June 2022 refers to credits for direct taxes, primarily relating to FB International Inc. and Prostand S.r.l.

12) Current financial assets for rights of use

“Non-current financial assets for rights of use” amounting to 184 thousand euros refer to financial receivables for active sub-leases of rights of use.

13) Current financial assets

	Balance as of 30/06/2022	Balance as of 31/12/2021
Financial receivables from associated companies	**93**	**48**
DV Global Link LLC	8	3
Destination Services srl	85	45
Financial receivables due from Shareholders	**0**	**169**
Vicenza Holding S.p.A.	1,143	1,143
Provision for doubtful debt Vicenza Holding S.p.A.	(1,143)	(1,143)
Receivables for capital payments to be made	0	169
Short-term securities	**30**	**44**
USA Security Deposit	30	44
TOTAL FINANCIAL ASSETS CURRENT	**123**	**261**

“Current financial assets” amounted to 123 thousand euros, a decrease of 138 thousand euros compared to 31 December 2021. Financial receivables due from associates are stated net of a provision for impairment of 303 thousand euros.

Receivables were entered in this item, due from the shareholder Vicenza Holding S.p.A., through the provision set aside for doubtful debt, for an amount of 1,143 thousand euros in connection with the bankruptcy procedure of Biblioteca della Moda S.r.l. (hereinafter also “BDM”). The events date back to the years of management of what was at the time Fiera di Vicenza S.p.A., which entertained commercial relations regarding the publishing business of Vicenza Oro with the companies BDM and Milano Fashion Media Srl, companies managed and headed by the same natural person. The bankruptcy receivers of BDM have stated that Biblioteca della Moda S.r.l. held a receivable of Euro 1,224 thousand in regard to what was at the time Fiera di Vicenza S.p.A. and that in 2015, Biblioteca della Moda S.r.l. had transferred such receivable to Milano Fashion Media S.r.l. Following this transfer, the then Fiera di Vicenza S.p.A. had offset that payable against a greater receivable it was due in respect of Milano Fashion Media S.r.l. The BDM bankruptcy receivers has contacted the Court of Milan to request revocation of this transfer. On 9 March 2021, the first-instance ruling on the dispute described above was issued by the Court of Milan, ordering Vicenza Holding S.p.A. (transferor) and IEG (as transferee of the business unit of Vicenza Holding S.p.A.), jointly and severally, to pay to the Biblioteca della Moda S.r.l. bankruptcy the total amount of 1,224 thousand euros, plus default interest pursuant to Legislative Decree 231/2002 and legal costs for a total in excess of Euro 1.8 million.

During the period, IEG and Vicenza Holding S.p.A., assisted in their assessments by their lawyers, settled with the receiver of the procedure, waiving an appeal in exchange for a reduction in the amount due to 1.1 million euros, to be paid during the first few days of July. Although it had advanced full payment so as to avoid compromising the regular pursuit of its business, IEG believes that, on the basis of the deed of conferral of the "Fiera di Vicenza" business unit to IEG in October 2016, the entire expense lies with Vicenza Holding S.p.A. and it is taking action to recover the amounts due to it. However, as a prudential measure, IEG has entered a provision for impairment under "Other provisions and impairment, Bad debt provisions and adjustments" equal to the full amount of the receivable of 1.1 million euros, classifying it as a non-recurring charge.

14) Other current assets

	Balance as of 30/06/2022	Balance as of 31/12/2021
Other tax receivables	501	504
Other receivables	2,120	1,949
Accrued income and prepaid expenses	2,602	1,150
Costs paid in advance pertaining to subsequent years	3,532	2,071
TOTAL OTHER CURRENT ASSETS	**8,755**	**5,674**

"Receivables due from others" amounted to 2,120 thousand euros and are detailed in the table below:

	Balance as of 30/06/2022	Balance as of 31/12/2021
Down payments	20	18
Suppliers - advances	1,375	1,265
Trade receivables	64	63
Receivables due from employees	46	58
Receivables due from social security institutions	5	87
Agents - advances	47	47
Other	563	411
TOTAL Receivables due from others	**2,120**	**1,949**

15) Cash and cash equivalents

The item "Cash and cash equivalents" amounted to 31,217 thousand euros as at 30 June 2022, and includes almost exclusively short-term deposits remunerated at floating rate.
The trend in cash flows with respect to 31 December 2021 has been reported in the "Consolidated Cash Flow Statement" to which reference should be made.

