



## **FIERA MILANO: THE BOARD OF DIRECTORS APPROVES THE INTERIM MANAGEMENT REPORT AT 31 MARCH 2021**

**EBITDA target for 2021 confirmed in the range of Euro 35-45 million with net debt of Euro 0-10 million (before IFRS 16 effects)**

**Andrea Maldì appointed new Chief Financial Officer and Manager responsible for preparing the Company's financial statements from 1 June 2021**

**First quarter 2021 results impacted by the suspension of exhibition and congress activities due to the continuing COVID-19 epidemic**

- Revenues of Euro 1.5 million, compared to 47.6 million in the first quarter of 2020
- EBITDA of Euro -9.9 million, compared to 15.0 million in the first quarter of 2020
- EBIT of Euro -21.0 million, compared to 3.8 million in the first quarter of 2020
- Pre-tax loss of Euro 23.2 million, compared to a loss of 0.1 million in the first quarter of 2020
- Net debt, before the effects of IFRS 16, of Euro 47.5 million compared to net debt of 23.9 million at 31 December 2020

**Milan, 10 May 2021.** The Board of Directors of Fiera Milano S.p.A. ("**Fiera Milano**" and/or the "**Company**"), which met today under the chairmanship of Carlo Bonomi, approved the consolidated interim management report for the first quarter of 2021. The Company announces the appointment of Andrea Maldì as Chief Financial Officer ("CFO") and Manager responsible for preparing the Company's financial statements, effective as of 1 June.

The results for the quarter reflect the suspension of exhibition and congress activities in Italy as a result of government measures to combat the pandemic and prevent the spread of COVID-19 infections, which meant that physical exhibitions could not be held during the period. Faced with these government restrictions, the Company took steps to reschedule the events scheduled for the period and has continued its efforts to contain operating and personnel costs, including use of the Salary Integration Fund (FIS).

The new Strategic Plan 2021-2025, known as called CONN.E.C.T. 2025 (Connections, Exhibitions, Community, Transformation) was presented to the market and key stakeholders in late February. The plan aims to respond effectively to the impact of the pandemic, outlining future scenarios and identifying the key factors for successfully competing in a "New Normal", where technological innovation and digital transformation will play a leading role. The previous business model, which was mainly based on physical events, has been amended so as to develop a suite of integrated services capable of providing a "phygital" customer experience. At the same time, the company's purpose was defined and its mission and values were revised. A great deal of attention has also been paid to ESG issues and sustainability in business decisions.



The **CEO and General Manager of Fiera Milano, Luca Palermo**, commented: *“The ‘Reopening Law’ of last April, which has given the green light for the resumption of physical exhibitions and congresses, allows us to resume doing business for and with our customers. During the first quarter, we laid the foundations for a quick and robust restart. The new CONN.E.C.T. 2025 strategic plan sets out the path that will guide us in the coming years. The calendar for the second half of the year is very busy: we have used every available window to give companies the chance to get back into our pavilions and make a real contribution to Italy's recovery. The exhibition business is a strategic lever of industrial policy, making an essential contribution to individual industries and to the worldwide promotion of Italy, its products and services.”*

Finally, it should be noted that in the meeting to appoint the new Board of Statutory Auditors, following the Shareholders' Meeting of 28 April 2021, a self-assessment was carried out in accordance with Rule Q.1.1. of the "Rules of Conduct for the Board of Statutory Auditors of Listed Companies". As a result of the checks carried out, it emerged that the Board of Statutory Auditors meets the requirements of integrity and independence laid down in Article 2, section 7, of the Corporate Governance Code and the requirements of professionalism laid down for taking office.

### **QUARTERLY RESULTS**

**Revenues from sales and services** amounted to Euro 1.5 million compared to Euro 47.6 million in the first quarter of 2020, due to the lack of exhibitions during the period. The exhibition calendars were therefore adjusted. It should be noted that in the first two months of the first quarter of 2020, business was conducted under normal conditions.

