

THE FISCAL YEAR 2020

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The last time NürnbergMesse saw sales comparable to the COVID-19 year 2020 was in 2004.






Massive reductions in personnel expenses (– 25 %), material expenses (– 40 %), and investments (– 77 %) made a significant contribution to safeguarding the Company's liquidity.

In 2020, NürnbergMesse pushed ahead with digital tools as a core component of its trade fair business model.

About this report

We have optimised this report on our 2020 fiscal year in PDF format for use on a PC or tablet. The horizontal format, with single-page views, corresponds to the way the document would be read on the screen of a device. The linked tables of contents make it possible to navigate quickly and easily through all the chapters. Useful cross-links and standardised function buttons on each page allow readers to make connections between various content items and enable a convenient, transparent understanding of the report's contents.

Navigating the report: Just click

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361 thsd. m² 
net exhibition space sold

EUR **-29.3** million
EBITDA



12,385
EXHIBITORS

431 thsd.
VISITORS



EUR **110.3** million
SALES

180,000 m²
gross exhibition space at
Nuremberg Exhibition Centre

→ **KEY FIGURES**

Exhibition business figures

NürnbergMesse Group

	2016	2017	2018	2019	2020
Exhibitors	32,317	27,829	35,462	35,439	12,385
› national	18,519	16,419	19,877	21,727	5,414
› international	13,798	11,410	15,585	13,712	6,971
Visitors	1,421,217	1,191,907	1,547,212	1,393,628	430,887
› including industry professionals	1,055,439	807,424	1,147,142	1,033,297	321,188
› national	780,958	618,504	846,579	809,313	243,038
› international	274,481	188,920	300,563	223,984	78,150
Net exhibition space (m ²)	1,126,233	826,579	1,210,564	1,102,890	360,870
Hall turnover rate in Exhibition Centre	14	11	13	11	3
Hall capacity in Exhibition Centre (m ²)	170,000	170,000	180,000	180,000	180,000
Seating capacity in NürnbergConvention Centre ¹⁾	12,800	12,800	12,800	12,800	12,800
Employees	920	931	1,039	1,197	1,027
› apprentices and trainees ²⁾	68	60	57	63	61

¹⁾ Including grandstand seats in Frankenhalle.

²⁾ Including students at Baden-Württemberg Cooperative State University (DHBW).

→ **KEY FIGURES**

Financial figures

in EUR million

	2016	2017	2018	2019	2020
NürnbergMesse Group					
Sales	288.0	205.5	315.1	285.7	110.3
Depreciation	23.2	22.5	24.1	26.7	38.5
Cash flow ¹⁾	38.6	15.1	52.1	29.1	-30.1
Consolidated profit/loss of NürnbergMesse	15.4	-7.4	28.0	2.3	-68.6
EBITDA	56.2	18.6	67.9	34.8	-29.3
Investments	24.6	42.1	40.9	24.2	17.1
Fixed assets	326.9	346.4	362.9	374.8	353.8
Liabilities	150.7	206.7	188.2	174.1	170.8
Equity	174.9	166.4	213.9	237.4	185.5
Total assets	359.1	399.5	436.6	451.8	380.8
NürnbergMesse GmbH					
Sales	240.8	168.0	270.3	222.1	82.3
Depreciation	22.3	19.4	21.7	22.3	34.6
Reversals	0.0	0.4	0.0	0.0	0.0
Cash flow ²⁾	35.8	12.4	49.9	24.3	-23.2
Net income/loss for the fiscal year	13.5	-6.6	28.2	2.0	-57.8
EBITDA	52.3	16.2	65.5	29.1	-20.7
Investments	24.3	39.9	39.1	35.7	16.9
Fixed assets	340.5	361.4	378.7	392.1	373.6
Liabilities	144.5	204.9	180.9	161.0	160.0
Equity	180.9	174.3	222.6	244.6	206.8
Total assets	355.2	402.4	434.7	442.0	387.3

¹⁾ Simplified: Consolidated profit/loss of NürnbergMesse + depreciation.

²⁾ Simplified: Net income/loss for the fiscal year + depreciation – reversals.

→ CONSOLIDATED MANAGEMENT REPORT AND MANAGEMENT REPORT 2020

of NürnbergMesse GmbH, Nuremberg

The Group's foundation

The core business of NürnbergMesse is producing international trade fairs and exhibitions in the Retail + Consumer Goods, Building + Construction, Processing Technology, Safety + Security, and Social + Public sectors. The NürnbergConvention Centre (NCC) hosts conferences and related events. With the addition of international subsidiaries – NürnbergMesse China Co. Ltd., NürnbergMesse North America Inc., NürnbergMesse Brasil Ltda., NürnbergMesse Italia S.r.l., NürnbergMesse India Pvt. Ltd., the branch office NürnbergMesse Austria GmbH, and FORUM S.A. in Greece – NürnbergMesse GmbH and other affiliated companies comprise the NürnbergMesse Group, which operates in Germany and in key international trade fair markets. LEHRIEDER CATERING-PARTY-SERVICE GmbH & Co. KG also offers catering services for exhibitors, visitors, and event organisers at the Nuremberg fair venue. Holtmann GmbH & Co. KG, the Group's exhibition construction services provider, completes NürnbergMesse's portfolio in the MesseService field and provides services for events in person and in digital and hybrid formats.

The NürnbergMesse Group's event portfolio is characterised by a diverse range of industries, a clear focus on those industries' market needs, extensive international participation, and locations at important trade fair sites around the world, including

Shanghai, São Paulo, and Mumbai. Until the coronavirus began to spread and resulted in measures like travel restrictions, the Group held some 70 trade fairs a year, mostly of international reach, both in Nuremberg and around the world. It also hosted about 40 conferences – typically accompanied by exhibitions – and roughly 65 corporate and other events worldwide.

»In future, digital options will provide a seamlessly tailored supplement to in-person events.«

Even before the COVID-19 pandemic, NürnbergMesse had begun expanding its in-person events with additional digital services and content platforms. In future, it plans to generate digital added value for its entire trade fair portfolio. To ensure that its product families can reach the industries that correspond with its event clusters, NürnbergMesse develops trade fair formats around the world, creates international adaptations of successful trade fair events held in Nuremberg, and expands its portfolio with strategic acquisitions.

Economic report

GENERAL ECONOMIC CONDITIONS

GERMANY

"German economy hard hit in the coronavirus crisis year 2020," was the summary from the German Federal Statistical Office in mid-January 2021.¹⁾ Price-adjusted gross domestic product (GDP) was 5.0% lower in 2020 than in the previous year. After a 10-year growth phase – the longest since German Reunification – the German economy is therefore in a deep recession similar to that of the financial and economic crisis of 2008–2009. Nevertheless, the economic slump overall turned out to be less severe than in 2009 (–5.7%).

The COVID-19 pandemic deeply impacted virtually every sector of the economy in 2020. Production in some areas of the service sector and manufacturing was cut back massively. Industry was affected by disrupted global supply chains, especially during the first half of the year. The economic downturn was especially severe in the service sector. A clear example here was the trade, transportation, and hospitality industry, where price-adjusted economic output was down 6.3% from 2019.¹⁾ Brick-and-mortar retail (in contrast to online retail), along with the hotel and restaurant sectors, suffered historically large declines. And the trade fair business also suffered more than its share from the economic impact of the pandemic.

¹⁾ Destatis: Gross domestic product down 5.0% in 2020, 14 January 2021: https://www.destatis.de/DE/Presse/Pressemitteilungen/2021/01/PD21_020_811.html

The impact of the COVID-19 pandemic was also very strong on the demand side. Whilst private consumer spending decreased more sharply than ever before – by a price-adjusted 6.0 % from the previous year – government consumer expenditures had a stabilising effect. Procurements of protective equipment and hospital services were amongst the factors that contributed to a price-adjusted increase of 3.4 %.

The pandemic also had a massive impact on foreign trade. Both exports (–9.9 %) and imports (–8.6 %) of goods and services decreased for the first time since 2009. As a result of the decrease in travel, the drop in service imports was especially large.

The COVID-19 pandemic also put an end to the rise in employment in Germany that had been sustained for more than 14 years. The annual average German employment in 2020 totalled 44.8 million people working. That represents 477,000 fewer people, or –1.1 %, than in 2019. Marginally employed and self-employed individuals were especially hard hit by the pandemic. However, the number of employed individuals subject to social security tax remained stable. The expansion of rules governing subsidised shortened work schedules, or *Kurzarbeit*, has so far been a very strong factor in keeping redundancies from becoming more extensive.

EUROPE AND THE WORLD

The International Monetary Fund (IMF) estimates a severe contraction of –3.5 % in the global economy in 2020 and –7.2 % in the euro region.²⁾ It sees especially acute impacts on women, youth, the poor, and the informally employed as well as those who work in contact-intensive sectors. The European Commission believes that the COVID-19 pandemic has brought severe economic and social consequences to the EU's economies.³⁾ It notes that economic activity in Europe suffered an especially severe shock in the first half of the year but rebounded strongly in the third quarter as containment measures were lifted. Resurgences of the pandemic, however, repeatedly created new economic disruptions. The Commission projects that the EU economy contracted 7.4 % overall in 2020. There has been no study thus far of the extent to which the cancellation of thousands of international trade fairs contributed to the contraction of between 7 % (UNCTAD) and 9 % (WTO) in world trade.

THE TRADE FAIR BUSINESS

In the service sector, the trade fair business felt the impact of the pandemic especially acutely. The Association of the German Trade Fair Industry (AUMA) reports a decrease of nearly 70 % from the sales level of about EUR 4 billion originally projected for 2020.⁴⁾ Only 114 of the 355 international, national, and regional trade fairs originally planned for last year in

Germany were actually held. By AUMA calculations, this resulted in decreases of about 72 % from each of the events' previous runs in terms of exhibitors, booth space, and visitors.

– 72 %

reduction throughout Germany in exhibitors, booth space, and visitors compared to previous runs as a result of COVID-19

Cancellations of many trade fairs in 2020 had huge consequences for the economy as a whole. Compared with the roughly EUR 28 billion annually that trade fairs have contributed to the German economy in past years, the 2020 figure was just EUR 6 billion. The considerable financial detriment affected not only trade fair organisers, event construction companies, and exhibitors, but also hotels, restaurants, freight carriers, taxi drivers, and retailers in cities that host the fairs – sectors that were already suffering severely because of the pandemic.

The pandemic also severely hampered NürnbergMesse's function as an economic engine. Current calculations by the ifo Institute indicate that the cancellation and postponement of so many trade fairs and conventions in Nuremberg last year sapped purchasing power effects totalling EUR 1.55 billion from Germany as a whole.⁵⁾

²⁾ IMF: WORLD ECONOMIC OUTLOOK UPDATE, January 2021: <https://www.imf.org/en/Publications/WEO/Issues/2021/01/26/2021-world-economic-outlook-update>

³⁾ European Commission: Autumn 2020 Economic Forecast, November 2020: https://ec.europa.eu/commission/presscorner/detail/defip_20_2021

⁴⁾ AUMA: Trade fair business down 70 percent in 2020, 28 January 2021: <https://www.auma.de/de/medienv/meldungen/presse-2021-03>

⁵⁾ ifo Institute: Economic impact of events at Nuremberg Exhibition Centre, January 2021; more on → [page 10](#) under „Trade fairs are an economic engine – and entail social responsibility.“

EVENT FIGURES

Specifically, because of the COVID-19 pandemic and the resulting restrictions on large events, trade fairs, and conventions, NürnbergMesse had to postpone or cancel 65 of the 86 trade fairs planned for 2020 around the world. The result was an enormous decrease in event figures for exhibitors, visitors, and exhibitor booth space.

In contrast, until shortly before the pandemic broke out, the Company's performance looked very good. Figures for the international and national trade fairs that could be held in person in Nuremberg during the first quarter of 2020 were trending clearly upward. BIOFACH and VIVANESS, EUROGUSS, and Perimeter Protection had considerably more exhibitors than in their prior runs (+ 15 %) and more booth space as well (+ 16 %). On the other hand, the visitor figures for these events (– 6 %) were already showing signs of an adverse impact from the pandemic.