COMMENTS ON THE MAIN ITEMS OF SHAREHOLDERS' EQUITY AND LIABILITIES

NET EQUITY

16) Net equity

Consolidated shareholders' equity is detailed as follows:

	Balance as of	Changes in the 1st half 2022				Balance as of
	31/12/2021	Increases	Decreases	Allocation of profit	Net earnings	30/06/2022
Share capital	52,215					52,215
Share-premium reserve	13,947					13,947
Revaluation reserves	67,160					67,160
Legal reserve	10,401			42		10,443
Statutory reserves	2,531			8		2,540
Capital grants	5,878					5,878
First-time adoption reserve	(46,306)					(46,306)
CFH reserve	(337)	1,131				794
Actuarial reserve	(520)					(520)
Translation reserve	283	566				849
FVOCI reserve	135		(868)			(733)
Put option reserve	(9,967)					(9,967)
Restricted reserve for unrealised capital gains	0			20		20
Retained earnings (losses carried forward)	(2,507)			1,568		(939)
Profit (loss) for the year	1,638			(1,638)	(5,248)	(5,248)
SHAREHOLDERS' NET ASSETS OF THE PARENT COMPANY	**94,550**	**1,697**	**(868)**	**0**	**(5,248)**	**90,131**
Minority Shareholder's Capital & Reserves	1,157	188	(17)	(2,311)		(983)
First-time adoption reserve of minority interests	8					8
Actuarial reserve of minority interests	(25)					(25)
Profit (loss) attributable to minority interests	(2,311)			2,311	(368)	(368)
SHAREHOLDERS' EQUITY PERTAINING TO MINORITY INTERESTS	**(1,172)**	**188**	**(17)**	**0**	**(368)**	**(1,369)**
TOTAL GROUP SHAREHOLDERS' EQUITY	**93,378**	**1,885**	**(885)**	**0**	**(5,616)**	**88,762**

The total shareholders' equity of the Group as at 30 June 2022 totalled 89 million euros, of which 90.1 million euros attributable to the shareholders of the Parent Company and -1.4 million euros attributable to minority interests.

The Parent Company's Share Capital, fully subscribed and paid-up, amounted to € 52.2 million and is divided into 30,864,197 shares.

Minorities' capital increases by 0.1 million in reference to the share of equity held in the company V-Group and due to minorities.

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

(in Euro)	30/06/2022	30/06/2021*
Basic EPS	(0.1700)	0.8116
Diluted EPS	(0.1700)	0.8116

(*) Some of the amounts shown in this column do not correspond to those of the financial statements published as at 30/06/2021, as they reflect the valuations made at the time of the Purchase Price Allocation of HBG Events at final values.

The calculation is based on the following data:

(in Euro)	30/06/2022	30/06/2021*
Net earnings	(5,247,998)	(25,048,191)
Number of shares	30,864,197	30,864,197

(*) Some of the amounts shown in this column do not correspond to those of the financial statements published as at 30/06/2021, as they reflect the valuations made at the time of the Purchase Price Allocation of HBG Events at final values.

NON-CURRENT LIABILITIES

17) Payables due to banks

The group's bank debt drops overall as compared with last year by approximately 6 million, as a consequence of the repayment of loans during the year. Following are details about the Payables due to banks in the short and long term and beyond 5 years.

	Balance as of 30/06/2022	Balance as of 31/12/2021
C/a debit balances	-	-
Other short-term credit facilities	800	2,676
Credit Agricole mortgage - POOL	11,113	12,027
Banco BPM mortgage	565	1,128
Volksbank mortgage	2,033	2,019
Banca Intesa Sanpaolo (former Banca Popolare di Vicenza) mortgage	1,704	1,675
ICCREA mortgage	534	1,205
Unipol mortgage	281	334
Malatestiana mortgage	292	145
MPS mortgage	494	451
Banca Popolare Valconca mortgage	254	250
Credit Agricole mortgage	494	246
TOTAL SHORT-TERM PAYABLES DUE TO BANKS	**18,564**	**22,157**

	Balance as of 30/06/2022	Of which due beyond 5 years	Balance as of 31/12/2021
Banca Intesa Sanpaolo (former Banca Popolare di Vicenza) mortgage	28,452	20,994	29,656
Volksbank mortgage	171	-	1,192
ICCREA mortgage	408	-	-
MPS mortgage	1,298	-	1,545
Unipol mortgage	-	-	113
Malatestiana mortgage	1,206	-	1,352
Credit Agricole mortgage	1,002	-	1,249
Banca Popolare Valconca mortgage	216	-	-
Loan - Cassa Depositi e Prestiti - SACE	15,000	937	15,000
Loan - Intesa San Paolo – SACE	32,812	2,051	32,812
SIMEST loan - Trade fair entities	9,352	1,169	9,352
Other loans	-	-	6
TOTAL MEDIUM/LONG-TERM PAYABLES DUE TO BANKS	**89,917**	**25,151**	**92,277**

