

FIERA MILANO GROUP

FY 2021 Consolidated Results

CONFERENCE CALL – 15 March 2022



FIERA MILANO

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Highlights



1.1

Highlights (1/3)

FY 2021 rewarded by return to business in the second half of the year

Exhibition calendar concentrated in just over three months with attempt to create synergies between related sectors, recording a significant presence of international visitors

Positive signals from the business of stand fittings and digital services

- 30 trade fairs hosted with the presence of 9,695 exhibitors on an exhibition area of 592,895 net square meters recording revenues of Euro130 million with EBITDA of Euro 77 million.
- EBITDA has also been affected by non-recurring grants of € 51.5 million which offset lower margins posted in 2020 and 2021, € 10 million from SIMEST’s Integrated Promotion Fund (FPI) and € 5.5 million from the agreement with Fondazione Fiera Milano (landlord) on the reduction of rent for the Rho exhibition site and the "MiCo" congress centre.

KEY FIGURES (€m)	FY 2021	FY 2020	FY 2019
Revenues	129.8	73.6	279.7
EBITDA	77.2	10.4	106.1
EBIT	31.9	-34.3	59.6
Net Profit / (Net Loss)	44.1	-34.2	34.3

KEY FIGURES (€m)	FY 2021	FY 2020	FY 2019
Net debt (net cash) pre IFRS16	(47.4)	23.9	(68.3)

- Improvement in net cash determined by the upturn in exhibition activity and by the grants to offset lower margins in 2020 and 2021 caused by the public health emergency.

1.1

Highlights (2/3)

Fiera Milano completed a number of initiatives to boost the internationalisation of Fiera Milano's direct-organised and hosted exhibitions and to consolidate the company's leadership in the domestic congress market

- **Gastech** – In September 2022, Fiera Milano will host the 50th edition of Gastech, the world's largest exhibition for the gas, LNG, hydrogen and energy industry, which takes place annually in different locations
- **FIND: Design Fair Asia** – Singapore Council and Singapore Tourism Board in partnership with Fiera Milano, dmg events and MP Singapore will organise FIND (Furniture, Interiors and Design) the leading Asian exhibition for the design sector, to take place in Singapore in 2022, 2023 and 2024.
- Launch of **Next Mobility Exhibition (NME)**, the first biennial event dedicated to the mobility of the future, which will take place in Rho from 12-14 October 2022.
- **Fiera Milano Congressi** will manage the new Turin Congress Centre (5,000 seats), to be built on the site of the former Westinghouse factory. Construction is scheduled to begin in 2022, with completion expected in 2024/25.

1.1

Highlights (3/3)

Ongoing commitment to integrate sustainability into Fiera Milano Group's business-model processes

- Fiera Milano has launched a **new project to define its sustainability framework** for the years of the CONN.E.C.T. 2025 plan.
- In July 2021 Fiera Milano **obtained UNI ISO 20121:2013 certification** for sustainable event management **for the first time**
- Fiera Milano has also embarked on a **process to assess the environmental footprint of exhibitions** held in its exhibition spaces, **using the Life Cycle Assessment (LCA) approach**. The LCA methodology makes it possible to quantify the overall environmental footprint – from start to finish – of products and services, but also events of any size, spanning planning, setup, delivery, closure, dismantling of stands, transport and accommodation of visitors.
- Finally, **Fiera Milano, in November 2021, decided to support the "NET ZERO CARBON EVENTS" initiative** promoted by UFI, The Global Association of the Exhibition Industry, with the aim of gathering the support and commitment of all Stakeholders in the exhibition sector to achieve carbon neutrality of events.