»The pandemic severely hindered NürnbergMesse's function as an economic engine.«

The growing pandemic had considerable repercussions for one of the last in-person events held in 2020: embedded world, which even then was subject to substantial restrictions. It experienced sharp declines in exhibitors (– 18 %), exhibitor booth space (– 30 %), and visitors (– 55 %).

Developments during the pandemic year of 2020 yielded figures that bear little relation to any previous historical ratios, so it is difficult to compare them with values from previous years. Differences in event cycles mean that for like-for-like comparisons, the event figures from 2020 are shown in relation to the figures from 2018 – which set records.

In 2020, 28 in-person events were held at the Company's own venue in Nuremberg (2018: 103). These comprised six trade fairs (2018: 31), six conventions (2018: 43), and 16 other events (2018: 29). Participants consisted of 9,364 exhibitors (2018: 29,817) and 253,850 visitors (2018: 1,283,947). Net space at the Nuremberg Exhibition Centre amounted to 254,310 m² (2018: 1,070,095 m²). International attendance included 6,123 exhibitors (2018: 14,023) and 75,568 visitors (2018: 289,004). The second half of 2020 was especially characterised by the launch of six newly developed digital events and platforms, with a total of more than 17,000 registered participants.

»Whilst international business had grown progressively more important for NürnbergMesse in previous years, figures for international events dropped sharply in 2020 owing to the pandemic.«

In all, the NürnbergMesse Group held 57 events (2018: 181) in Nuremberg and around the world in 2020. The event figures were dominated by the consequences of the pandemic: 12,385 exhibitors (2018: 35,462), 360,870 m² of total net space (2018: 1,210,564 m²), and 430,887 visitors (2018: 1,547,212).

Whilst international business had grown progressively more important for NürnbergMesse in previous years, figures for international events dropped sharply in 2020 owing to the pandemic. Subsidiary events in Brazil, China, Greece, and India in 2020 counted 2,793 exhibitors (2018: 4,196) and 177,037 visitors (2018: 209,754) on a cumulative 101,296 m² of total net space (2018: 118,773 m²).

PERSONNEL

The NürnbergMesse Group had an average of 1,027 employees in 2020 (2019: 1,197). The average at NürnbergMesse GmbH for the same period was 572 (16 more than in 2019). In 2020, the NürnbergMesse Group had 41 apprentices (28 of them at NürnbergMesse GmbH) and 18 students from Baden-Württemberg Cooperative State University (DHBW) (GmbH: 15). The previous year's figures were 44 apprentices at the NürnbergMesse Group (GmbH: 24) and 19 DHBW students (GmbH: 15).

1,027 employees worldwide

To proactively retain high-performing employees at the Company and safeguard its appeal as an employer, NürnbergMesse deliberately invests anti-cyclically in its employees. In the service sector in particular, employee qualifications have a major influence on the quality of products and services – meaning our trade fairs and conventions. In spite of the difficult economic environment, ultimately it is important for the Company to preserve its appeal as an employer brand and avert a possible “brain drain” of high-performers. That is why, for instance, employees are permitted to organise their work schedules using a flexitime model. Especially during the pandemic, employees are allowed to work from home and also on the road (“mobile working”). NürnbergMesse employees also receive corporate-sponsored benefits from a wide range of service providers; for example, they can buy mobile devices at a discount in an “employee PC programme.”

INSPIRING CUSTOMERS

NürnbergMesse knows that focusing on customers is a key element in the Company's continued success. To keep expanding this feature of our corporate culture, the “Inspiring Customers” project (#KBIC for short) was implemented in 2018 and 2019. Roughly 380 employees participated in more than 60 project workshops from March to July 2019. The goal was to permanently shift our focus to retaining customers. With no additional budgeting, #KBIC remains in operation under COVID-19 conditions, and it continues to inspire staff to apply successful examples to their own projects and promote knowledge transfers within the Company.

»Focusing on customers is a key element in the Company's continued success.«

A TASK FORCE MANAGES THE CRISIS

The COVID-19 pandemic and the many associated cancellations and postponements of trade fairs and conventions brought unprecedented challenges for NürnbergMesse in 2020. To ensure the requisite liquidity, an in-house task force was established as early as March 2020; it found ways to save on personnel expenses, reduced costs, and halted investment projects. This not only kept the year's result from deteriorating even further; most importantly, it steered the Company resolutely through the crisis. For the first time in its history, NürnbergMesse applied shortened work schedules under the *Kurzarbeit* scheme.

»A partnership approach has proved immensely important and valuable in managing these great challenges.«

One of the most decisive factors for successfully managing the crisis so far has been the close cooperation between management and the works council. Even in the best times for NürnbergMesse, the partnership approach has been a major contributor to the Company's dynamic development. In the current era of crisis, it has proved immensely valuable in managing the great challenges the Company faces.

OUR THANKS TO OUR STAFF

Our employees have made a major contribution to preserving the Company's liquidity and maintaining NürnbergMesse's focus on the post-COVID future. Prime examples were how the Company was able to adjust from analogue to hybrid and digital trade fair concepts, the low levels of staff turnover and illnesses, and the ongoing development of forward-looking options for the Company. Management would like to once again emphatically thank all employees for their help.

Corporate responsibility

As an organiser of international trade fairs and conventions in Nuremberg and around the world and as one of the largest employers in the Nuremberg Metropolitan Region, NürnbergMesse bears responsibility for its staff, exhibitors, and visitors as well as for the environment. For many years now, NürnbergMesse has engaged in a wide range of activities and projects that express its commitment to doing business as an honourable corporate citizen in accordance with the UN Global Compact.

»NürnbergMesse will be aligning its social responsibility and energy and raw material conservation activities with the United Nations' Sustainable Development Goals.«

In future, along with its primary shareholders – the Free State of Bavaria and the City of Nuremberg – NürnbergMesse will be focussing its social responsibility and energy and raw material conservation activities on the United Nations' 17 internationally recognised Sustainable Development Goals (SDGs for short).⁶⁾ We have provided a few examples below that illustrate the Company's extensive efforts in support of the 17 SDGs.

TRADE FAIRS ARE AN ECONOMIC ENGINE – AND ENTAIL SOCIAL RESPONSIBILITY

NürnbergMesse's extensive macroeconomic effects make it an important economic engine for the Nuremberg Metropolitan Region, the state of Bavaria, and Germany as a whole. A current study by the ifo Institute has confirmed as much. It found that in the average 2018–2019 event year, NürnbergMesse's own investments and expenditures by exhibitors and visitors at the Nuremberg Exhibition Centre – for facilities like booth construction, transportation, accommodations, and food service – generated nationwide purchasing power effects of EUR 1.93 billion a year, some 15,600 jobs, and tax revenues of more than EUR 365 million.⁷⁾ Therefore, NürnbergMesse's activities contribute to the UN's SDG 8 by promoting sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.⁸⁾

But at the same time, it is also true that NürnbergMesse's role as an economic engine for its region and all of Germany was severely hindered by the COVID-19 pandemic in 2020. The ifo Institute calculates that cancellations and postponements of virtually every event at the Nuremberg Exhibition Centre from March 2020 onwards cost a total of EUR 1.55 billion in purchasing power for Germany as a whole (EUR 880 million of that in the Nuremberg Metropolitan Region).⁷⁾

NürnbergMesse's subsidiaries around the world have also demonstrated their social responsibility – especially during the pandemic crisis. One example is the “Juntos por quem faz acontecer” (“Together for those who make it possible”) at NürnbergMesse Brasil. Along with other trade fair organisers, this subsidiary launched a donation campaign for people who

lost their jobs because of the pandemic. Just one month after the campaign's launch in April 2020, it had collected more than nine tonnes of food for more than 1,000 families. A similar campaign amongst employees at our subsidiaries in China donated clothing to a regional charitable organisation for distribution to the needy.

EQUAL OPPORTUNITY: DISCLOSURE ON GENDER QUOTAS

In accordance with the UN's SDG 5, NürnbergMesse advocates for gender equality and for the elimination of discrimination in hiring and employment. The Meeting of Shareholders supports permanently increasing the percentage of women on the Supervisory Board (currently: 22.2 %) and amongst top management at NürnbergMesse GmbH (currently: 0 %) pursuant to the German Act on Equal Participation of Women and Men in Executive Positions in the Private and the Public Sector (the Equal Participation Act).

For the period up to 31 December 2023, the Meeting of Shareholders has set a target of 25 % for the quota of women on the Supervisory Board, whilst the target for women in top management will remain at the present percentage. In the event that seats must be filled, the Meeting of Shareholders will support giving due consideration to female candidates.

As of 31 December 2020, the percentage of women in management at NürnbergMesse GmbH was about 10 % (Group: 21 %), whilst 37 % of department heads/line managers were female. It was decided that the percentage of women at both management levels of the GmbH as of 31 December 2023 should not fall below the 2019 levels (10 % and 35 %, respectively).

⁶⁾ United Nations' 17 goals: <https://sdgs.un.org/goals>

⁷⁾ ifo Institute: Economic impact of events at Nuremberg Exhibition Centre, January 2021.

⁸⁾ United Nations' Goal 8: <https://sdgs.un.org/goals/goal8>

NürnbergMesse has set itself the goal of specifically increasing the percentage of women in management at the Company. To support that process, in 2016 it set up the “Jump” mentorship programme, intended solely for women participants. The programme is conducted by HR every two years, with outside support. The third round of “Jump” began in the fall of 2020 and concluded in June 2021. The programme has had very good results. More than 60% of the participants so far have found very specific opportunities for career growth after attending, and the percentage of women in management at NürnbergMesse GmbH has grown 66% since “Jump” began.

In compliance with the Salary Transparency Act, NürnbergMesse also enables its employees to compare pay based on gender. Flexible models for work hours (→ see page 9) support a work-home balance, as do offers of childcare at selected times of the year (summer holidays and the Day of Repentance and Prayer). The family service provides employees with assistance with childcare and other support services.

TRAINING AND CONTINUING EDUCATION

Even during the challenging COVID-19 situation, NürnbergMesse has actively pursued training for its employees, thereby contributing to the UN’s SDG 4 (“quality education and lifelong learning”).⁹⁾ In 2020, the Company offered a broad-based internal training programme of 14 seminars. Employees were also able to participate in outside seminars and continuing training opportunities in keeping with their specific professional needs.

With its “Marketing Academy” and “Sales Academy,” in 2020 NürnbergMesse made the consciously anti-cyclical choice to launch two new training programmes as a way of strengthening its sales force and the customer orientation of its marketing team. The Marketing Academy focussed on current and future marketing managers to support and train them in their new roles, which resulted from the Company’s restructuring programme (ORGA+). The comprehensive training content included marketing expertise and trends and soft skills. A total of 20 employees attended the marketing programme from the summer of 2020 to May 2021.

The Sales Academy is a part of the Vertrieb+ (“Sales+”) strategic programme. Its goal is to provide extensive training for sales employees, especially in customer service. Topics include sales techniques and methods and how to apply them in everyday operations. A total of about 50 sales employees and their managers took part in the Sales Academy from the autumn of 2020 to the end of 2021.

Every year NürnbergMesse offers training opportunities to young people in five apprenticeship occupations, including “event salesperson.”

The Company’s event portfolio also reflects its commitment to training and education. Its Occupational Training trade fair offers an occupational orientation platform for young people. And ConSozial, its leading trade fair for the social welfare market, supports inclusion. Other conventions accompanying exhibitions, specialised lectures, and “student days” help share the trade fair experience with the industry experts of tomorrow.

LEGALLY COMPLIANT CONDUCT

NürnbergMesse actively promotes legally compliant conduct (LCC) by its employees and opposes all forms of corruption. It therefore contributes to the development of effective, accountable, and inclusive institutions at all levels, as called for in UN SDG 16. The Company’s code of ethics for all personnel is outlined in a legal compliance code. Regular anti-corruption trainings are held as part of the LCC system, along with associated testing arrangements that also include national and international subsidiaries.

RESPONSIBILITY FOR THE ENVIRONMENT

NürnbergMesse promotes the conservation of resources like energy and raw materials. It pursues a variety of initiatives to contribute to SDG 7, “affordable, reliable, sustainable energy” and to SDG 13, “action to combat climate change.” Since 2020 it has used only ecologically generated electricity. Last year, the Company launched a new project with the goal of providing an on-site CO₂-neutral energy supply to its exhibition venue by 2028. As part of this project, NürnbergMesse has commissioned a feasibility study to examine building a hydrogen-based hybrid power plant on the exhibition grounds. In tandem with an extensive installation of solar power equipment, NürnbergMesse ultimately intends to become energy self-sufficient, to be able to provide temporary storage for energy, and to offer energy to its customers. In a third segment of the project, a wood-fired power plant on-site will recycle wood waste from events to generate energy. Both projects are now in the development or planning stage.