**EBITDA was in line with expectations** and negative Euro 9.9 million compared with positive Euro 15.0 million in the first quarter of 2020, due to the aforementioned trend in revenues. This effect was partially offset by cost reduction measures relating, in particular, to the management of exhibition sites and personnel.

**EBIT** was negative Euro 21.0 million compared with positive Euro 3.8 million in the first quarter of 2020, reflecting the trend in EBITDA.

The **pre-tax loss** was Euro 23.2 million, compared to a loss of Euro 0.1 million in the first quarter of 2020.

#### ▪ **PERFORMANCE BY OPERATING SEGMENT**

**In Italy**, one exhibition during the quarter was held in digital form. Net square metres of exhibition space were therefore zero, compared with 273,785 net square metres in the same period last year. The number of exhibitors fell from 5,625 in the first quarter of 2020 to 55 in the first quarter of 2021.

**Outside Italy**, one exhibition was held in the first quarter, for a total of 51,070 net square metres of exhibition space (3,910 square metres in the first quarter of 2020) with 985 exhibitors (100 in the first quarter of 2020).

Revenues from sales and services, before elimination of inter-segment transactions, amounted to Euro 1.8 million compared to Euro 49.5 million in the first quarter of 2020.



- The **Italian Exhibitions Business** recorded revenues of Euro 0.9 million (Euro 42.3 million in the first quarter of 2020) due to the aforementioned suspension of the exhibitions business. EBITDA was negative Euro 8.6 million (positive Euro 15.1 million in the first quarter of 2020) while EBIT was negative Euro 18.5 million (positive Euro 5.2 million in the first quarter of 2020).
- The **Foreign Exhibitions Business** recorded revenues of Euro 21 thousand compared to Euro 1.1 million in the first quarter of 2020, affected by the suspension of activities due to the COVID-19 emergency. EBITDA was positive at Euro 78 thousand (Euro -0.1 million in the first quarter of 2020). The improvement was mainly attributable to the results of the joint venture in China with Deutsche Messe, which in the same period last year had seen the suspension of the exhibition business due to the Covid-19 emergency, which hit the country from January 2020. EBIT was positive at Euro 18 thousand (Euro -0.2 million in the first quarter of 2020).
- The **Media** segment recorded revenues of Euro 0.3 million compared to Euro 2.1 million in the first quarter of 2020. The change is attributable to the cancellation of exhibitions in the first quarter of 2021. EBITDA was negative Euro 0.5 million, (Euro -0.2 million in the first quarter of 2020). EBIT was negative Euro 0.5 million, (Euro -0.3 million in the first quarter of 2020). During the quarter under review, the publishing business was sold to Quine Srl, a publisher specialising in technical magazines.
- The **Congresses** segment recorded revenues of Euro 0.5 million, compared to Euro 4.0 million in the first quarter of 2020 due to the lack of events caused by the suspension of the congress business. EBITDA was negative Euro 0.9 million (positive Euro 0.3 million in the first quarter of 2020) while EBIT was negative Euro 2.1 million (Euro -0.9 million in the first quarter of 2020).

#### ▪ **NET FINANCIAL POSITION**

Before the effects of IFRS 16, the net financial position at 31 March 2021 showed net debt of Euro 47.5 million, compared to net debt of Euro 23.9 million at 31 December 2020. The increase of Euro 23.6 million was driven by cash outflows due to the suspension of the exhibition business in the quarter because of the COVID-19 emergency.

Net financial debt including IFRS 16 lease liabilities amounted to Euro 493.2 million, compared to Euro 473.4 million at 31 December 2020.

#### ▪ **BUSINESS OUTLOOK**

The continuation of the pandemic and ongoing restrictions are also having a severe impact on the current quarter. On the other hand, the exhibition business has resumed as normal in China, although this makes a limited contribution to consolidated results.