2.0

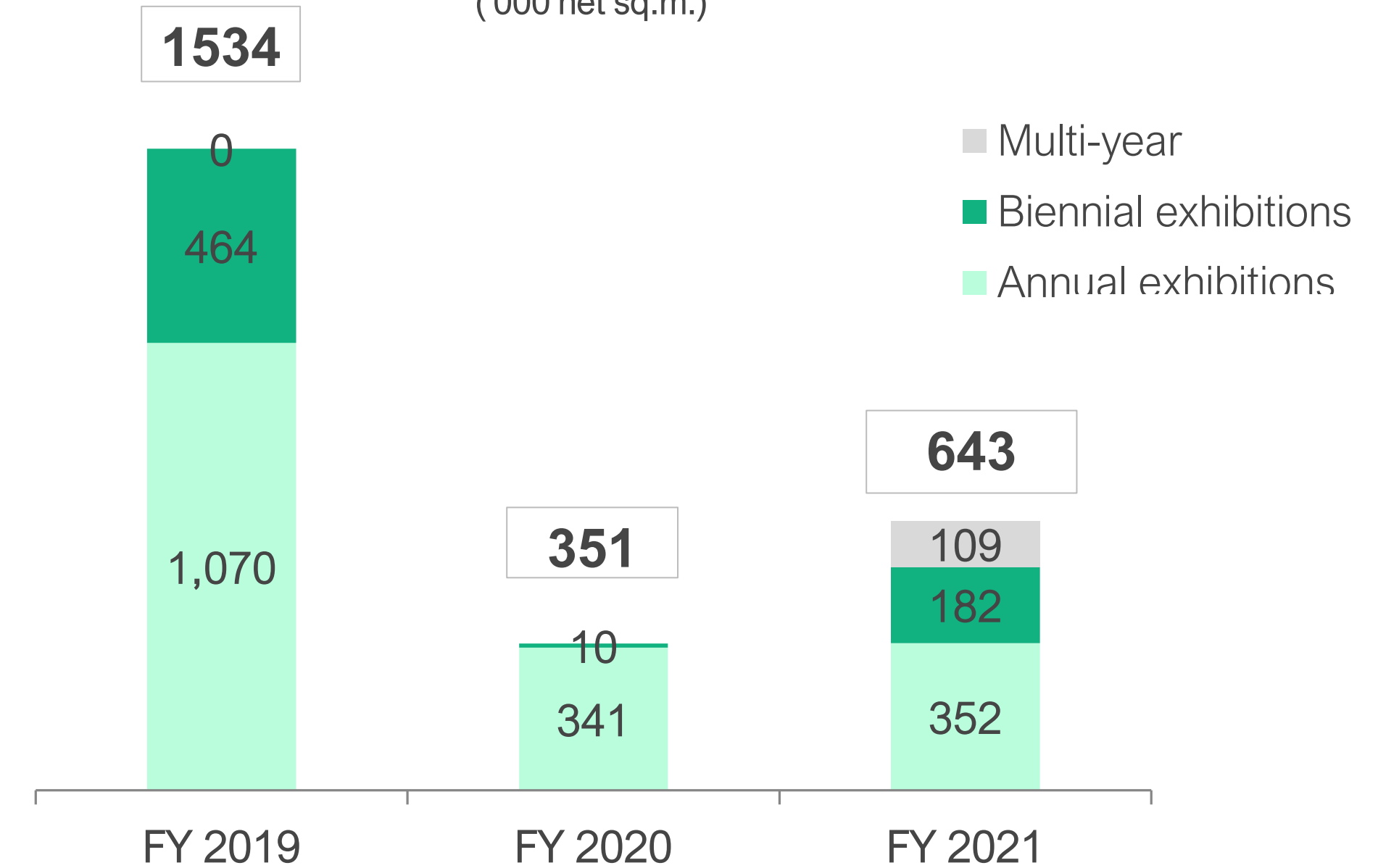
Financial results



Italian exhibitions



Exhibition space rented out
('000 net sq.m.)



