

FIERA MILANO GROUP

1st Quarter 2021 Consolidated Results

CONFERENCE CALL – 10 May 2021



FIERA MILANO

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Highlights

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Highlights

Although business was suspended in the first quarter in Italy, Fiera Milano has laid the foundations for a quick and robust resumption of activities:

- **the new CONN.E.C.T. 2025 strategic plan sets out the path that will guide the Company in the coming years, with the aim of competing successfully in the “new normal”**
- **Trade fair and congress calendars were adjusted, exploiting every useful “time window” in H2 2021**
- **In China, the activity is carrying out under normal conditions**

- Q1 2021 results reflected the suspension of exhibition activities due to the COVID-19 pandemic
- The lack of revenues negatively affected profitability and led to a loss before tax of Euro 23.2m
- Net Financial Debt before IFRS 16 effects increased by Euro 23.6m to Euro 47.5m compared to 23.9m at the end of 2020

KEY FIGURES (€m)	Q1 2021	Q1 2020 (*)
Revenues	1.5	47.6
EBITDA	(9.9)	15.0
EBIT	(21.0)	3.8
Profit (loss) before tax	(23.2)	(0.1)

KEY FIGURES (€m)	Q1 2021	FY 2020
Net debt (net cash) pre IFRS16	47.5	23.9

(*) In the first two months of 2020 the activity was carried out under normal conditions

2.0

Financial results



2.1

Italian exhibition business



Italian Exhibition Business (€m)	Q1 2021	Q1 2020 (*)
Revenues	0.9	42.3
EBITDA	(8.6)	15.1
<i>% on revenues</i>	<i>neg.</i>	<i>35.6%</i>
EBIT	(18.5)	5.2
<i>% on revenues</i>	<i>neg.</i>	<i>12.2%</i>

- **Revenues** were affected by the suspension of the business due to COVID-19 restrictions. The exhibition calendar saw some adjustments in Q1 2021
- The change in **EBITDA** was mainly due to the trend in revenues, which was partially offset by the actions taken to reduce the cost base

Foreign exhibition business

Foreign Exhibition Business (€m)	Q1 2021	Q1 2020 (*)
Revenues	0.0	1.1
EBITDA	0.1	(0.1)
<i>% on revenues</i>	<i>n.m.</i>	<i>neg.</i>
EBIT	0.0	(0.2)
<i>% on revenues</i>	<i>n.m.</i>	<i>neg.</i>

- The contraction in **revenues** reflected the effect of Covid-19 on exhibition calendar in Brazil and South Africa
- The improvement in **EBITDA** was due to the positive result of the joint venture in China (JV with Deutsche Messe AG), whose activity in Q1 2020 was halted as a result of the Covid-19 emergency, which hit the country from January 2020

Media

Media (€m)	Q1 2021	Q1 2020 (*)
Revenues	0.3	2.1
EBITDA	(0.5)	(0.2)
<i>% on revenues</i>	<i>neg.</i>	<i>neg.</i>
EBIT	(0.5)	(0.3)
<i>% on revenues</i>	<i>neg.</i>	<i>neg.</i>

- The change in **revenue** was due to the cancellation of exhibitions during the quarter
- The change in **margins** was primarily due to the trend in revenues
- In Q1 2021 the publishing business was sold to Quine Srl, a publishing company specialising in technical magazines

Congresses



Congresses (€m)	Q1 2021	Q1 2020 (*)
Revenues	0.5	4.0
EBITDA	(0.9)	0.3
<i>% on revenues</i>	<i>neg.</i>	<i>8.5%</i>
EBIT	(2.1)	(0.9)
<i>% on revenues</i>	<i>neg.</i>	<i>neg.</i>

- The decline in **revenues** was due to the absence of events as a result of the suspension of congress activities
- The change in **EBITDA** was primarily due to the trend in revenues