On 22 April 2021 the law decree “Riaperture” was approved that contains a series of urgent measures for the gradual resumption of economic and social activities, bearing in mind the need to contain the spread of the COVID-19 pandemic. Under this law decree, exhibitions and congresses/conventions can be held in so-called “yellow zones” from 15 June 2021 and 1 July 2021, respectively. Preparatory activities that do not involve crowds of people can begin from an earlier date.



Against this background of continuing uncertainty, Fiera Milano confirms the forecast EBITDA (Euro 35-45 million) and net financial position (net debt of Euro 0-10 million before IFRS 16 impacts), as set out in the scenario for a resumption of business from September onwards.

Based on current information, the Company estimates that the impact on operating profitability of expected lower revenues from the 2021 Salone del Mobile and, prudentially, from other scheduled exhibitions, can be offset by the effects of the cost containment actions and the government grants under the *de minimis* regime.

Fiera Milano is ready to get back to business, strengthened by the further development of its suite of new technological solutions and digital services, as well as robust finances for overcoming the current interruption in activities. After repaying in full a Euro 25 million loan on 30 April, the Company still has about Euro 70 million in cash on hand, plus Euro 31 million in unused lines of credit available for short-term financing. The Group therefore has adequate financial resources to cover its short- and medium-term financial requirements, even taking into account the general economic context, which is still marked by uncertainty around the evolution of the COVID-19 epidemic. The 2021-2025 strategic plan shows that, with the resumption of exhibition activities, the Group will be able to generate cash flows adequate to repay the loans received, in compliance with covenants agreed with a view to business continuity.

Fiera Milano remains committed to delivering its strategic plan and to seizing any opportunities that may arise in the future to strengthen its competitive positioning.

#### **APPOINTMENT OF CHIEF FINANCIAL OFFICER AND MANAGER RESPONSIBLE FOR PREPARING THE COMPANY'S FINANCIAL STATEMENTS**

Fiera Milano S.p.A. announces that Mr Andrea Maldi will take up the position of Chief Financial Officer and Manager responsible for preparing the Company's financial statements from 1 June 2021.

A graduate in Economics and Business with a specialisation in Business Administration from the University of Milan, Andrea Maldi is a Chartered Accountant registered in Milan. He has extensive experience in administration, finance and control as well as in M&A, having served as CFO at leading companies in the financial, industrial and services sectors. He was formerly Group CFO of the Borsa Italiana Group, where he also served as an executive member of the Board of Directors of Borsa Italiana S.p.A. During this period he was also an executive director of several companies of the Borsa Italiana Group, including MTS S.p.A., Elite S.p.A., Monte Titoli S.p.A. and Cassa di Compensazione e Garanzia S.p.A. From 2009 to 2014 he was CFO of General Electric's Corporate and Energy businesses in Italy, and was Legal Representative for the Italian branch (GE Inc.). Mr Maldi began his professional career at PricewaterhouseCoopers S.p.A. and has since held roles of increasing responsibility at leading companies operating in the staffing industry, such as Kelly Services S.p.A. and Adecco Group Italy S.p.A., where he was Finance and Control Director.

As far as the Company is aware at the time of his appointment, Mr Maldi does not hold any shares in the Company, either directly or indirectly.



The Manager responsible for preparing the Company's financial statements, Mr Marco Pacini, in accordance with paragraph 2 Art. 154- bis of the Consolidated Finance Law herewith declares that the accounting information contained in the present release is consistent with the Company's official documents, books and accounting records.

The Consolidated Interim Management Report at 31 March 2021 will be made publicly available today at the operational and administrative offices of the Company and may be consulted on the eMarket Storage system [www.emarketstorage.com](http://www.emarketstorage.com) and in the Investors section of the Company website [www.fieramilano.it](http://www.fieramilano.it).

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#### CONFERENCE CALL

There will be a conference call at 17:00 (CET) today Monday 10 May, during which the management of Fiera Milano will present the first quarter 2021 consolidated results. To take part in the conference call, please call:

+39 02 805 88 11 (Italy)

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The presentation may be downloaded prior to the start of the conference call from the section Investors/Documents/Presentations on the Fiera Milano website, [www.fieramilano.it](http://www.fieramilano.it).