IEG Group
Net financial position based on the ESMA format

Net financial position (Euro/000)		30/06/2022	31/12/2021
A.	Cash and cash equivalents	31,217	52.651
B.	Cash equivalents	0	0
C.	Other current financial assets	123	290
D.	**Liquidity: (A) + (B) + (C)**	**31,340**	**52,941**
E.	Current financial payables	(10,032)	(10,723)
F.	Current portion of non-current financial debt	(17,764)	(19,480)
G.	**Current financial debt: (E) + (F)**	**(27,795)**	**(30,203)**
H.	**Current net financial indebtedness: (G) + (D)**	**3,545**	**22,738**
I.	Non-current financial liabilities	(114,330)	(115,815)
J.	Debt instruments	0	0
K.	Trade payables and other non-current payables	(6,511)	(12,523)
L.	**Non-current financial debt (I) + (J) + (K)**	**(120,841)**	**(128,338)**
M.	**Total financial debt (H) + (L)**	**(117,296)**	**(105,600)**

Net financial position as defined by the new ESMA Guidelines of 04 March 2021

(Consob note of attention no. 5/21 to the Consob Communication)

At 30 June 2022, bank payables were made up of 102 million euros in mortgages relative to the Parent company, 4.5 million euros in mortgages relative to Pro.Stand S.r.l. and approximately 2 million euros relative to Summertrade S.r.l. The item also includes other short-term bank payables for 800 thousand euros, mainly relating to short-term loans used by the Parent company (i.e. “Hot Money”).

Compared with last year, bank payables decreased by a total of 6 million, mainly due to the repayment of existing loans for 4 million and the repayment of short-term credit facilities for the remaining 2 million. It is also noted that as compared with 31 December 2021, the subsidiary Pro.stand S.r.l. has reclassified the ICCREA loan according to the repayment plan.

18) Non-current financial liabilities for rights of use

The balance of 24.8 million euros represents the non-current portion of liabilities recognised for lease fees still not paid at the close of the half, in compliance with the introduction of new accounting standard IFRS 16 on 1 January 2019. Note that the item includes 13,129 thousand euros relative to the parent company Rimini Congressi S.r.l.

19) Other non-current financial liabilities

The item “Other current financial liabilities” as at 30 June 2022 came to 6,511 thousand euros recording a decrease of 6,012 thousand euros compared to 31 December 2021. The breakdown is shown below.

	Balance as of 30/06/2022	Balance as of 31/12/2021
Fair value of derivative instruments	102	3,583
Financial liabilities for Pro.Stand put option	2,431	2,413
Financial liabilities for FB International Inc. put option	3,299	3,299
Financial liabilities for minimum guarantee amounts to minority shareholders of Pro.Stand	-	42
Financial liabilities for the purchase of HBG - estimated variable	-	1,923
Payables due to other lenders	679	1,263
TOTAL OTHER LIABILITIES FIN. NON-CURRENT	**6,511**	**12,523**

“Other non-current financial liabilities” showed an overall decrease of 6 million euros, mainly due to the reduction in the fair value of derivatives for 3.4 million euros and the classification to short-term of the variable price estimated for the acquisition of HBG Events FZ LLC, which is expected to be disbursed in January 2023. It is also noted that as compared with the 1,263 thousand euros at 31 December 2021, the item "Payables due to other lenders" comes to 679 thousand euros following the conversion into a grant of a government loan granted to FB International Inc.

20) Provisions for non-current risks and charges

The changes in the item in question are shown below.

	Balance as of	Changes in the 1st half 2022				Balance as of
	31/12/2021	Provisions	Uses/decreases	Releases	Exchange diff.	30/06/2022
Provision for dispute risks	1,746	36	(89)	(1)	-	1,692
Other provisions for risks	84	19	-	-	-	103
TOTAL PROVISIONS FOR RISKS AND CHARGES	**1,830**	**55**	**(89)**	**(1)**	**-**	**1,795**

The "Provision for dispute risks" does not show any significant change compared with 31 December 2021.

The provisions made refer to a settlement agreement being formalised to conclude a supply agreement early. Uses relate to the conclusion of certain disputes brought by former employees of the parent company. With the agreement of its lawyers, in previous years, the company had made a provision to cover the risk of losing.

21) Employee provisions

The changes in the item in question are shown below.

	Balance as of	Changes in the 1st half 2022			Balance as of
	31/12/2021	Provisions	Uses/decreases	transfers	30/06/2022
Provision for customers' leaving indemnities	94	-	-	-	94
Provision for employee severance indemnity	3,660	207	(173)		3,694
TOTAL EMPLOYEE PROVISIONS	**3,754**	**207**	**(173)**	**-**	**3,788**

The item "Employee provisions" as at 30 June 2022 amounted to 3,788 thousand euros, of which 94 thousand euros allocated to the "Provision for agents' leaving indemnities", in compliance with article 1751 of the Italian Civil Code and the collective economic agreement for the regulation of the agency and commercial representation relationship of the commerce 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 pointed out that, following the supplementary pension reform (Italian Legislative Decree no. 252/2005; Italian Law no. 296/2006, article 1, paragraphs 755 *et seq* and paragraph 765), the amount indicated in the column "Provisions" does not include the sums paid to forms of supplementary pension or to the "INPS Treasury Fund".