2.5

Net Financial Position

Consolidated Net Financial Position (€m)	31/03/2021	31/12/2020
Cash & cash equivalents	71.0	20.4
Current financial assets	1.3	1.3
Current bank borrowings	49.0	49.0
Current portion of non-current debt	0.0	0.0
Other current financial liabilities	1.1	1.7
Current financial debt	50.2	50.8
Current net financial debt (cash)	(22.1)	29.0
Non-current financial assets	5.4	5.1
Non-current bank borrowings	74.6	0.0
Other non-current liabilities	0.5	0.0
Non-current financial debt (cash)	69.6	(5.1)
Net financial debt (cash) before IFRS 16 effects	47.5	23.9
IFRS 16 financial effects	445.7	449.6
Net financial debt/(cash) after IFRS 16 effects	493.2	473.4

The change in net financial position was mainly due to the suspension of exhibition activities

3.0

Business outlook





3.1

Business outlook (1)

- On April 22, the Italian's Government approved a decree ("Reopening Decree") gradually easing Italy's COVID-19 restrictions.
- The decree, which will be in force from Monday 26 April until the end of July, reintroduces a lower-risk area (called yellow zones), where measures are less severe as the risk of contagion is considered to be only moderate.
- According to the new decree, trade fairs will be able to resume from June 15, while congresses and conventions will be able to reopen from July 1, in yellow zones.
- Despite still being in a period of extreme uncertainty, the Company confirms the 2021 targets:
 - ✓ EBITDA in the range of Euro 35-45 million
 - ✓ Net Financial Position in the range of Euro 0-10 millionassuming the resumption of activities in Q3 2021 (September)



3.1

Business outlook (2)

- This scenario takes into account that the impact on operating margins from the lower turnover expected from the 2021 edition of the Salone del Mobile and, prudently, from other scheduled exhibitions, can be offset by the effects of:
 - ✓ cost containment actions
 - ✓ government contributions under the “*de minimis*” scheme
- Fiera Milano is ready to restart by exploiting:
 - ✓ the further developments of its platform in terms of new technological solutions and digital services
 - ✓ a solid financial situation: Euro ~70 million of cash, and a further Euro 31 million of credit lines still not used

Forward-looking statement

Data and information herewith set forth are extracted from the Fiera Milano Consolidated Interim Management report to 31 March 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 Marco Pacini 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



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Financial overview – Income Statement

Consolidated Income Statement (€m)	Q1 2021	Q1 2020 (*)
Revenues	1.5	47.6
Cost of materials	0.0	0.6
Cost of services	5.8	20.8
Costs for use of 3rd-party assets	0.1	0.2
Personnel expenses	7.6	10.8
Other operating expenses	0.4	0.7
Total operating costs	13.9	33.1
Other income	2.6	0.8
Results of equity-accounted companies	0.1	(0.1)
Allowance for doubtful accounts and other provisions	0.2	0.1
EBITDA	(9.9)	15.0
Depreciation and amortisation	11.2	11.3
Adjustments to asset values	0.0	0.0
EBIT	(21.0)	3.8
Financial income/(expenses)	(3.0)	(3.9)
Valuation of financial assets	0.0	0.0
Profit/(loss) before income tax from continuing operations	(24.0)	(0.1)
Profit/(loss) before income tax from discontinued operations	0.8	0.0
Profit/loss before income tax	(23.2)	(0.1)
<i>o/w attributable to the shareholders of the controlling entity</i>	<i>(23.2)</i>	<i>(0.0)</i>

Financial overview – Reclassified Statement of Financial Position

Reclassified Consolidated Statement of Financial Position (€m)	31/03/2021	31/12/2020
Non-current assets	583.0	593.8
Net working capital	(29.2)	(35.4)
Gross Capital Employed	553.8	558.4
Non current liabilities	21.0	21.7
Total net Capital Employed	532.8	536.7
Equity (*)	39.6	63.2
Net financial position	493.2	473.4
Equity and Net financial position	532.8	536.7
Net financial position pre-IFRS 16 effects (Net Cash)	47.5	23.9

(*) Equity at 31 March 2021 includes pre-tax result for the period