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*This press release contains forward-looking statements. These statements are based on the current expectations and assumptions of the Group regarding future events and by their very nature are subject to certain risks and uncertainties. The actual results could differ materially from those contained in these statements for a variety of factors that include changes in general economic and business conditions, continued volatility and a further deterioration in the capital and financial markets and many other factors, the majority of which are outside the control of the Group. The levels of Group activity reflect the frequency/seasonality of exhibitions. Therefore, the operating results and changes in the net financial position cannot be extrapolated to calculate a precise forecast of the results expected for the year.*

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#### **Fiera Milano**

*Fiera Milano is the domestic market leader and one of the main integrated operators worldwide in the exhibition and congress sector. The Group manages the leading exhibition site in Italy and dominates events in numerous manufacturing sectors: fashion, publishing, furniture and furnishings, home and lifestyle, mechanical tooling industry, tourism, professional hospitality, food, plant engineering and energy, construction, art, and sailing. Specifically, the business of the Group is focused on the management, organisation and hosting of fairs, exhibitions and other events through ensuring the availability of equipped exhibition space, project support and related services. Its offer is completed by engineering services, stand-fitting services - for both pre-fabricated and customised stands - stand-fitting technical and logistic services, as well as a multichannel platform that includes web content and congresses. Its offer is completed by engineering services, stand-fitting services - for both pre-fabricated and customised stands - stand-fitting technical and logistic services, as well as a multichannel platform that includes web content and congresses.*

*Fiera Milano has been listed in the STAR segment of the Mercato Telematico Azionario of the Italian stock market since 2002.*

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#### **Attachments (not subject to legal audit):**

Consolidated Income Statements  
Reclassified Consolidated Statement of Financial Position

Full year to 31/12/20	Consolidated Income Statement (Amounts in €'000)		1st Quarter to 31/03/21		1st Quarter to 31/03/20	
		%		%		%
<b>73,635</b>	<b>100</b>	<b>Revenues from sales and services</b>	<b>1,527</b>	<b>100</b>	<b>47,594</b>	<b>100</b>
1,586	2.2	Cost of materials	13	0.9	649	1.4
45,519	61.8	Cost of services	5,767	377.7	20,776	43.7
453	0.6	Costs for use of third party assets	67	4.4	193	0.4
31,852	43.3	Personnel expenses	7,582	496.5	10,797	22.7
2,467	3.4	Other operating expenses	447	29.3	722	1.5
<b>81,877</b>	<b>111.2</b>	<b>Total operating costs</b>	<b>13,876</b>	<b>908.7</b>	<b>33,137</b>	<b>69.6</b>
16,875	22.9	Other income	2,568	168.2	785	1.6
532	0.7	Results of equity-accounted companies	138	9.0	(109)	(0.2)
(1,278)	(1.7)	Allowance for doubtful accounts and other provisions	230	15.1	92	0.2
<b>10,443</b>	<b>14.2</b>	<b>EBITDA</b>	<b>(9,873)</b>	<b>(646.6)</b>	<b>15,041</b>	<b>31.6</b>
44,761	60.8	Depreciation and amortisation	11,151	730.3	11,265	23.7
-	-	Adjustments to asset values	22	1.4	-	-
<b>(34,318)</b>	<b>(46.6)</b>	<b>EBIT</b>	<b>(21,046)</b>	<b>(1,378.3)</b>	<b>3,776</b>	<b>7.9</b>
(12,707)	(17.3)	Financial income/(expenses)	(2,999)	(196.4)	(3,873)	(8.1)
-	-	Valuation of financial assets	-	-	-	-
<b>(47,025)</b>	<b>(63.9)</b>	<b>Profit/(loss) before income tax from continuing operations</b>	<b>(24,045)</b>	<b>(1,574.7)</b>	<b>(97)</b>	<b>(0.2)</b>
-	-	<b>Profit/(loss) before income tax from discontinued operations</b>	<b>815</b>	<b>53.4</b>	-	-
<b>(47,025)</b>	<b>(63.9)</b>	<b>Profit/(loss) before income tax</b>	<b>(23,230)</b>	<b>(1,521.3)</b>	<b>(97)</b>	<b>(0.2)</b>
<b>(46,767)</b>	<b>(63.5)</b>	<b>- attributable to the shareholders of the controlling entity</b>	<b>(23,163)</b>	<b>(1,516.9)</b>	<b>(21)</b>	<b>(0.0)</b>
<b>(258)</b>	<b>(0.4)</b>	<b>- attributable to non-controlling interests</b>	<b>(67)</b>	<b>(4.4)</b>	<b>(76)</b>	<b>(0.2)</b>