22) Other non-current liabilities

The item "Other non-current liabilities" includes the amount of the grant disbursed by the Emilia-Romagna Region for the construction of the Rimini Trade Fair District, still not booked to the income statement, amounting to 1,815 thousand euros (1,912 thousand euros as at 31 December 2021).

CURRENT LIABILITIES

23) Current financial liabilities for rights of use

This item includes the current financial liabilities concerning the application of IFRS 16, in the amount of 3,839 thousand euros. Compared with 31 December 2021, the item has risen by 493 thousand. Note that the item includes a total of 962 thousand euros due to the parent company Rimini Congressi S.r.l., lessee of the Rimini Palazzo dei Congressi.

24) Other current financial liabilities

The table shows a breakdown of the item in question:

	Balance as of 30/06/2022	Balance as of 31/12/2021
Accrued expenses on mortgages	25	50
Payables due to shareholders	1,012	304
Payables for exercise of put options - Prostand	0	535
Payables due to other lenders within 12 months	4,538	3,995
TOTAL OTHER CURRENT FINANCIAL LIABILITIES	**5,575**	**4,884**

"Other current financial liabilities" rose by 691 thousand euros on last year, due to the joint effect of the zeroing of the "Payables for the exercise of the Prostand put option" following payment, by the parent company, of the last tranche on the deferred price for the purchase of the subsidiary Prostand S.r.l. in February and an increase in "Payables due to shareholders" and "Payables due to other lenders within 12 months".

"Payables due to shareholders" amounted to 1,012 thousand euros and related to payables entered by FB International Inc. and Summertrade S.r.l. to the minority shareholder, which, in accordance with the Parent company, have subscribed to loans in the favour of the respective companies.

"Payables due to other lenders within 12 months" mainly includes:

- The variable amount of the price recognised to Arezzo Fiere e Congressi for the acquisition of the trademark GoldItaly and the use of the trademark Oro Arezzo and all other assets connected with the two events in question, for 956 thousand euros;
- The definitive balance on the variable price for the acquisition of V-Group S.r.l. of 1,099 thousand euros;
- Payables relating to the expected earn-out to be paid to the former shareholders of HBG Events LLC, at the start of FY 2023 and corresponding to 2,437 thousand euros.

25) Trade payables

The details of the item in question are provided below

	Balance as of 30/06/2022	Balance as of 31/12/2021
Trade payables	37,098	33,751
Vehicle ownership tax	74	71
Membership fees and contributions	8	3
TOTAL TRADE PAYABLES	**37,180**	**33,825**

Payables to suppliers mainly refer to purchases of services necessary to the holding of trade fairs. Trade payables total 37,180 thousand euros. “Payables due to related companies” are 62 thousand euros to Cesena Fiera Spa and 12 thousand euros to C.A.S.T. Alimenti S.r.l..
“Payables due to jointly controlled companies” regard exclusively DV Global Link LLC.

26) Other current liabilities

	Balance as of 30/06/2022	Balance as of 31/12/2021
Prepayments	11,819	4,384
Payables due to social security institutions Soc.	1,604	1,281
Other payables	6,603	5,044
Accrued expenses and deferred income	1,802	704
Revenues paid in advance pertaining to subsequent years	2,596	21,373
Other tax payables	2,172	3,486
TOTAL OTHER CURRENT LIABILITIES	**26,596**	**36,272**

“Other current liabilities” at 30 June 2022 records a net reduction of 9.7 million euros on 31 December 2021, mainly relative to the items of Revenues paid in advance and advance payments due to the seasonality of the business.

Other tax payables amount to 2,172 thousand at 30 June 2022, down compared to the 1,314 thousand euros at 31 December 2021.

COMMENTS ON MAIN ITEMS OF THE CONSOLIDATED INCOME STATEMENT

27) Revenues from contracts with customers

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

	Balance as at 30/06/2022	Balance as at 30/06/2021
Organised Events	31,314	774
Hosted Events	3,179	796
Conferences	5,769	309
Related Services	29,094	2,892
Publishing, Sporting Events and Other Activities	787	681
REVENUES FROM CONTRACTS WITH CUSTOMERS	**70,144**	**5,452**

As regards the analysis of the trend in revenues during 2022 and the comparison with the data of the same period of the previous year, please refer to the information already outlined in the Directors' Report on Operations.