⁹⁾ United Nations’ Goal 4: <https://sdgs.un.org/goals/goal4>

REDUCING ENERGY CONSUMPTION

As part of its Energy Campaign, NürnbergMesse has also been pursuing numerous projects starting in 2014 to reduce power consumption and use less energy for heating and air-conditioning. A high priority here is energy-efficient procurement, maintenance, and construction policies. As part of an energy management system (DIN EN ISO 50001), an energy team conducts regular audits to ensure compliance with energy targets. Another component of the Energy Campaign is to hybridise the fleet of Company cars.

Up to

500,000 kWh

of electricity conserved by lighting with LED lamps.

The lighting in five exhibition halls (Hall 4A, parts of 7, 7A, 11, and 12) and about 80% of the exterior lighting at the Nürnberg Exhibition Centre has been switched over to LED lamps in recent years. These steps allowed NürnbergMesse to cut its usage to date by as much as roughly 70%, conserving nearly 500,000 kWh of electrical energy. Other halls will be gradually re-equipped.

SUSTAINABLE DEVELOPMENT OF THE EXHIBITION CENTRE

NürnbergMesse sets a special priority on sustainability as it develops its Exhibition Centre. The two newest halls, 3A and 3C, have been awarded the Platinum Certificate from the German Sustainable Building Council (DGNB). To achieve that certification, the Company followed strict requirements on ecological, social, and economic factors in both the design and

construction of the buildings. NürnbergMesse therefore contributes to the UN's SDG 11, which focuses on making "cities and human settlements sustainable."

»The Company places a special priority on sustainability as it develops its Exhibition Centre.«

TRANSPORTATION AND MOBILITY OPTIONS

An important component of a sustainable Exhibition Centre is good accessibility via public transportation and efficient, resource-conserving traffic management. A dynamic traffic control system steers exhibitors and visitors to the Exhibition Centre by the most efficient route, helping to reduce traffic on all sides of the site. The U1 underground line connects the Exhibition Centre directly with the main train station, and a single transfer to the U2 line provides access to the airport. NürnbergMesse employees can use local public transportation at a discount with the FirmenAbo ticket. The Company also makes several charging stations available on the property for recharging electric vehicles.

To reduce the pressure of traffic from deliveries to the Exhibition Centre, NürnbergMesse is developing a digital lorry paging system. It has already set up a lorry parking facility in nearby Nürnberg-Langwasser for the purpose, with space for some 100 lorries. This will serve as the central hub for the future digital lorry paging system, where all lorries will wait until their scheduled access to the exhibition grounds. This will reduce rush-hour congestion and wait times throughout the entire area surrounding the Exhibition Centre.

POPULARISING ENVIRONMENTALLY-FRIENDLY TECHNOLOGIES

NürnbergMesse's international trade fairs and conventions are innovation drivers in their industries and expressly focus on sustainability issues. They thereby promote inclusive and sustainable industrialisation and foster innovation all over the world (UN SDG 9). BIOFACH supports the worldwide dissemination of methods for organic food production. FACHPACK regularly focuses on environmentally-friendly packaging as a fair theme. And the EVTec conference in Shanghai is all about emissions-free e-mobility.

SUSTAINABLE PROCUREMENT AND DISPOSAL

In procurement and disposal, NürnbergMesse places a high priority on ensuring sustainable consumption and production patterns, as called for by UN SDG 12. Ecological factors like energy policy and environmental protection, for instance, are core components of its procurement operations and are defined both in manuals and in the Company's purchasing and contract terms and conditions. In producing print media like this Annual Report, it takes its guidance from leading certificates like the Blauer Engel and FSC. In IT management, NürnbergMesse is careful to procure IT equipment with high reparability and a long service life. Old IT equipment is disposed of at recycling companies. The Company donates hardware that is still operable to a charitable organisation, AFB Nürnberg. NürnbergMesse subsidiary Lehrieder Catering is organically and Green Globe certified. It makes an effort to purchase reusable tableware and packaging for its food service and uses regionally grown products.

Business conditions

SALES TREND AND RESULT SITUATION

NÜRNBERGMESSE GROUP

The COVID-19 pandemic and the resulting cancellations and postponements of numerous events caused fiscal year 2020 to be the NürnbergMesse Group's lowest exhibitor year in three decades, with 12,385 exhibitors (1990: 12,227 exhibitors). Likewise, the Group had not seen such low visitor figures since the earliest years of its existence (1974, 1975, 1977). The pandemic kept sales – at EUR 110.3 million (previous year: EUR 285.7 million) – from continuing the successful trend set in previous years. Sales were down by EUR 175.4 million from the year before, or 61.4%. Relative to fiscal year 2018, which is comparable in terms of event cycles, this was a decrease of EUR 204.8 million in sales, or 65.0%.

The Group's own and partner events in Germany generated sales of EUR 37.5 million (2019: EUR 97.9 million; 2018: EUR 129.3 million), guest events EUR 21.0 million (2019: EUR 50.0 million; 2018: EUR 54.3 million) and the NürnbergConvention Centre EUR 2.4 million (2019: EUR 18.3 million; 2018: EUR 15.7 million). MesseService sales (including Holtmann GmbH & Co. KG and LEHRIEDER GmbH & Co. KG) came to EUR 28.5 million (2019: EUR 79.4 million; 2018: EUR 85.7 million), and sales in the International division totalled EUR 20.9 million (2019: EUR 40.1 million; 2018: EUR 30.1 million).

After deducting event expenses, personnel expenses, depreciation, amortisation and write-downs, other operating expenses, and changes in stock of inventories – and with the addition of other operating income and the results from equity investment – the NürnbergMesse Group achieved a total operating result of EUR –67.6 million (2019: EUR 8.4 million; 2018:

EUR 43.7 million) and earnings before taxes of EUR –68.9 million (2019: EUR 7.6 million; 2018: EUR 39.4 million). The other operating income essentially includes income from the reversal of provisions. The decrease in personnel expenses results in particular from eliminating the annual performance bonus, an almost complete elimination of overtime and residual holiday pay, a hiring freeze, and for the first time in NürnbergMesse history, the use of the *Kurzarbeit* subsidised shortened work schedule scheme. The other operating expenses were substantially reduced by savings in virtually every department.

NürnbergMesse Group sales:

EUR **110.3** million

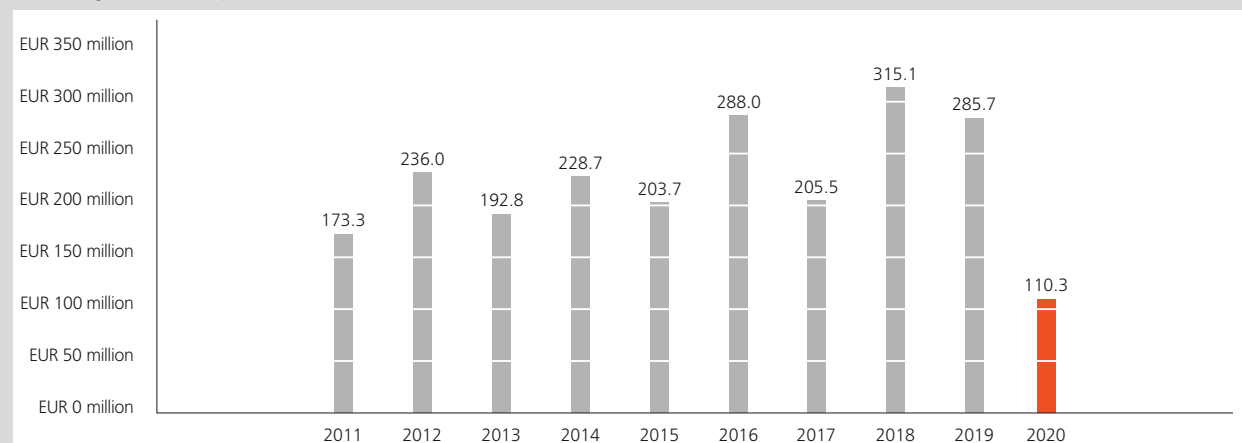
The pandemic brought sales and earnings before taxes down sharply, putting them significantly below expectations.

SINGLE-ENTITY FINANCIAL STATEMENTS OF NÜRNBERGMESSE GMBH

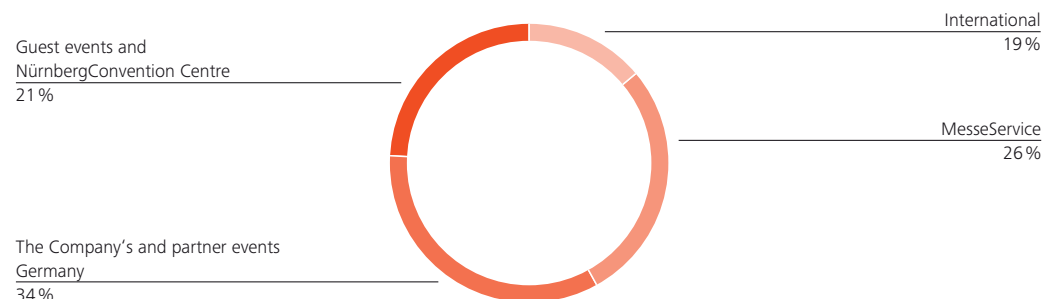
Sales at NürnbergMesse GmbH came to EUR 82.3 million in 2020 (2019: EUR 222.1 million; 2018: EUR 270.3 million). After deducting event expenses, personnel expenses, depreciation, amortisation and write-downs, other operating expenses, and changes in stock of inventories, and with the addition of other operating income and the results from equity investment and profit transfers, the Company achieved a total operating result of EUR –54.0 million (2019: EUR 6.9 million; 2018: EUR 44.5 million). The increase of income from equity investment and from profit-and-loss transfer agreements was primarily the result of higher distributions and withdrawals of subsidiaries' profits generated before the COVID-19 pandemic. In particular, the other operating income includes income from the reversal of provisions. Other positive effects on personnel expenses came from eliminating the annual performance bonus, an almost complete elimination of overtime and residual holiday pay, subsidised shortened work schedules, and socially-responsible

Sales trend¹⁾

NürnbergMesse Group



¹⁾ The chart is not part of the certified management report and is intended only for additional illustration.

Shares of consolidated sales¹⁾

¹⁾ The chart is not part of the certified management report and is intended only for additional illustration.

workforce reduction. The EUR 1,325 thousand write-down, recognised in the financial result in accordance with Section 253 (3) of the German Commercial Code (HGB), relates to the book value of the equity investment in NürnbergMesse Brasil. The main reason for the impairment in value, which is expected to be temporary, is the current economic situation in Brazil, which is suffering enormously from the pandemic. Depreciation, amortisation, and write-downs increased owing to a total of EUR 10.8 million in write-offs of planning expenses for property, plant, and equipment as a result of the COVID-19-induced postponements of capital spending projects.

NürnbergMesse GmbH sales: **EUR 82.3 million**

Earnings before taxes came to EUR –56.8 million in 2020 (2019: EUR 5.3 million; 2018: EUR 38.8 million). EBITDA was EUR –20.7 million (2019: EUR 29.1 million; 2018: EUR 65.5 million).

SUBSIDIARIES, EQUITY INVESTMENTS, AND BRANCH OFFICES

INTERNATIONAL

In 2020, FORUM S.A. in Athens generated total sales of EUR 5.4 million (previous year: EUR 17.2 million). Even though the pandemic meant that only one of the six events planned for 2020 – HORECA – could be held (ARTOZA and FOODTECH are biennial), the Company was able to show a positive total operating result. Another contributor was the publishing business, which performed well in spite of the pandemic. The Company was able to reduce costs with measures like using the Synergiasia state-sponsored scheme for shortened work schedules beginning in September of 2020 for employees at all levels, including management. Effective 1 December 2020, the Company's longstanding Managing Director and founder Nikos Choudalakis handed over the reins to his successor, Thanos Panagoulis, who has been with the Company for 14 years, most recently as Commercial Director.