- Main annual events: HOMI, HOMI F&J, Miart, Milano Games Week, EICMA moto, Milano Unica, The Micam, Supersalone (a special edition of Salone del Mobile) and A new point of view (a special edition of Lineapelle).
- Presence of the "biennial odd year" events Host, SICUREZZA, Tuttofood and Made Expo, the multi-year EMO and CPHI and the biennial Vitrium and Made in Steel.
- The "biennial odd year" Transpotec Logitec has been postponed to financial year 2022.

2.2

Italian exhibition business



Italian Exhibition Business (€m)	FY 2021	FY 2020
Revenues	110.4	63.6
EBITDA	61.4	11.3
<i>% on revenues</i>	<i>56%</i>	<i>18%</i>
EBIT	21.8	(28.1)
<i>% on revenues</i>	<i>20%</i>	<i>neg.</i>

Gross of adjustments for inter-segment transactions

- The increase in revenues is due to the resumption of in-person exhibitions starting from mid-June.
- The increase in EBITDA margin is mainly attributable to the restart of business during the second half of the year and the portion of non-recurring public grants received during the financial year (€ 61.5 million) and the reduction of the lease agreements with Fondazione Fiera Milano (€ 5 million).

2.3

Foreign exhibition business



Foreign Exhibition Business (€m)	FY 2021	FY 2020
Revenues	0.2	1.2
EBITDA	0.3	(0.8)
% on revenues	175%	neg.
EBIT	0.1	(1.1)
% on revenues	54%	neg.

Gross of adjustments for inter-segment transactions

- The contraction in revenues mainly reflected the effect of Covid-19 on the Brazilian subsidiary which cancelled activities in 2021 and postponed events to 2022, resuming the pre-Covid calendarisation.
- The change in EBITDA is mainly attributable to the result of the joint venture with Deutsche Messe AG, which in 2020 had seen the suspension of exhibition activity in China until August, following the Covid-19 health emergency with the consequent downsizing of events.
- 2021 penalised the German jv with the cancellation of 8 events including Industrial Automation Beijing, Metalworking Shenzhen, Industrial Automation Shanghai, Metalworking and CNC Mach. Tool Shanghai, China International Fastener Show, China Commercial Vehicle Show.

Congresses



Congresses (€m)	FY 2021	FY 2020
Revenues	23.0	5.7
EBITDA	15.4	(0.0)
<i>% on revenues</i>	<i>67%</i>	<i>neg.</i>
EBIT	10.1	(5.0)
<i>% on revenues</i>	<i>44%</i>	<i>neg.</i>

Gross of adjustments for inter-segment transactions

- The increase in revenues is due to the resumption of in-person congresses starting from July.
- Positive results in terms of revenues and margins due to 22 congresses held at MiCo congress centre in September, including: Youth4Climate, Driving Ambition and Pre Cop 26. In October the congress centre hosted World Routes, the aviation industry's foremost event, organised by Informa Markets.
- EBITDA margin was also affected by the pro-quota non-recurring public grants received during the financial year (€10.2 million) and by the rent reduction of about € 0.5 million.

2.5

Net financial position

Consolidated Net Financial Position (€m)	FY 2021	FY 2020
Cash & cash equivalents	148.3	20.4
Current financial assets	2.4	1.3
Current bank borrowings	0.0	49.0
Current portion of non-current debt	0.9	0.0
Other current financial liabilities	10.0	1.7
Current financial debt	10.9	50.8
Net current financial debt (cash)	(139.8)	29.0
Non-current financial assets	5.8	5.1
Non-current bank borrowings	98.2	0.0
Other non-current payables	0.1	0.0
Non-current financial debt (cash)	92.4	(5.1)
Net financial debt (cash) before IFRS 16 effects	(47.4)	23.9
IFRS 16 financial effects	411.9	449.6
Net financial debt/(cash) after IFRS 16 effects	364.5	473.4

The improvement in the net financial position is the result of the positive cash flow from operations and was determined by the upturn in exhibition activity and the receipt of contributions to offset the reduced margins in 2020 and 2021 caused by the public health emergency.