28) Other revenues

"Other revenues and income" are detailed as follows:

	Balance as at 30/06/2022	Balance as at 30/06/2021
Operating grants	595	609
Emilia-Romagna Region Grant	97	97
Other revenues	1,841	884
TOTAL OTHER REVENUES AND INCOME	**2,533**	**1,590**

The item "Other revenues and income" includes mostly accessory trade fair income, but falling under the ordinary activities of the Group, for example revenues from concessions, grants, costs pertaining to third parties relating to events managed in collaboration with other parties, income from publications and subscriptions and other items.

Below are the Group revenues at 30 June 2022 broken down by geographic area of origin.

Country	Organised Events	Hosted Events	Conferences	Related Services	Other business	Total
Italy	32,044	3,179	5,769	16,893	1,251	59,136
United States				12,961		12,961
Arab Emirates	580					580
TOTAL INCOME	**32,624**	**3,179**	**5,769**	**29,854**	**1,251**	**72,677**

29) Operating costs

Operating costs break down as follows:

	Balance as of 30/06/2022	Balance as of 30/06/2021
Costs for raw materials, consumables and goods for resale	(7,461)	(1,456)
Costs of services	(42,728)	(8,234)
For use of third-party assets	(168)	(83)
For personnel		
Wages and salaries	(12,609)	(7,343)
Social security costs	(3,586)	(2,002)
Post-Employment Benefits	(816)	(694)
Pension costs and similar liabilities	0	0
Other costs	(333)	(124)
Directors' fees	(677)	(579)
	(18,021)	**(10,742)**
Change in inventories	165	149
Other operating costs	(1,026)	(754)
TOTAL OPERATING COSTS	**(69,239)**	**(21,120)**

During the first half, Operating Costs increased by 48 million euros on the same period of last year, due to an at least partial resumption of activities: indeed, compared with the first six months of 2021, where a pandemic peak was seen of the Delta variant and the measures implemented by the government authorities to fight the spread consisted of the complete closure of all trade fair districts and congress centres under management, in this half-year, all events in the portfolio took place.

Costs for services include a non-recurring charge of 3.0 million euros relative to design costs, noted amongst Fixed assets under construction during previous years, the project to extend and requalify the Rimini district that envisaged the development of a large circular, multi-purpose pavilion measuring around 17,000 square metres in display space. During the presentation and approval of the new Business Plan through to 2027, the Board of Directors expressed a desire to abandon this project, in the favour of less onerous solutions.

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

	Balance as of 30/06/2022	Balance as of 30/06/2021
Municipal taxes	(560)	(392)
Membership fees and contributions	(132)	(172)
Capital losses from fixed asset disposal	(14)	(1)
Other operating expenses	(321)	(189)
TOTAL OTHER OPERATING COSTS	**(1,027)**	**(754)**

30) Amortisation, depreciation and write-downs of fixed assets

	Balance as of 30/06/2022	Balance as of 30/06/2021*
Amortisation of intangible fixed assets	(907)	(1,012)
Depreciation of property, plant and equipment	(6,673)	(7,049)
Write-downs of fixed assets	(42)	(1,262)
TOTAL AMORTISATION, DEPRECIATION AND WRITE-DOWNS	**(7,622)**	**(9,323)**

(*) Some of the amounts shown in this column do not correspond to those of the financial statements published as at 30/06/2021, as they reflect the valuations made at the time of the Purchase Price Allocation of HBG Events at final values.

In the first half of 2021, “Amortisation/Depreciation” amounted to approximately 7.5 million euros, down by 0.5 million euros versus the first half of the previous year.

“Write-downs of fixed assets” refers to the zeroing of the residual value of some of the IT infrastructures following their replacement during the half-year.

31) Receipts and financial charges

Details of “Financial income” are reported below:

FINANCIAL INCOME	Balance as of 30/06/2022	Balance as of 30/06/2021
From securities in Current assets other than equity investments	**8**	**11**
Interest income on bank deposits	11	-
Other interest income	-	-
Restatement of payables for put options	-	-
Positive/(negative) differences of IRS	1,993	680
Income other than the above	**2,004**	**680**
TOTAL FINANCIAL INCOME	**2,012**	**691**

Financial income totals 2,012 thousand euros, mainly due to the positive IRS differential, which represents the change in the fair value of the derivative, solely for management purposes, contracted by the Parent Company with former Banca Popolare di Vicenza (now Banca Intesa San Paolo), between 31 December 2019 and 31 December 2020.