In Brazil, the pandemic meant that only two of the planned 11 events could be held in 2020: Festival Bike Brasil and EXPO REVESTIR in March. As alternatives to its in-person events, in the following months NürnbergMesse Brasil developed its first digital events. For its notice, FCE Cosmetique and FCE Pharma were held as FCE Sessions in October. Likewise, the PET Conecta digital programme replaced PET South America and its parallel veterinary conference PET VET in November. To maintain contact with its exhibitors and visitors, NürnbergMesse Brasil also offered more than 40 webinars over the course of the year, along with virtual panels and talk formats. A crucial role in developing the new digital formats was played by Hiria a NürnbergMesse Brasil Business Ltda., of which NürnbergMesse Brasil has owned 55 % since 2020. Hiria was founded in 2012 and since then has evolved into one of the most important organisers of conventions and conferences in the Brazilian market. Its own portfolio focuses on infrastructure, strategy, and management. In fiscal year 2020, NürnbergMesse Brasil generated sales of EUR 854 thousand (2019: EUR 9.2 million; 2018: EUR 8.1 million).

»In spite of challenges caused by the pandemic, FORUM S.A. was able to show a positive total operating result.«

Because of the COVID-19 pandemic, NürnbergMesse India had to either cancel its trade fairs scheduled for the 2020 Indian fiscal year (April 2020 to March 2021) or present them in digital formats. Examples of events held digitally included BIOFACH INDIA, NATURAL EXPO INDIA, BROADCAST INDIA, SCAT INDIA, and REFCOLD India. As a result, following the

2019–2020 year – the most successful year in its history – NürnbergMesse India concluded the 2020–2021 year well below expectations. For the Indian fiscal year from April 2019 to March 2020, NürnbergMesse India generated sales of EUR 6.4 million (April 2018 to March 2019: EUR 4.5 million; April 2017 to March 2018: EUR 2.0 million).

ExpoNova Exhibitions and Conferences (India) Pvt. Ltd., in which NürnbergMesse GmbH holds a 24.5 % interest, is the organiser and owner of PAINTINDIA (every two years) and HPCI India (annual). Responding to the status of the pandemic in India, in October 2020 the shareholders decided to cancel both trade fair dates, which were scheduled for the spring of 2021. Therefore, per their cyclical course, both events will be held in the first quarter of 2022. In the fiscal year from April 2019 to March 2020, ExpoNova generated sales of EUR 0.3 million (April 2018 to March 2019: EUR 0.3 million; April 2017 to March 2018: EUR 3.1 million).

»NürnbergMesse China was able to restart its events successfully as early as the second half.«

NürnbergMesse China Co. Ltd. was the first of the Company's subsidiaries to be stricken by the effects of the pandemic in 2020. Whilst trade fairs were still being held in the rest of the world, the Chinese subsidiary faced a dual challenge. On the one hand, travel restrictions made it harder for Chinese exhibitors to participate in trade fairs in Nuremberg and around the

world. On the other, the subsidiary had to find solutions for its own events scheduled for the first half. Nevertheless, NürnbergMesse China was able to restart its events successfully as early as the beginning of the second half. The BIOFACH CHINA and CRAFT BEER CHINA trade fairs, originally planned for May, were held instead in July. The other events planned for the second half took place on schedule and were a success. Two premieres are especially worth noting. First, even though the economic environment was still difficult after the lockdown was lifted, International Powder & Bulk Solids opened for the first time on its new date and was successful. Second, the China Coatings Fair was held for the first time in collaboration with NürnbergMesse China – again with success. To make room in 2020 for the important topic of sustainable mobility, the otherwise highly international electromobility conference EVTec was held in modified form, with a focus on China and with digital presentations by international experts on a smaller scale. In particular, the reduced participation of Chinese exhibitors abroad led NürnbergMesse China to show reduced sales of EUR 2.8 million (2019: EUR 5.7 million; 2018: EUR 5.4 million).

NürnbergMesse Italia S.r.l., headquartered in Milan, serves an important core market for the NürnbergMesse Group. This is the home country for the largest numbers of international exhibitors and visitors at exhibitions in Nuremberg, and the subsidiary here is in charge of recruiting and supporting clients as well as marketing NürnbergMesse Group events worldwide. NürnbergMesse Italia's own event, CRAFT BEER ITALY, had to be cancelled in 2020 because of COVID-19. Northern Italy was stricken by the pandemic very early, and from April to the end of calendar year 2020 the entire staff was working from home on shortened schedules. The Italian subsidiary's sales for fiscal 2020 were slightly less than EUR 400 thousand, in contrast to the previous year when sales contracted to about EUR 1 million because of the event cycle (2018: EUR 1.3 million).

NürnbergMesse's subsidiary in the United States is concerned primarily with recruiting and supporting exhibitors and visitors from the USA for events in Nuremberg and around the world. One service offered by NürnbergMesse North America Inc. is organising U.S. pavilions for multiple exhibitors. However, because of the pandemic, this subsidiary was only able to provide one of the five U.S. pavilions planned for 2020, at BIOFACH. Accordingly, sales decreased to EUR 237 thousand (2019: EUR 868 thousand; 2018: EUR 524 thousand).

The special significance of exhibitors and visitors from Austria for the Nuremberg Exhibition Centre has been addressed by NürnbergMesse Austria GmbH, headquartered in Vienna, since 2015. As a branch office of NürnbergMesse Beteiligungs-GmbH, its business activities include recruiting and supporting exhibitors and visitors from Austria.

GERMANY

NürnbergMesse Service GmbH, headquartered in Nuremberg, is a wholly-owned subsidiary of NürnbergMesse GmbH. It holds a 25 % share in SMT/ASIC/Hybrid MESAGO Messe & Kongress GmbH & Co. oHG, headquartered in Nuremberg, which owns the rights for the SMTconnect trade fair held in Nuremberg every year. NürnbergMesse Service GmbH also organises the special fairs for the hunting and sports weapons industry during the Pferd & Jagd fair in Hanover and Jagd & Hund in Dortmund, which was last held in 2020. The subsidiary's sales for fiscal year 2020 totalled EUR 327 thousand (2019: EUR 469 thousand; 2018: EUR 480 thousand).

NürnbergMesse GmbH receives additional support for its marketing activities from NürnbergMesse Beteiligungs-GmbH, with which it has a profit-and-loss transfer agreement. The company owns, amongst other things, the rights to the FENSTERBAU FRONTALE, BIOFACH, and EUROGUSS trade fairs. Its sales for fiscal year 2020 amounted to EUR 6.2 million (2019: EUR 3.3 million; 2018: EUR 9.3 million).

In fiscal year 2020, NürnbergMesse GmbH increased its equity interest in Holtmann GmbH & Co. KG to 66.67%. It had held a 50% interest since 2010 in this construction services provider based in Langenhagen outside Hanover. Holtmann has also been one of three Service Partners in the exhibition construction segment at the Nuremberg Exhibition Centre since 2009. Its sales for fiscal year 2020 amounted to EUR 17.5 million (2019: EUR 39.6 million; 2018: EUR 30.8 million).

Also in 2010, NürnbergMesse GmbH acquired an identical 50% share in Holtmann's general partner, the limited company Holtmann Beteiligungsverwaltungs GmbH. This ownership interest was likewise increased to 66.67% in 2020. The business mission of that company is to assume personal liability and management for Holtmann GmbH & Co. KG.

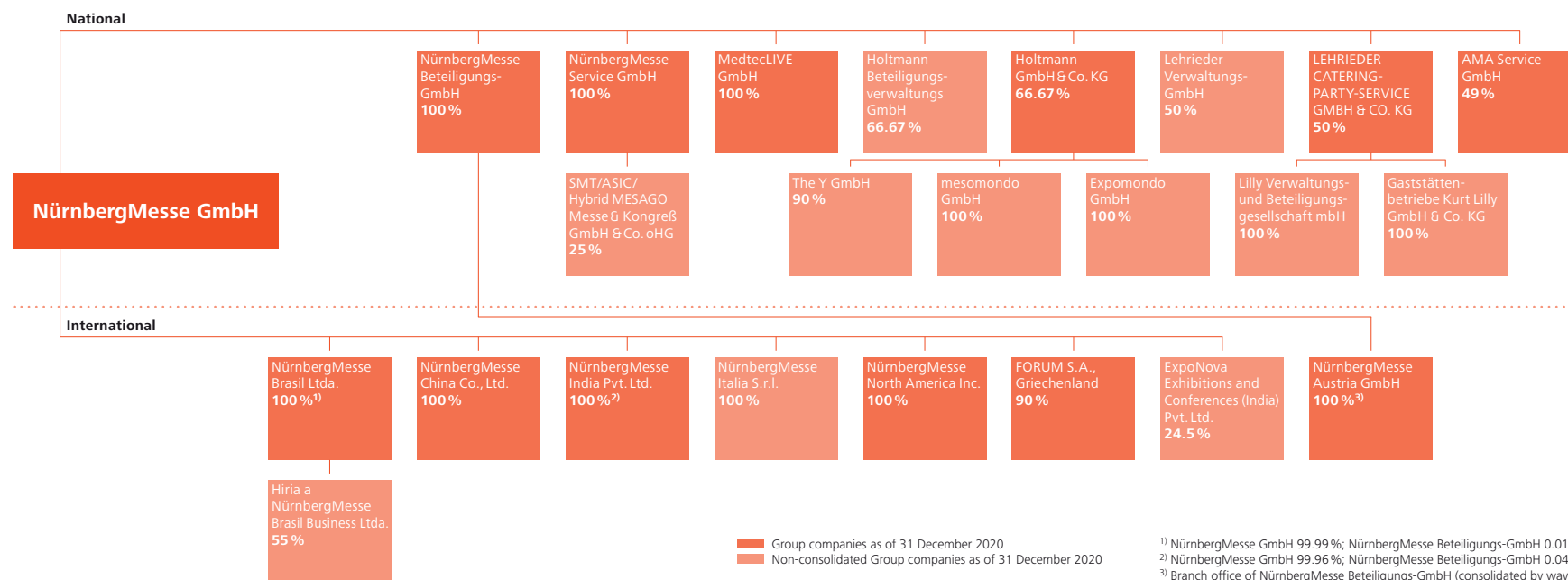
Mesomondo GmbH was formed in 2011 as a 50% equity investment by Holtmann GmbH & Co. KG. Holtmann purchased the remaining shares in 2012 and ever since has owned 100% of Mesomondo GmbH, with which it has a profit-and-loss transfer agreement.

In connection with Expo Milan in 2012, E(POMONDO S.r.l. was founded as a wholly-owned subsidiary of Holtmann GmbH & Co. KG. When the company's domicile was relocated to Germany, it was renamed Expomondo GmbH, and since then it has operated as an independent sales company.

In 2020, Holtmann GmbH & Co. KG acquired 90% of The Y GmbH, headquartered in Hamburg. This company's business mission is to develop, organise, and implement creative concepts for brand communication and marketing campaigns for events.

Group structure

NürnbergMesse Group



■ Group companies as of 31 December 2020
 ■ Non-consolidated Group companies as of 31 December 2020

¹⁾ NürnbergMesse GmbH 99.99%; NürnbergMesse Beteiligungs-GmbH 0.01%

²⁾ NürnbergMesse GmbH 99.96%; NürnbergMesse Beteiligungs-GmbH 0.04%

³⁾ Branch office of NürnbergMesse Beteiligungs-GmbH (consolidated by way of NürnbergMesse Beteiligungs-GmbH)

Effective 1 January 2021, NürnbergMesse GmbH acquired the remaining 50% of LEHRIEDER CATERING-PARTY-SERVICE GmbH & Co. KG and of Lehrieder Verwaltungs GmbH. It had held a 50 % interest in each of these Nuremberg-based companies since 2016. In fiscal year 2020 their sales totalled EUR 2.6 million (2019: EUR 14.0 million; 2018: EUR 15.9 million). Likewise in 2016, NürnbergMesse GmbH acquired 100 % of both Lilly Verwaltungs- und Beteiligungsgesellschaft mbH and Gaststättenbetriebe Kurt Lilly GmbH & Co. KG. These were contributed in that same year to LEHRIEDER CATERING-PARTY-SERVICE GmbH & Co. KG as a limited partner's stake, so that as from 2016 Lehrieder has been the full owner of both companies. Gaststättenbetriebe Kurt Lilly GmbH & Co. KG had 2020 sales of EUR 79 thousand (2019: EUR 380 thousand; 2018: EUR 761 thousand).