In 2021 Fiera Milano was able to raise financing for € 99 million thanks to its financial and capital structure.

3.0

Events after the end of the year



3.1

Events after the end of the year

Rescheduling of the first months of the exhibition calendar in order to allow international exhibitors and buyers to attend exhibitions, due to the rapid spread of Omicron - the most contagious variant of Covid-19

- Changes to the calendar for Group-owned exhibitions including Bit (postponed from February to April), Transpotec Logitec (from January to May), Homi (from January to March), and also to hosted exhibitions such as Salone del Mobile (from April to June), Mido (from February to May) and Mostra Convegno Expocomfort (from March to the end of June).
- Among the significant initiatives adopted by the Government: Covid Decree of 2 February 2022, which encourages the return of non-EU visitors by recognising the vaccination status of their country of origin, plus a swab test if the certificate does not conform to the Italian requirement.
- Lastly, the conflict in Ukraine, which broke out at the end of February, could affect business and commodity prices.

4.0

Business outlook



4.1

Business outlook

- The public health situation is gradually improving, as infections from the Omicron variant flattened out at the end of January and are steadily declining. As a result, the main European countries have planned a easing of restrictions with the aim of a gradual return to normality. At the moment, the outlook is positive, although it is impossible to rule out the appearance of further variants, which could again complicate the picture and negatively impact the exhibition and congress calendar.
- Due to the conflict between Russia and Ukraine, the Group is closely monitoring developments in order to define the possible impacts on events whose commodity sectors have the greatest exposure to the countries involved.
- Based on the information available to date, the EBITDA target for the financial year 2022 is confirmed in the range of € 40-50 million, as forecast in the CONN.E.C.T. 2025 plan.

Forward-looking statement

Data and information herewith set forth are extracted from the Fiera Milano Press Release relating to Consolidated Results 31 December 2021 filed with the Italian authorities regulating exchanges and securities and disseminated concomitantly with this presentation.

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The Manager responsible for preparing the company's financial reports Andrea Maldi declares, pursuant to paragraph 2 of Article 154-*bis* of the Consolidated Law on Finance, that the accounting information contained in this document corresponds to the document results, books and accounting records.

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BACK-UP



Financial overview – Income Statement

Consolidated Income Statement (€m)	FY2021	FY 2020
Revenues	129.8	73.6
Cost of materials	1.7	1.6
Cost of services	74.3	45.5
Costs for use of 3rd-party assets	0.5	0.5
Personnel expenses	41.5	31.9
Other operating expenses	2.9	2.5
Total operating costs	121.0	81.9
Other income	73.1	16.9
Results of equity-accounted companies	1.2	0.5
Allowance for doubtful accounts and other provisions	5.9	(1.3)
EBITDA	77.2	10.4
Depreciation and amortisation	45.2	44.8
Adjustments to asset values	0.0	0.0
EBIT	31.9	(34.3)
Financial income/(expenses)	(13.4)	(12.7)
Valuation of financial assets	0.0	0.0
Profit/loss before income tax	18.5	(47.0)
Income Tax	(24.4)	(12.9)
Net Profit/loss from continuing activities	42.9	(34.2)
Net Profit/loss of discontinued activities	1.2	0.0
Net Profit/loss	44.1	(34.2)
<i>o/w attributable to the shareholders of the controlling entity</i>	44.4	(33.9)

Financial overview – Reclassified Statement of Financial Position

Reclassified Consolidated Statement of Financial Position (€m)	FY 2021	FY 2020
Non-current assets	573.7	593.8
Net working capital	(86.2)	(35.4)
Gross Capital Employed	487.4	558.4
Non-current liabilities	13.9	21.7
Total net Capital Employed	473.5	536.7
Equity	109.0	63.2
Net financial position	364.5	473.4
Equity and Net financial position	473.5	536.7
Net financial position pre-IFRS 16 effects (Net Cash)	(47.4)	23.9