Details of the item “Interest and financial charges” are provided below:

FINANCIAL CHARGES	Balance as of 30/06/2022	Balance as of 30/06/2021
Interest expense on payables due to banks	(647)	(753)
Negative differences of SWAPs	(503)	(524)
Other interest expense and charges	(16)	(67)
Interest expense for rights of use (IFRS 16)	(219)	(135)
Financial charges on put options	(17)	(188)
TOTAL FINANCIAL CHARGES	**(1,402)**	**(1,667)**

Financial charges encumber almost exclusively Italian Exhibition Group S.p.A., which acts as the treasury for several of the Group’s operating companies, and relate to mortgages taken out and the temporary use of short-term credit facilities.

The “Negative differences of swaps”, which came to 503 thousand euros, refers to the interest paid by the Group in respect of the variables of the underlyings.

	Balance as of 30/06/2021	Balance as of 30/06/2021
Exchange gains	136	3
Exchange losses	(334)	(71)
TOTAL EXCHANGE GAINS AND LOSSES	**(198)**	**(68)**

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

	Balance as of 30/06/2022	Balance as of 30/06/2021
Revaluations of equity investments		
Rimini Welcome S.r.l.	-	13
Cesena Fiera S.p.a.	203	14
Fitness Festival International S.r.l. (in liquidation)	-	20
CAST Alimenti	59	-
Total revaluations of equity investments	**262**	**46**
Write-downs of equity investments		
Rimini Welcome S.r.l..	(2)	-
Destination Services S.r.l.	(6)	-
Expo Estrategia Brasil Eventos e Producoes Ltda (in liquidation)	(26)	(198)
EAGLE	-	(28)
Fitness Festival International S.r.l. (in liquidation)	-	(30)
CAST alimenti	-	(90)
DV Global link		-
Total Write-down of equity investments	**(34)**	**(346)**
TOTAL GAINS AND LOSSES FROM EQUITY INVESTMENTS	**(228)**	**(300)**

33) Taxation

The item "Income taxes" includes the taxes pertaining to the first half of 2022 recognised on the basis of the best estimate of the average weighted expected rate for the entire year. These amounted to a charge of 530 thousand euros, up 238 thousand euros compared to the previous half-year. The item includes current IRAP tax for 121 thousand euros and a change in prepaid and deferred tax for a total charge of 406 thousand euros. Despite the fact that the result booked for the first half of the year is in line with expectations, considering the uncertainty that remains in view of the political and consequent macroeconomic instability, exclusively for reasons of prudence, the Group has decided not to proceed with the allocation of additional prepaid tax on the tax losses booked during the previous period and the period in question and postpone this assessment for the forthcoming months.

34) Related party transactions

The companies in the IEG Group entered into transactions under market conditions and based on reciprocal cost effectiveness, both within the Group and with other related companies.

Business transactions between the IEG Group companies are mainly targeted at the organisation and management of exhibitions and events. IEG S.p.A. also provides treasury services to some Group companies. For a description of the nature and the amounts of the transactions between companies consolidated on a line-by-line basis, please refer to the contents of the Directors' Report on Operations.

The table below shows the amount and the nature of the receivables/payables as at 30 June 2021 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 S.p.A..

Related party transactions	Rimini Congressi (*)	Destination Services	DV Global Link LLC	Rimini Welcome	Hannover Fair Mexico	Cesena Fiera	CAST Alimenti Srl
Trade receivables	755	0	54	0	0	1,004	0
Current financial assets	-	85	8	0	173	0	0
TOTAL RECEIVABLES	**755**	**85**	**62**	**0**	**173**	**1,004**	**0**
Trade payables	-	0	(8)	0	0	(62)	(12)
Financial debt	(14,091)	0	0	0	0	0	0
Tax payables for direct taxes	-	0	0	0	0	0	0
TOTAL PAYABLES	**(14,091)**	**0**	**(8)**	**0**	**0**	**(62)**	**(12)**
Revenues from sales and services	20	0	0	0	0	2,320	2
Other revenues	59	0	0	0	0	0	0
Costs for services, use of third-party assets, other expenses	(626)	0	0	0	0	(62)	(8)
Proceeds from shareholdings	0	0	0	0	0	0	0
TOTAL REVENUES AND COSTS	**(547)**	**0**	**0**	**0**	**0**	**2,258**	**(6)**

(*) In applying IFRS 16, costs for use of third-party assets are completely eliminated and replaced with amortisation/depreciation on rights of use for 500 thousand euros and financial charges for 99 thousand euros.

35) Other information

Sureties and guarantees granted to third parties

It should be noted that, as at 30 June 2022, the Group has guarantees in place relating to sureties and third party assets at IEG totalling 629 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 92.6 thousand euros;
- by Summertrade S.r.l. in favour of Riva del Garda S.p.A as a guarantee for the contractual commitments concerning the management of the catering services internal to the trade fair complex and to other parties for a total of 76 thousand euros;
- by Pro.Stand S.r.l. in the favour of lessors by way of guarantee of the contractual commitments relative to the lease contracts for the industrial warehouses and guarantees on the work carried out to the benefit of the client for a total of 192.6 thousand euros.