In 2018, MedtecLIVE GmbH – which was included in the consolidated financial statements for the first time – was launched with partner UBM Canon Europe Limited as a 51 % equity investment by NürnbergMesse GmbH. In 2019, NürnbergMesse GmbH acquired the rest of the shares from UBM Canon Europe Limited. Since then, MedtecLIVE GmbH has been a wholly-owned subsidiary of NürnbergMesse GmbH.

NürnbergMesse GmbH also holds a minority interest of 49 % in AMA Service GmbH, which runs the SENSOR+TEST trade fair in Nuremberg.

Assets and financial situation

NürnbergMesse Group's total assets decreased by EUR 71.0 million from the previous year (NürnbergMesse GmbH: EUR 54.7 million).

On the asset side, the NürnbergMesse Group's fixed assets decreased by EUR 20.8 million (NürnbergMesse GmbH: EUR 18.5 million). The Group invested EUR 17.1 million in fixed

assets (NürnbergMesse GmbH: EUR 16.9 million). Along with investments in property, plant, and equipment, EUR 2.8 million of the figure for NürnbergMesse GmbH represents a capital increase and the acquisition of additional interests in subsidiaries. Along with depreciation, amortisation, and write-downs, another contributing factor to the decrease was the loss on planning costs, because projected new construction work could no longer be executed in the original scope due to the COVID-19 pandemic.

Current assets decreased by EUR 46.9 million (NürnbergMesse GmbH: EUR 31.8 million), owing primarily to a decline in cash funds.

On the equity and liability side, equity decreased by EUR 51.9 million (NürnbergMesse GmbH: 37.8 million). The primary cause was the net loss for the year of EUR 70.2 million (NürnbergMesse GmbH: EUR 57.8 million). This was partially compensated by the payment of the second tranche of the equity capital increase resolved by the principal shareholders, in the amount of EUR 20.0 million. Total equity stands at EUR 185.5 million (NürnbergMesse GmbH: EUR 206.8 million).

Provisions decreased by EUR 15.8 million (NürnbergMesse GmbH: EUR 16.0 million). This change primarily resulted from a

decrease in tax provisions, provisions for personnel expenses, and provisions for outstanding invoices.

Total liabilities decreased by EUR 3.3 million (NürnbergMesse GmbH: EUR 0.9 million). Payments received on account decreased by EUR 45.9 million because of the cancellation of numerous events (NürnbergMesse GmbH: EUR 44.4 million). To safeguard liquidity, existing credit lines were expanded and used in part; medium-term loans were also taken out, leading to an increase of EUR 57.4 million in liabilities to banks (NürnbergMesse GmbH: EUR 55.2 million). The majority of the medium and long-term liabilities at the balance sheet date are hedged against interest risk.

As of 31 December 2020, the NürnbergMesse Group's fixed assets were covered 80.4 % by equity and long-term liabilities (NürnbergMesse GmbH: 81.5 %). The previous year's figure was 75.3 % (NürnbergMesse GmbH: 73.7 %).

Working capital (current assets to short-term liabilities) amounted to 32.6 % (NürnbergMesse GmbH: 20.3 %). Working capital for the previous year stood at 54.4 % (NürnbergMesse GmbH: 38.1 %).

Cash flow developed as follows:

EUR million	NürnbergMesse Group		NürnbergMesse Group	
	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
Cash flow from operating activities	-97.5	57.0	-91.9	52.7
Cash flow from investing activities	-17.9	-35.4	-14.9	-35.3
Cash flow from financing activities	66.0	-14.5	66.0	-17.0
Cash flow, total	-49.4	7.1	-40.8	0.4

Outlook, risks, and opportunities

Trade fairs and conventions reflect their various industries and technology communities – either in terms of companies' innovative strength or their economic situation. The events of the pandemic and their impact on the global economy and business climate directly impacted business activity and therefore the trade fair business as well. To better assess the risk posed by the COVID-19 pandemic – along with other risks associated with the pandemic or not – it is worth looking at economic conditions in Germany and around the world.

The ifo Institute's business climate forecast for the spring of 2021 emphasises that future business developments will depend crucially on the evolution of pandemic infections. The initial easing of anti-infection measures in March 2021 showed that a rapid recovery of business was possible. At the time of that outlook, however, the spread of the infection still was not under control, the inoculation campaign was slowing, and new anti-infection measures were expected; hence the Institute revised its outlook from December 2020 accordingly. The ifo Institute now does not expect a business recovery, especially in the areas of the service sector that involve social contact, until later in the year. Accordingly, overall economic activity is not expected to increase until the second and third quarters of 2021, and then by about 2%. The Institute continues to expect a return to pre-crisis levels by the end of calendar year 2021. The ifo Institute projects an overall price-adjusted gross domestic product of +3.7% for 2021, a 0.5% decrease from the winter forecast.¹⁰⁾

The pandemic has had a decided impact on the job market, as unemployment rose to about 2.75 million people in February 2021. Compared with the first wave, the increase from the second wave of the COVID-19 pandemic has been small and has been limited primarily to people working in retail and the hospitality industry. Nevertheless, the ifo Institute expects unemployment to rise again slightly in the coming months. As a result of the recovering business climate from mid-year onwards, unemployment is expected to decline to 2.4 million people by the end of 2022.

The ifo Institute's March 2021 report notes that the overall economic outlook involves a great many imponderables. There's a downside risk in the coming months as a function of the evolution of infections and inoculations, along with the possibility that reopening might be delayed: for instance, until June 2021. But a more rapid recovery of general economic demand is also conceivable as private households begin to spend their immense surplus savings of more than EUR 100 billion.

The ifo Institute also expects economic developments in the euro area to depend on the future course of the pandemic and the resulting measures. A gradual lifting of restrictions starting in April has yielded a substantial increase in economic activity. Assuming that the population becomes widely vaccinated and anti-infection measures are eased completely, for its winter outlook the Institute projects that business will continue recovering from the third quarter of 2021 and achieve an average of 4.2% for the year.¹¹⁾

As a consequence of the COVID-19 pandemic, as of the end of 2020 the ifo Institute expected the global economy to show a substantially lower production potential – especially in the advanced economies compared with the situation before the crisis. Despite assistance measures from the state, the corporate sector around the world will see an appreciable increase in insolvencies.

As the International Monetary Fund sees it, several vaccine approvals and the beginning of inoculations in some countries in December 2020 have raised hopes of a potential end to the pandemic.¹²⁾ Despite the large numbers of people affected by it, economic activity seems to be adapting to restricted options for contact. The IMF also expects that the policy measures announced at the end of 2020 will continue to support the global economy over the next two years as well. Renewed waves of the pandemic, new variants of the virus, and difficulties with distributing vaccines pose concerns. At the same time, the IMF warns that recovery will vary significantly from one country to another. Economic recovery will depend on access to medical interventions and the effectiveness of policy support. Given these uncertainties, the IMF projects growth of 5.5% in the global economy.

RISK ANALYSIS

NürnbergMesse has been performing a systematic analysis to assess the Company's risk situation every year since 2000, examining and assessing the various individual risks at the operational and strategic levels and aggregating them in a general risk picture to calculate the effects on the Company's economic situation. The results are being used to develop a value-oriented risk management system.

¹⁰⁾ ifo Economic Forecast Spring 2021: The German Economy Is Stumbling into the Third Corona Wave, 24 March 2021: <https://www.ifo.de/en/publikationen/2021/article-journal/ifo-economic-forecast-spring-2021-german-economy-staggering>

¹¹⁾ "ifo Economic Forecast Winter 2020: The Coronavirus Strikes Back – Another Shutdown Slows the Economy for a Second Time." 16 December 2020: <https://www.ifo.de/en/ifo-forecast/20201216>

¹²⁾ IMF "World Economic Outlook Update." January 2021: <https://www.imf.org/en/Publications/WEO/Issues/2021/01/26/2021-world-economic-outlook-update>

The risk management system is applied to the entire NürnbergMesse Group. Especially when new equity investments and subsidiaries are acquired or founded, the NürnbergMesse Group ensures that they are integrated into its risk management system. Identified risk areas are reviewed and assessed annually, adjusted or expanded as necessary, and documented in the NürnbergMesse Group's Risk Atlas.

The full scope of the COVID-19 pandemic and the resulting restrictions on the trade fair business were unforeseeable. Nevertheless, the risk management system did detect risks from the growing significance of digital forums and services, and these received a boost from the pandemic. Another threat identified was cybercrime. To prepare the Company for both risks, a new Digital + IT risk category was introduced into the risk management system in 2019 and applied for the first time last year. In this risk category, the risk management system monitors the principal changes and risks that digitalisation represents for NürnbergMesse's core business.

The cancellation or postponement of a majority of trade fairs and conventions during the pandemic year 2020 created an economic risk that had hitherto been considered unlikely. It has impacted the entire global event industry and NürnbergMesse as well. To offer its clients their important platforms for knowledge exchange, even though events were largely banned in 2020, NürnbergMesse developed digital formats within just a few months that enabled it to compensate somewhat – though only to a small extent – for the sales lost to the cancellation of in-person events. Savings were undertaken in personnel and material expenses to safeguard the Company's liquidity; major investment projects were also suspended and postponed until further notice.

In order to better respond to the pandemic's hindering impact on development, NürnbergMesse implemented a regular liquidity forecast. It was also necessary to increase borrowing by EUR 55.2 million in 2020, and the financial assistance known as November and December Aid has been or will be applied for. Approval of these applications would have a positive impact on the financial situation.

Equity increases of roughly EUR 140 million are planned for 2021 through 2025 as the principal shareholders' contribution to financing the modified master plan for real estate.

The Group uses derivative financial instruments like swaps and caps to hedge against interest risks on current and future loans. Foreign exchange risks are countered case by case by entering into forward exchange transactions.

At the beginning of the pandemic, a number of measures were adopted to improve the Company's liquidity picture. Controlling introduced new oversight mechanisms, and a strict savings policy was established. Personnel expenses were effectively reduced, especially by not filling job vacancies as they opened up, putting a freeze on hiring, completely eliminating holiday pay and overtime, and for the first time in NürnbergMesse history, making use of the *Kurzarbeit* scheme for subsidised shortened work schedules.

The risk analysis report is examined each year by the NürnbergMesse Supervisory Board. At the meeting on 29 June 2020, all material risks for fiscal year 2021 were explored and the planned countermeasures were explained in detail.

OUTLOOK:

THE YEAR 2021 FOR THE NÜRNBERGMESSE GROUP

The COVID-19 pandemic left a deep mark on NürnbergMesse's 2020 fiscal year. Anti-infection measures meant that no trade fairs could be held in person at the Nuremberg Exhibition Centre from March 2020 onwards. Although inoculations have begun, the evolution of infections will still decide when trade fairs and conventions can be held on-site once again. NürnbergMesse is planning for some of its 2021 events to take digital and hybrid forms. Participation in the Company's digital formats and applications for the planned hybrid events have both been promising, but they also make it clear that companies need trade fairs as important platforms for their innovations – and even more so after the pandemic. But a restart of the trade fair business is not likely to depend on concepts for hygiene and safety alone, or on the evolution of infection figures. A far more relevant factor will probably be the extent to which international business travel becomes possible again.

Even before the pandemic, NürnbergMesse introduced its ORGA+ corporate restructuring programme and established the new Corporate Digital Development and Services units – and so the Company had already set its course on sharpening its focus on industries' needs and offering its clients true value added in two important areas for the future, Digital and Services.

In order to offer the necessary alternatives, NürnbergMesse made the most of the COVID year 2020 by building extensive new skills in developing digital event formats and services. Even after the pandemic, these will continue to play an important role in offering clients an up-to-the-minute trade fair experience.

As soon as international exhibitors and visitors can travel to Nuremberg for trade fairs and conventions, the question of sustainability – the carbon footprint – will also inevitably become acute. NürnbergMesse believes that sustainability will be an increasingly important factor in deciding whether to attend a trade fair and in choosing a trade fair location. That is why the Company is focussing its Corporate Responsibility operations on the United Nations' 17 Sustainability Development Goals (SDGs). A key contributor is the Company's own plan to make the Exhibition Centre's energy supply CO₂-neutral.