<b>Reclassified Consolidated Statement of Financial Position</b>			
<i>(Amounts in €'000)</i>			
	<b>31/03/21</b>	<b>31/12/20</b>	<b>Change</b>
Goodwill	95,036	95,036	-
Intangible assets with a finite useful life	16,734	17,006	(272)
Right-of-use assets	421,772	431,668	(9,896)
Tangible fixed assets	6,377	7,040	(663)
Other non-current assets	43,087	43,062	25
<b>A Non-current assets</b>	<b>583,006</b>	<b>593,812</b>	<b>(10,806)</b>
Inventories and contracts in progress	6,493	5,557	936
Trade and other receivables	24,401	26,705	(2,304)
Other current assets	-	-	-
<b>B Current assets</b>	<b>30,894</b>	<b>32,262</b>	<b>(1,368)</b>
Trade payables	14,472	19,904	(5,432)
Advances	30,725	30,577	148
Tax liabilities	3,053	3,849	(796)
Provisions for risks and charges and other current liabilities	11,822	13,368	(1,546)
<b>C Current liabilities</b>	<b>60,072</b>	<b>67,698</b>	<b>(7,626)</b>
<b>D Net working capital (B - C)</b>	<b>(29,178)</b>	<b>(35,436)</b>	<b>6,258</b>
<b>E Gross capital employed (A + D)</b>	<b>553,828</b>	<b>558,376</b>	<b>(4,548)</b>
Employee benefit provisions	9,644	10,062	(418)
Provisions for risks and charges and other non-current liabilities	11,335	11,639	(304)
<b>F Non-current liabilities</b>	<b>20,979</b>	<b>21,701</b>	<b>(722)</b>
<b>G NET CAPITAL EMPLOYED continuing operations (E - F)</b>	<b>532,849</b>	<b>536,675</b>	<b>(3,826)</b>
<b>H NET CAPITAL EMPLOYED assets held for sale</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL NET CAPITAL EMPLOYED (G + H)</b>	<b>532,849</b>	<b>536,675</b>	<b>(3,826)</b>
covered by:			
Equity attributable to the Group	39,345 (*)	62,883	(23,538)
Non-controlling interests	281 (*)	348	(67)
<b>I Total equity</b>	<b>39,626</b>	<b>63,231</b>	<b>(23,605)</b>
Cash & cash equivalents	(70,982)	(20,442)	(50,540)
Current financial (assets)/liabilities	97,522	93,052	4,470
Non-current financial (assets)/liabilities	466,683	400,834	65,849
<b>Net financial debt/(cash) continuing operations</b>	<b>493,223</b>	<b>473,444</b>	<b>19,779</b>
<b>Net financial debt/(cash) assets held for sale</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>L Net financial debt/(cash) (TOTAL)</b>	<b>493,223</b>	<b>473,444</b>	<b>19,779</b>
<b>EQUITY AND NET FINANCIAL POSITION (I + L)</b>	<b>532,849</b>	<b>536,675</b>	<b>(3,826)</b>

(\*) includes pre-tax result for the period