It should also be noted that Italian Exhibition Group S.p.A. replaced Fiera di Vicenza S.p.A. in the guarantees issued by the latter in favour of the investee C.I.S. S.p.A. in liquidation in the amount of Euro 1,200 thousand. This amount was not recorded under guarantees given as the associated provision for risks is allocated in the financial statements.

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 the first half of 2022 and the first half of 2021 is shown below.

Full Time Equivalent	30/06/2022	30/06/2021

Managers & Executives	14	16.3
Middle managers/White-collar workers	377.6	368.5
Blue-collar workers	175.7	73.9
AVERAGE NUMBER OF EMPLOYEES	**567.3**	**476.3**

The exact number of workers (headcount) as at 30 June 2022 compared with the figure as at 31 December 2021 is shown here below.

Headcount	**30/06/2022**	**31/12/2021**
Managers & Executives	14	13
Middle managers/White-collar workers	408	395
Blue-collar workers	390	161
AVERAGE NUMBER OF EMPLOYEES	**812**	**569**

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 30 JUNE 2022 USING THE LINE-BY-LINE METHOD

Company name	Registered office	Main activity	Share capital (figures in thousands)	% Share held by the Group			Group company
				Total Group	Direct - IEG S.p.A.	Indirect - other Group Companies	
Italian Exhibition Group S.p.A.	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 (Brazil)	Organiser of trade fairs/events/conferences and other trade fair activity accessory services	REAL 4,300	75%	75%		
Fieravicola S.r.l.	Via Emilia, 155 – 47921 Rimini	Organisation of trade fair events	100	51%	51%		
Summertrade S.r.l. (*)	Via Emilia, 129 – 47921 Rimini	Catering services	105	65%	65%		
Prostand Exhibition Services S.r.l.	Via Emilia, 129 – 47900 Rimini	Trade fair stand fittings	78	100%	51%	49%	Prostand S.r.l. (**)
Prostand S.r.l.	Poggio Torriana, via Santarcangiolese 18	Trade fair stand fittings	182	100%	100%		(**)
IEG USA Inc.	1001 Brickell Bay Dr., Suite 2717° Miami (FL)	Equity holding company	USD 7,200	100%	100%		
FB International Inc (****).	1 Raritan Road, Oakland, New Jersey 07436 - USA	Trade fair stand fittings	USD 48	51%		51%	IEG USA Inc.
Prime Servizi S.r.l.	Via Flaminia, 233/A – 47924 Rimini	Cleaning and porterage services	60	51%	51%		
Italian Exhibition Group Deutschland Gmbh	Munich (DE)	Trade fair organiser	25	100%	100%		
V-Group S.r.l.	Via Emilia, 155 – 47921 Rimini	Trade fair organiser	10	75%	75%		
HBG Events FZ LLC	Creative Tower, 4422, Fujairah, UAE	Trade fair organiser	AED 799	100%	100%		

(*) Minority shareholder: CAMST S.c.ar.l.

(**) The percentage considered of the equity investment in Prostand S.r.l. includes an option equal to 20% of share capital.

(****) minority shareholder: Fabrizio Bartolozzi

COMPANIES ACCOUNTED FOR IN THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 JUNE 2022 USING THE EQUITY METHOD

Company name	Registered office	Main activity	Share capital (figures in thousands)	% Share held by the Group			Group company
				Total Group	Direct - IEG S.p.A.	Indirect - other Group Companies	
Expo EstrategiaBrasilEventos e Producoes Ltda in liquidation	Rua Felix de Souza, 307 Vila Congonhas – Sao Paulo	Organiser and host site of trade fairs/events/conferences	REAL 6,091	50%	50%		
Dv Global Link LLC in liquidation	P.O. Box 9292, Dubai, United Arab Emirates	Organiser and host site of trade fairs/events/conferences	AED 500	49%	49%		
Fitness Festival International S.r.l. in liquidation	Via Martiri dei Lager, 65 – 06128 Perugia	Organiser of trade fairs/events and conferences	220	50%	50%		
EAGLE	Shanghai, China	Organiser of trade fairs/events and conferences	CNY 7,000	50%	50%		
Cesena Fiera S.p.A.	Via Dismano, 3845 – 47522 Pievesestina di Cesena (FC)	Organiser of trade fairs/events and conferences	2,288	35.3%	20%	15.3%	Prostand S.r.l. (1)
C..A.S.T. Alimenti S.p.A.	Via Serenissima, 5 – Brescia (BS)	Training courses and professional training courses	126	23.08%	23.08%		
Destination Services S.r.l.	Viale Roberto Valturio 44 – 47923 Rimini (RN)	Promotion and organisation of tourist services	10	50%	50%		
Rimini Welcome S.c.a.r.l.	Via Sassonia, 30 - Rimini	Promotion and organisation of tourist services	100	48%	5%	43%	Destination Service S.r.l and Summertrade S.r.l.
Green Box S.r.l.	via Sordello 11/A – 31046 Oderzo (TV)	Organiser of trade fairs/events and conferences	15	20%	20%		

(1) This percentage considered as regards the equity investment in Pro.Stand S.r.l. includes an option equal to 20% of the share capital.