Even once the pandemic passes, the international trade fair business will still be the NürnbergMesse Group's most important growth field. The pandemic and its effects have manifested very differently for the Group's subsidiaries. Whilst China – the first country to be affected by the pandemic – was already restarting trade fairs in the summer of 2020, other countries like Brazil and India have not held any in-person events at all since that time. On a case by case basis, subsidiaries like those in Brazil and India are receiving welcome support from their previous exhibitors, who will still be incorporating trade fairs into their marketing mix as important platforms when business resumes after the pandemic. It will send a crucial signal to exhibitors and visitors when the appropriate conditions are achieved in individual countries and trade fairs can begin to be held in person again. These requirements have already been defined by the Indian government in the form of a catalogue of measures for occasions like B2B events.

NürnbergMesse's concept for success is still to help successful event formats evolve even more and to realise new trends in new events. In June, for example, HYDROGEN DIALOGUE, one of the most important events for the hydrogen community, will

be held for the second time in Nuremberg. The BIOFACH WORLD product family is opening a new branch for the Arabian and North African region with BIOFACH SAUDI ARABIA in Riyadh. And NürnbergMesse Italia is developing the second event of its own, Ospitiamo, which will focus on products and services for all topics and aspects of alternative, unconventional forms of travel accommodations.

»NürnbergMesse's concept for success is still to help successful event formats evolve even more, and to realise new trends in new events.«

In 2021 as in 2020, developments in the trade fair business will still be contingent on the COVID-19 pandemic and its effects. Given the uncertainties about when trade fairs and conventions will be able to take place again in person, any specific predictions about net incomes/losses and consolidated profits/losses for the year are encumbered with an equally high degree of uncertainty. If trade fairs and conventions can be held again starting in September 2021, both consolidated sales and sales at the GmbH level should amount to the medium to high double-digit millions. On that assumption, both the Company and the Group would show a negative result in the high double-digit millions. If trade fair operations resume later, there would be a corresponding adverse impact on these figures.

The pandemic is significantly hampering the development of both the GmbH and the Group and disrupting the very positive long-term trend in their business performance. Based on current planning scenarios and the steps already taken to safeguard liquidity, management assumes that liquidity will be assured during the projection period, and that there is no threat to the Company's continuing existence.

Nuremberg, 9 April 2021

Dr Roland Fleck
CEO

Peter Ottmann
CEO

→ BALANCE SHEET

Consolidated balance sheet for the fiscal year ended 31 December 2020

NürnbergMesse Group

ASSETS	31 Dec 2020 EUR	31 Dec 2019 EUR
A. Fixed assets		
I. Intangible fixed assets		
1. Software	3,242,481.07	2,394,444.28
2. Event rights	11,017,211.07	11,583,616.22
3. Customer base and other rights	1,100,444.42	1,375,555.54
4. Goodwill	15,838,048.08	16,407,097.29
5. Prepayments	1,351,451.08	826,911.83
	32,549,635.72	32,587,625.16
II. Property, plant and equipment		
1. Land, similar land rights, and buildings including buildings on third-party land	281,687,343.31	296,270,010.20
2. Technical equipment and machinery	10,144,329.00	7,257,499.00
3. Other equipment, operating and office equipment	19,399,839.86	15,220,775.59
4. Prepayments and assets under construction	7,694,729.90	20,861,770.65
	318,926,242.07	339,610,055.44
III. Financial assets		
1. Shares in affiliated companies	220,008.78	235,008.78
2. Equity investments	1,451,377.22	1,451,377.22
3. Equity investments in associated companies	440,355.25	565,313.92
4. Other loans	222,357.61	322,503.65
5. Cooperative shares	7,800.00	7,800.00
	2,341,898.86	2,582,003.57
B. Current assets		
I. Inventory		
1. Raw materials, consumables, and supplies	2,138,957.02	1,867,260.32
2. Work in progress and services	1,025,930.25	4,590,427.75
./ Advance payments received	-1,025,930.25	-4,474,115.09
	2,138,957.02	1,983,572.98
II. Receivables and other assets		
1. Trade receivables	3,207,738.64	10,420,807.93
› of which with a residual term of more than one year: EUR 0.00 (previous year EUR 484,329.00)		
2. Receivables from affiliated companies	201,155.65	147,006.67
› of which with a residual term of more than one year: EUR 0.00 (previous year EUR 0.00)		
3. Receivables from companies in which participating interests are held	13,154.33	11,721.60
› of which with a residual term of more than one year: EUR 0.00 (previous year EUR 0.00)		
4. Other assets	5,295,036.26	5,624,668.35
› of which with a residual term of more than one year: EUR 653,596.54 (previous year EUR 1,020,164.52)		
	8,717,084.88	16,204,204.55
III. Cash in hand, bank balances, and cheques	12,567,557.64	52,130,465.14
C. Prepaid expenses and deferred charges	3,267,253.38	6,327,568.05
D. Debit difference from asset offsetting	338,626.69	386,190.08
	380,847,256.26	451,811,684.97

EQUITY AND LIABILITIES	31 Dec 2020 EUR	31 Dec 2019 EUR
A. Equity		
I. Subscribed capital	100,204,900.00	100,204,900.00
II. Capital reserves	126,529,299.60	106,529,299.60
III. Revenue reserves	1,249,836.62	1,249,836.62
IV. Difference from currency translation	-4,276,367.50	-3,315,929.28
V. Profit/losses carried forward	29,249,190.58	26,905,832.18
VI. Consolidated profit (+)/loss (-) of NürnbergMesse	-68,621,214.85	2,343,358.40
VII. Non-controlling interests	1,201,866.69	3,508,387.72
	185,537,511.14	237,425,685.24
B. Contribution from silent partners	261,150.00	256,150.00
C. Provisions		
1. Provisions for pensions and similar obligations	5,710,692.48	5,979,130.77
2. Tax provisions	1,429,052.81	9,467,725.04
3. Other provisions	16,956,567.92	24,435,967.18
	24,096,313.21	39,882,822.99
D. Liabilities		
1. Liabilities to banks	132,479,737.23	75,108,727.56
2. Payments received on account for orders	15,433,126.13	61,288,746.51
3. Trade payables	7,311,802.53	19,106,002.62
4. Liabilities to affiliated companies	272,367.65	156,900.69
5. Liabilities to shareholders	1,037,139.97	800,033.33
6. Other liabilities	14,263,724.81	17,610,773.77
› of which from taxes: EUR 1,242,747.84 (previous year EUR 2,685,553.88)		
› of which relating to social security: EUR 148,132.16 (previous year EUR 369,239.50)		
	170,797,898.32	174,071,184.48
E. Deferred tax liabilities	154,383.59	175,842.26
	380,847,256.26	451,811,684.97

Balance sheet for the fiscal year ended 31 December 2020

NürnbergMesse GmbH

ASSETS	31 Dec 2020 EUR	31 Dec 2019 EUR
A. Fixed assets		
I. Intangible fixed assets		
1. Software	2,622,871.00	1,834,694.00
2. Event rights	8,164,136.00	9,764,967.00
3. Prepayments	1,351,451.08	813,411.83
	12,138,458.08	12,413,072.83
II. Property, plant and equipment		
1. Land, similar land rights, and buildings including buildings on third-party land	280,558,830.45	295,041,810.45
2. Technical equipment and machinery	10,144,328.00	7,256,806.00
3. Other equipment, operating and office equipment	14,381,012.87	9,117,300.87
4. Prepayments and assets under construction	7,687,042.90	20,760,354.46
	312,771,214.22	332,176,271.78
III. Financial assets		
1. Shares in affiliated companies	46,360,803.94	45,096,228.94
2. Equity investments	2,341,488.10	2,341,488.10
3. Other loans	0.00	83,333.33
	48,702,292.04	47,521,050.37
B. Current assets		
I. Inventory		
1. Raw materials, consumables, and supplies	108,279.44	101,826.08
2. Work in progress and services	455,784.54	2,928,688.55
./ Advance payments received	-455,784.54	-2,928,688.55
	108,279.44	101,826.08
II. Receivables and other assets		
1. Trade receivables	2,426,581.18	3,594,752.09
› of which with a residual term of more than one year: EUR 0.00 (previous year EUR 484,329.00)		
2. Receivables from affiliated companies	5,156,221.42	3,419,212.81
› of which with a residual term of more than one year: EUR 1,000,000.00 (previous year EUR 500,000.00)		
3. Other assets	2,434,144.55	2,549,705.65
› of which with a residual term of more than one year: EUR 24,952.00 (previous year EUR 125,835.00)		
	10,016,947.15	9,563,670.55
III. Cash in hand, bank balances, and cheques	2,522,007.79	34,796,190.75
C. Prepaid expenses and deferred charges	1,075,518.43	5,449,502.81
	387,334,717.15	442,021,585.17

EQUITY AND LIABILITIES

A. Equity

	31 Dec 2020 EUR	31 Dec 2019 EUR
I. Subscribed capital	100,204,900.00	100,204,900.00
II. Capital reserves	126,529,299.60	106,529,299.60
III. Revenue reserves	344,301.09	344,301.09
IV. Profit carried forward	37,489,312.61	35,486,982.12
V. Net income (+)/loss (-) for the fiscal year	-57,810,552.31	2,002,330.49
	206,757,260.99	244,567,813.30
B. Provisions		
1. Provisions for pensions and similar obligations	5,223,000.00	5,537,995.00
2. Tax provisions	1,271,500.00	9,190,000.00
3. Other provisions	14,039,919.81	21,769,743.80
	20,534,419.81	36,497,738.80
C. Liabilities		
1. Liabilities to banks	128,644,444.85	73,390,766.91
2. Payments received on account for orders	9,035,036.79	53,415,565.38
3. Trade payables	5,785,810.12	10,986,998.23
4. Liabilities to affiliated companies	4,118,407.75	6,669,678.42
5. Liabilities to shareholders	520,108.41	278,635.79
6. Other liabilities	11,939,228.43	16,214,388.34
› of which from taxes: EUR 411,111.30 (previous year EUR 2,070,691.02)		
› of which relating to social security: EUR 0.00 (previous year EUR 168,556.79)		
	160,043,036.35	160,956,033.07

→ INCOME STATEMENT

Consolidated income statement for the fiscal year 2020

NürnbergMesse Group

	2020 EUR	2019 EUR
1. Sales revenue	110,268,405.53	285,682,830.85
2. Change in stock of work in progress and services	-3,379,446.27	2,431,608.90
3. Other operating income	5,985,342.38	3,630,543.63
<i>› of which from currency translation: EUR 26,539.43 (previous year EUR 46,100.90)</i>		
Total 1-3	112,874,301.64	291,744,983.38
4. Event expenses	-64,261,866.09	-152,953,193.59
5. Personnel expenses	-45,008,963.95	-59,379,736.32
<i>a) Wages and salaries: EUR -36,106,785.79 (previous year EUR -47,262,840.37)</i>		
<i>b) Social security, post-employment, and other employee benefit costs: EUR -8,902,178.16 (previous year EUR -12,116,895.95)</i>		
<i>› of which post-employment: EUR 2,471,732.89 (previous year EUR 3,084,780.55)</i>		
6. Amortisation on intangible assets and depreciation on property, plant and equipment	-38,426,027.77	-26,729,017.85
7. Other operating expenses	-32,832,504.50	-44,251,514.07
<i>› of which from currency translation: EUR 37,091.49 (previous year EUR 113,147.93)</i>		
Total 4-7	-180,529,362.31	-283,313,461.83
Operating result (subtotal)	-67,655,060.67	8,431,521.55
8. Income from equity investments	30,820.04	16,040.40
Operating result (total)	-67,624,240.63	8,447,561.95
9. Income from other securities and loans of the financial assets	7,153.56	12,849.44
10. Other interest and similar income	358,747.82	482,983.47
<i>› of which from discounting: EUR 6,508.81 (previous year EUR 32,419.90)</i>		
11. Write-downs on financial assets	-50,000.00	0.00
12. Interest and similar expenses	-1,508,260.97	-1,591,830.63
<i>› of which from compounding: EUR 177,573.98 (previous year EUR 168,466.18)</i>		
13. Result from associated companies	-124,958.67	239,472.13
14. Expenses for assumption of losses	-1,093.46	-2,689.07
Earnings before taxes	-68,942,652.35	7,588,347.29
15. Taxes on income	406,158.25	-2,265,149.96
<i>› of which from deferred taxes: EUR 21,458.67 (previous year EUR 21,458.67)</i>		
16. Earnings after income taxes	-68,536,494.10	5,323,197.33
17. Other taxes	-1,702,000.60	-2,067,285.48
18. Consolidated net income (+)/loss (-) for the fiscal year	-70,238,494.70	3,255,911.85
19. Transfer to reserves	0.00	-290,937.95
20. Consolidated net retained profits/net accumulated losses	-70,238,494.70	2,964,973.90
21. Annual profit (+)/loss (-) of non-controlling interests	-1,617,279.85	621,615.50
22. Consolidated profit (+)/loss (-) of NürnbergMesse	-68,621,214.85	2,343,358.40

Income statement for the fiscal year 2020

NürnbergMesse GmbH

	2020 EUR	2019 EUR
1. Sales revenue	82,336,866.75	222,081,105.59
2. Change in stock of work in progress and services	-2,472,904.01	2,125,552.22
3. Other operating income	5,454,194.84	2,893,516.62
<i>› of which from currency translation: EUR 18,188.64 (previous year EUR 36,401.46)</i>		
Total 1-3	85,318,157.58	227,100,174.43
4. Event expenses	-55,657,753.57	-125,979,997.47
5. Personnel expenses	-33,354,610.24	-39,789,869.05
a) Wages and salaries: EUR -26,670,866.26 (previous year EUR -31,349,761.90)		
b) Social security, post-employment, and other employee benefit costs: EUR -6,683,743.98 (previous year EUR -8,440,107.15)		
<i>› of which post-employment: EUR 2,344,336.53 (previous year EUR 2,979,538.78)</i>		
6. Amortisation on intangible assets and depreciation on property, plant and equipment	-33,259,393.93	-22,142,882.47
7. Other operating expenses	-25,664,719.18	-35,657,254.52
<i>› of which from currency translation: EUR 34,125.16 (previous year EUR 76,528.34)</i>		
Total 4-7	-147,936,476.92	-223,570,003.51
Operating result (subtotal)	-62,618,319.34	3,530,170.92
8. Income from equity investments	2,423,650.06	358,302.81
<i>› of which from affiliated companies: EUR 2,423,650.06 (previous year EUR 307,031.78)</i>		
9. Income from profit transfer agreements	6,221,818.16	3,024,101.94
Operating result (total)	-53,972,851.12	6,912,575.67
10. Income from other securities and loans of the financial assets	208.34	5,883.32
11. Other interest and similar income	57,105.81	79,721.65
<i>› of which from affiliated companies: EUR 42,323.75 (previous year EUR 19,717.18)</i>		
<i>› of which from discounting of provisions: EUR 6,508.81 (previous year EUR 32,419.90)</i>		
12. Write-downs on financial assets and on securities of the current assets	-1,325,000.00	-128,065.75
13. Interest and similar expenses	-1,525,988.04	-1,605,371.18
<i>› of which from affiliated companies: EUR 285,677.89 (previous year EUR 200,777.96)</i>		
<i>› of which from compounding of provisions: EUR 166,845.92 (previous year EUR 158,995.55)</i>		
Earnings before taxes	-56,766,525.01	5,264,743.71
14. Taxes on income	573,514.83	-1,322,020.77
15. Earnings after income taxes	-56,193,010.18	3,942,722.94
16. Other taxes	-1,617,542.13	-1,940,392.45
17. Net income (+)/loss (-) for the fiscal year	-57,810,552.31	2,002,330.49

→ STATEMENT OF CHANGES IN FIXED ASSETS

Consolidated statement of changes in fixed assets for the fiscal year 2020

NürnbergMesse Group

Fixed assets	Cost						as at 31 Dec 2020 EUR
	as at 1 Jan 2020 EUR	Change in the consolidated group EUR	Additions 2020 EUR	Disposals 2020 EUR	Reclassification 2020 EUR	Currency translation EUR	
I. Intangible fixed assets							
1. Software	16,331,102.42	0.00	1,837,754.93	-140,488.21	749,867.22	-83,094.33	18,695,142.03
2. Event rights	39,859,406.78	0.00	1,783,723.35	0.00	0.00	-561,856.93	41,081,273.20
3. Films	214,696.88	0.00	0.00	0.00	0.00	0.00	214,696.88
4. Goodwill	27,360,443.61	1,651,050.77	0.00	0.00	0.00	0.00	29,011,494.38
5. Customer base and other rights	4,588,198.48	0.00	0.00	0.00	0.00	0.00	4,588,198.48
6. Prepayments	826,911.83	0.00	1,299,406.47	-25,000.00	-749,867.22	0.00	1,351,451.08
Total intangible fixed assets	89,180,760.01	1,651,050.77	4,920,884.75	-165,488.21	0.00	-644,951.26	94,942,256.06
II. Property, plant and equipment							
1. Land, similar land rights, and buildings including buildings on third-party land	604,789,184.09	0.00	445,094.15	-371,580.20	659,652.13	-57,742.54	605,464,607.63
2. Technical equipment and machinery	57,017,669.81	0.00	69,935.30	0.00	3,931,457.34	0.00	61,019,062.45
3. Other equipment, operating and office equipment	54,637,273.50	0.00	1,810,262.42	-1,644,498.59	7,347,981.76	-93,737.11	62,057,281.97
4. Prepayments and assets under construction	20,861,805.87	0.00	9,772,586.39	-11,000,535.91	-11,939,091.23	0.00	7,694,765.12
Total property, plant and equipment	737,305,933.27	0.00	12,097,878.26	-13,016,614.70	0.00	-151,479.65	736,235,717.17
III. Financial assets							
1. Shares in affiliated companies	235,008.78	0.00	35,000.00	0.00	0.00	0.00	270,008.78
2. Equity investments	1,451,377.22	0.00	0.00	0.00	0.00	0.00	1,451,377.22
3. Equity investments in associated companies (AMA)	1,248,350.00	0.00	0.00	0.00	0.00	0.00	1,248,350.00
4. Other loans	322,503.65	0.00	0.00	-100,146.04	0.00	0.00	222,357.61
5. Cooperative shares	7,800.00	0.00	0.00	0.00	0.00	0.00	7,800.00
Total financial assets	3,265,039.65	0.00	35,000.00	-100,146.04	0.00	0.00	3,199,893.61
Grand total fixed assets	829,751,732.92	1,651,050.77	17,053,763.01	-13,282,248.95	0.00	-796,430.91	834,377,866.83

Consolidated statement of changes in fixed assets for the fiscal year 2020

NürnbergMesse Group

	Depreciation, amortisation, and write-downs						Book value		
	as at 1 Jan 2020	Additions 2020	Result from equity-accounted investments 2020	Disposals 2020	Reclassification 2020	Currency translation	as at 31 Dec 2020	as at 31 Dec 2020	as at 31 Dec 2019
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
Fixed assets									
I. Intangible fixed assets									
1. Software	13,936,658.15	1,732,338.87	0.00	-140,436.90	0.00	-75,899.15	15,452,660.97	3,242,481.07	2,394,444.28
2. Event rights	28,275,790.56	2,066,401.04	0.00	0.00	0.00	-278,129.47	30,064,062.13	11,017,211.07	11,583,616.22
3. Films	214,696.88	0.00	0.00	0.00	0.00	0.00	214,696.88	0.00	0.00
4. Goodwill	10,953,346.32	2,220,099.98	0.00	0.00	0.00	0.00	13,173,446.30	15,838,048.08	16,407,097.29
5. Customer base and other rights	3,212,642.94	275,111.12	0.00	0.00	0.00	0.00	3,487,754.06	1,100,444.42	1,375,555.54
6. Prepayments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,351,451.08	826,911.83
Total intangible fixed assets	56,593,134.85	6,293,951.01	0.00	-140,436.90	0.00	-354,028.62	62,392,620.34	32,549,635.72	32,587,625.16
II. Property, plant and equipment									
1. Land, similar land rights, and buildings including buildings on third-party land	308,519,173.89	15,276,233.36	0.00	0.00	0.00	-18,142.93	323,777,264.32	281,687,343.31	296,270,010.20
2. Technical equipment and machinery	49,760,170.81	1,114,562.64	0.00	0.00	0.00	0.00	50,874,733.45	10,144,329.00	7,257,499.00
3. Other equipment, operating and office equipment	39,416,497.91	4,930,699.04	0.00	-1,637,305.46	0.00	-52,449.38	42,657,442.11	19,399,839.86	15,220,775.59
4. Prepayments and assets under construction	35.22	10,810,581.72	0.00	-10,810,581.72	0.00	0.00	35.22	7,694,729.90	20,861,770.65
Total property, plant and equipment	397,695,877.83	32,132,076.76	0.00	-12,447,887.18	0.00	-70,592.31	417,309,475.10	318,926,242.07	339,610,055.44
III. Financial assets									
1. Shares in affiliated companies	0.00	50,000.00	0.00	0.00	0.00	0.00	50,000.00	220,008.78	235,008.78
2. Equity investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,451,377.22	1,451,377.22
3. Equity investments in associated companies (AMA)	683,036.08	0.00	124,958.67	0.00	0.00	0.00	807,994.75	440,355.25	565,313.92
4. Other loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	222,357.61	322,503.65
5. Cooperative shares	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,800.00	7,800.00
Total financial assets	683,036.08	50,000.00	124,958.67	0.00	0.00	0.00	857,994.75	2,341,898.86	2,582,003.57
Grand total fixed assets	454,972,048.76	38,476,027.77	124,958.67	-12,588,324.08	0.00	-424,620.93	480,560,090.19	353,817,776.65	374,779,684.17

Statement of changes in fixed assets for the fiscal year 2020

NürnbergMesse GmbH

	Cost				as at 31 Dec 2020 EUR
	as at 1 Jan 2020 EUR	Additions 2020 EUR	Disposals 2020 EUR	Reclassification 2020 EUR	
Fixed assets					
I. Intangible fixed assets					
1. Software	14,636,100.63	1,562,517.92	0.00	736,367.22	16,934,985.77
2. Event rights	21,913,620.98	0.00	0.00	0.00	21,913,620.98
3. Films (other)	214,696.88	0.00	0.00	0.00	214,696.88
4. Prepayments	813,411.83	1,299,406.47	-25,000.00	-736,367.22	1,351,451.08
Total intangible fixed assets	37,577,830.32	2,861,924.39	-25,000.00	0.00	40,414,754.71
II. Property, plant and equipment					
1. Land, similar land rights, and buildings including buildings on third-party land	603,413,355.39	445,094.15	-371,580.20	659,652.13	604,146,521.47
2. Technical equipment and machinery	56,968,531.30	69,935.30	0.00	3,931,457.34	60,969,923.94
3. Other equipment, operating and office equipment	40,054,210.94	923,038.59	-951,395.30	7,347,981.76	47,373,835.99
4. Prepayments and assets under construction	20,760,354.46	9,772,586.39	-10,906,806.72	-11,939,091.23	7,687,042.90
Total property, plant and equipment	721,196,452.09	11,210,654.43	-12,229,782.22	0.00	720,177,324.30
III. Financial assets					
1. Shares in affiliated companies	53,076,827.33	2,829,575.00	-240,000.00	0.00	55,666,402.33
2. Equity investments	2,463,913.10	0.00	0.00	0.00	2,463,913.10
3. Other loans	83,333.33	0.00	-83,333.33	0.00	0.00
Total financial assets	55,624,073.76	2,829,575.00	-323,333.33	0.00	58,130,315.43
Grand total fixed assets	814,398,356.17	16,902,153.82	-12,578,115.55	0.00	818,722,394.44