Certification of the consolidated condensed half-yearly financial statements pursuant to article 154 bis, paragraph 5 of Italian Legislative Decree no. 58/98

CERTIFICATION OF THE CONDENSED HALF-YEARLY FINANCIAL STATEMENTS PURSUANT TO ARTICLE 154 BIS, PARAGRAPH 5 OF ITALIAN LEGISLATIVE DECREE NO. 58/98

1. The undersigned, Corrado Peraboni, as Chief Executive Officer and Carlo Costa as Manager responsible for preparing the company's financial documents of Italian Exhibition Group S.p.A. hereby certify, also taking into account the provisions of article 154-*bis*, paragraphs 3 and 4 of Legislative Decree no. 58 of 24 February 1998:

- the documents are adequate in relation to the characteristics of the company and
- the effective application of the administrative and accounting procedures for preparing the condensed half-yearly financial statements during the first half of 2022.

2. It is also certified that:

2.1. The consolidated condensed half-yearly financial statements at 30 June 2022:

- were prepared in accordance with the international accounting standards recognised by the European Union pursuant to European Parliament and Council Regulation no. 1606/2002/EC of 19 July 2002;
- Matches the book results 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 interim report on operations includes a reliable analysis of the significant events in the first six months of the financial year and their impact on the consolidated condensed half-yearly financial statements, as well as a description of major risks and uncertainties for the remaining six months of the year. The interim report on operations also includes a reliable analysis of information regarding related party transactions of major relevance.

Rimini, 29 August 2022

CEO	Manager responsible for preparing the company's financial documents
Corrado Peraboni	*Carlo Costa*

Independent Auditors' Report

RELAZIONE DI REVISIONE CONTABILE LIMITATA SUL BILANCIO CONSOLIDATO SEMESTRALE ABBREVIATO

Agli Azionisti di
Italian Exhibition Group SpA

Introduzione

Abbiamo svolto la revisione contabile limitata dell'allegato bilancio consolidato semestrale abbreviato, costituito dal prospetto della situazione patrimoniale-finanziaria consolidata, dal conto economico consolidato, dal conto economico complessivo consolidato, dal prospetto delle variazioni di patrimonio netto consolidato, dal rendiconto finanziario consolidato e dalle relative note illustrative di Italian Exhibition Group SpA e sue società controllate (di seguito, il "Gruppo IEG") al 30 giugno 2022. Gli Amministratori sono responsabili per la redazione del bilancio consolidato semestrale abbreviato in conformità al principio contabile internazionale applicabile per l'informativa finanziaria infrannuale (IAS 34) adottato dall'Unione Europea. È nostra la responsabilità di esprimere una conclusione sul bilancio consolidato semestrale abbreviato sulla base della revisione contabile limitata svolta.

Portata della revisione contabile limitata

Il nostro lavoro è stato svolto secondo i criteri per la revisione contabile limitata raccomandati dalla Consob con Delibera n° 10867 del 31 luglio 1997. La revisione contabile limitata del bilancio consolidato semestrale abbreviato consiste nell'effettuare colloqui, prevalentemente con il personale della Società responsabile degli aspetti finanziari e contabili, analisi di bilancio ed altre procedure di revisione contabile limitata. La portata di una revisione contabile limitata è sostanzialmente inferiore rispetto a quella di una revisione contabile completa svolta in conformità ai principi di revisione internazionali (ISA Italia) e, conseguentemente, non ci consente di avere la sicurezza di essere venuti a conoscenza di tutti i fatti significativi che potrebbero essere identificati con lo svolgimento di una revisione contabile completa. Pertanto, non esprimiamo un giudizio sul bilancio consolidato semestrale abbreviato.

Conclusioni

Sulla base della revisione contabile limitata svolta, non sono pervenuti alla nostra attenzione elementi che ci facciano ritenere che il bilancio consolidato semestrale abbreviato del Gruppo IEG al 30 giugno

PricewaterhouseCoopers SpA

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2022 non sia stato redatto, in tutti gli aspetti significativi, in conformità al principio contabile internazionale applicabile per l'informativa finanziaria infrannuale (IAS 34) adottato dall'Unione Europea.

Bologna, 8 settembre 2022

PricewaterhouseCoopers SpA

Giuseppe Ermocida
(Revisore legale)