Statement of changes in fixed assets for the fiscal year 2020

NürnbergMesse GmbH

	Depreciation, amortisation, and write-downs				Book value	
	as at 1 Jan 2020 EUR	Additions 2020 EUR	Disposals 2020 EUR	Reclassification 2020 EUR	as at 31 Dec 2020 EUR	as at 31 Dec 2019 EUR
Fixed assets						
I. Intangible fixed assets						
1. Software	12,801,406.63	1,510,708.14	0.00	0.00	14,312,114.77	1,834,694.00
2. Event rights	12,148,653.98	1,600,831.00	0.00	0.00	13,749,484.98	9,764,967.00
3. Films (other)	214,696.88	0.00	0.00	0.00	214,696.88	0.00
4. Prepayments	0.00	0.00	0.00	0.00	0.00	1,351,451.08
Total intangible fixed assets	25,164,757.49	3,111,539.14	0.00	0.00	28,276,296.63	12,138,458.08
II. Property, plant and equipment						
1. Land, similar land rights, and buildings including buildings on third-party land	308,371,544.94	15,216,146.08	0.00	0.00	323,587,691.02	280,558,830.45
2. Technical equipment and machinery	49,711,725.30	1,113,870.64	0.00	0.00	50,825,595.94	7,256,806.00
3. Other equipment, operating and office equipment	30,936,910.07	3,007,256.35	-951,343.30	0.00	32,992,823.12	14,381,012.87
4. Prepayments and assets under construction	0.00	10,810,581.72	-10,810,581.72	0.00	0.00	7,687,042.90
Total property, plant and equipment	389,020,180.31	30,147,854.79	-11,761,925.02	0.00	407,406,110.08	312,771,214.22
III. Financial assets						
1. Shares in affiliated companies	7,980,598.39	1,325,000.00	0.00	0.00	9,305,598.39	46,360,803.94
2. Equity investments	122,425.00	0.00	0.00	0.00	122,425.00	2,341,488.10
3. Other loans	0.00	0.00	0.00	0.00	0.00	83,333.33
Total financial assets	8,103,023.39	1,325,000.00	0.00	0.00	9,428,023.39	48,702,292.04
Grand total fixed assets	422,287,961.19	34,584,393.93	-11,761,925.02	0.00	445,110,430.10	392,110,394.98

→ CASH FLOW STATEMENT

Consolidated cash flow statement

NürnbergMesse Group

	2020 EUR thousand	2019 EUR thousand
Consolidated net income (+)/loss (-) for the fiscal year	-70,238	3,256
+/- Depreciation, amortisation, and write-downs of fixed assets/write-ups of fixed assets	38,476	26,729
+/- Increase/decrease in provisions ¹⁾	-7,650	4,114
+/- Other non-cash expenses and income	1,653	1,020
-/+ Profit/loss from the disposal of fixed assets	38	-9
-/+ Increase/decrease in inventories, trade receivables, and other assets (if not investing or financing activities)	7,710	-2,390
+/- Increase/decrease in trade payables and other liabilities (if not investing or financing activities)	-60,955	22,172
+/- Interest expense/income	946	1,128
- Other income from equity investments	94	-256
+/- Income tax expense/income	-406	2,266
-/+ Income taxes paid	-7,147	-992
1. Cash flow from operating activities	-97,479	57,037
Non-controlling interests in cash flow from operating activities	-1,480	447
+ Payments received from the disposal of property, plant and equipment	531	5
+ Payments received from the disposal of financial assets	107	0
- Payments made for investments in intangible fixed assets	-4,921	-2,287
- Payments made for investments in property, plant and equipment	-12,098	-21,852
- Payments made for investments in financial assets	-35	0
- Payments made for investment in asset cover	0	-38
+/- Payments received from the disposal of/made for investments in consolidated companies and other business units	-1,800	-11,782
+ Interest received	241	363
+ Dividends received	26	147
2. Cash flow from investing activities	-17,921	-35,415
+ Payments received from shareholders	20,137	20,049
- Payments made to shareholders	-660	-501
+ Payments received from loans and borrowings	62,849	0
- Payments made for redemption of loans and borrowings	-15,204	-32,510
- Interest paid	-1,150	-1,532
3. Cash flow from financing activities	65,973	-14,494
Net change in cash funds	-49,427	7,128
+/- Effect on cash funds of exchange rate movements, changes in basis of consolidation, and valuation	-752	-59
+ Cash funds at the beginning of the period ²⁾	31,220	24,152
4. Cash funds at the end of the period³⁾	-18,959	31,220
↳ of which liabilities on current accounts	31,526	20,910

¹⁾ Without discounting effects and changes in asset cover, without changes in provisions for income taxes.

²⁾ Cash funds: cash in hand, bank balances, and cheques. Netted with liabilities on current accounts.

³⁾ Cash funds at the end of the period - 18,959 + liabilities on current accounts 31,526 = cash in hand, bank balances, and cheques 12,567 (of which EUR 950 thousand pledged to secure a loan)

Cash flow statement

NürnbergMesse GmbH

	2020 EUR thousand	2019 EUR thousand
Net income (+)/loss (-) for the fiscal year	-57,811	2,002
+/- Depreciation, amortisation, and write-downs of fixed assets/write-ups of fixed assets	34,584	22,271
+/- Increase/decrease in provisions ¹⁾	-8,517	3,912
+/- Other non-cash expenses and income	4,601	941
-/+ Profit/loss from the disposal of fixed assets	34	10
-/+ Increase/decrease in inventories, trade receivables, and other assets (if not investing or financing activities)	474	-5,824
+/- Increase/decrease in trade payables and other liabilities (if not investing or financing activities)	-56,742	26,918
+/- Interest expense/income	1,388	1,553
- Other income from equity investments	-2,424	-358
+/- Income tax expense/income	-574	1,322
-/+ Income taxes paid	-6,952	-62
1. Cash flow from operating activities	-91,938	52,684
+ Payments received from the disposal of property, plant and equipment	434	0
+ Payments received from the disposal of financial assets	83	0
- Payments made for investments in intangible fixed assets	-2,862	-1,388
- Payments made for investments in property, plant and equipment	-11,211	-18,530
- Payments made for investments in financial assets	-2,830	-15,779
+/- Payments received/made for the short-term management of cash investments with affiliated companies and equity investments	-850	0
+ Interest received	39	14
+ Dividends received	2,300	355
2. Cash flow from investing activities	-14,895	-35,328
+ Payments received from shareholders	20,000	20,000
+ Payments received from loans and borrowings	62,000	0
- Payments made for redemption of loans and borrowings	-15,204	-32,510
+/- Payments received/made from current accounts from affiliated companies and equity investments	291	-3,050
- Interest paid	-1,027	-1,434
3. Cash flow from financing activities	66,060	-16,994
Net change in cash funds	-40,773	362
+ Cash funds at the beginning of the period ²⁾	14,854	14,492
4. Cash funds at the end of the period³⁾	-25,919	14,854
↳ of which liabilities on current accounts	28,441	19,942

¹⁾ Without discounting effects and changes in asset cover, without changes in provisions for income taxes.

²⁾ Cash funds: cash in hand, bank balances, and cheques. Netted with liabilities on current accounts.

³⁾ Cash funds at the end of the period - 25,919 + liabilities on current accounts 28,441 = cash in hand, bank balances, and cheques 2,522 (of which EUR 950 thousand pledged to secure a loan for a subsidiary)

→ STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Statement of changes in shareholders' equity 2020

NürnbergMesse Group

	Parent company						Non-controlling interests			Group	
	Subscribed capital	Capital reserves	Revenue reserves	Difference from currency translation	Profit/loss carried forward	Consolidated profit/loss attributable to the parent company	Equity	Non-controlling interests before net income/loss for the fiscal year	Annual profit/loss of non-controlling interests	Equity	Consolidated equity
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
Balance as at 31 Dec 2019	100,204,900.00	106,529,299.60	1,249,836.62	-3,315,929.28	26,905,832.18	2,343,358.40	233,917,297.52	2,886,772.22	621,615.50	3,508,387.72	237,425,685.24
Transfers to/withdrawals from reserves	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contributions	0.00	20,000,000.00	0.00	0.00	0.00	0.00	20,000,000.00	118,926.03	0.00	118,926.03	20,118,926.03
Withdrawals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-57,588.62	0.00	-57,588.62	-57,588.62
Carried forward from previous year	0.00	0.00	0.00	0.00	2,343,358.40	-2,343,358.40	0.00	621,615.50	-621,615.50	0.00	0.00
Currency translation	0.00	0.00	0.00	-960,438.22	0.00	0.00	-960,438.22	0.00	0.00	0.00	-960,438.22
Other changes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-750,578.59	0.00	-750,578.59	-750,578.59
Consolidated net retained profits/net accumulated losses	0.00	0.00	0.00	0.00	0.00	-68,621,214.85	-68,621,214.85	0.00	-1,617,279.85	-1,617,279.85	-70,238,494.70
Balance as at 31 Dec 2020	100,204,900.00	126,529,299.60	1,249,836.62	-4,276,367.50	29,249,190.58	-68,621,214.85	184,335,644.45	2,819,146.54	-1,617,279.85	1,201,866.69	185,537,511.14

Statement of changes in shareholders' equity in 2019

NürnbergMesse Group

	Parent company						Non-controlling interests			Group	
	Subscribed capital	Capital reserves	Revenue reserves	Difference from currency translation	Profit/loss carried forward	Consolidated profit/loss attributable to the parent company	Equity	Non-controlling interests before net income/loss for the fiscal year	Annual profit/loss of non-controlling interests	Equity	Consolidated equity
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
Balance as at 31 Dec 2018	100,204,900.00	86,529,299.60	958,898.67	-3,270,340.03	-1,054,723.59	27,960,555.77	211,328,590.42	2,439,730.26	136,932.91	2,576,663.17	213,905,253.59
Transfers to/withdrawals from reserves	0.00	0.00	290,937.95	0.00	0.00	0.00	290,937.95	0.00	0.00	0.00	290,937.95
Contributions	0.00	20,000,000.00	0.00	0.00	0.00	0.00	20,000,000.00	12,599.91	0.00	12,599.91	20,012,599.91
Withdrawals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-487,852.84	0.00	-487,852.84	-487,852.84
Carried forward from previous year	0.00	0.00	0.00	0.00	27,960,555.77	-27,960,555.77	0.00	136,932.91	-136,932.91	0.00	0.00
Currency translation	0.00	0.00	0.00	-45,589.25	0.00	0.00	-45,589.25	0.00	0.00	0.00	-45,589.25
Other changes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	785,361.98	0.00	785,361.98	785,361.98
Consolidated net retained profits/net accumulated losses	0.00	0.00	0.00	0.00	0.00	2,343,358.40	2,343,358.40	0.00	621,615.50	621,615.50	2,964,973.90
Balance as at 31 Dec 2019	100,204,900.00	106,529,299.60	1,249,836.62	-3,315,929.28	26,905,832.18	2,343,358.40	233,917,297.52	2,886,772.22	621,615.50	3,508,387.72	237,425,685.24

→ ABRIDGED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AND NOTES FOR THE FISCAL YEAR 2020

1. General information

NürnbergMesse GmbH, headquartered in Nuremberg, is entered in the Commercial Register of Nuremberg Local Court (Amtsgericht) under No. HRB 761.

These annual financial statements have been prepared in accordance with Sections 242 et seq. of the German Commercial Code (HGB), taking into account the provisions applicable to corporations (Sections 264 et seq. HGB) as amended by the Act Implementing the European Accounting Directive (BilRUG) and in accordance with the relevant and applicable provisions of the German Limited Liability Companies Act (GmbHG). The consolidated financial statements have been prepared in accordance with the provisions of Sections 290 et seq. HGB.

Property, plant and equipment; other provisions; provisions for pensions and similar obligations; and other liabilities are valued in a manner deviating from tax law. As a result, they yield deferred taxes. Deferred tax assets exceed the deferred tax liabilities. The option to form an asset position for deferred tax income in accordance with Section 274 (1) sentence 2 HGB has not been exercised in the single-entity financial statements. Deferred taxes are calculated using the individual tax rate for NürnbergMesse GmbH of 32.3%. The deferred tax assets resulting from the single-entity financial statements were also not capitalised in the consolidated financial statements. Where deferred tax positions resulted from changes in the scope of consolidation under Section 306 HGB, these were recognised in the consolidated balance sheet. These deferred tax positions were calculated on the basis of the individual tax rate applicable to the Group company concerned. In fiscal 2020, deferred tax liabilities of EUR 21 thousand were reversed. As at 31 December 2020, this item totalled EUR 154 thousand.

The Company is classified as a large corporation under Section 267 (3) HGB. The income statement has been prepared according to the total cost (nature of expense) format.

A. CONSOLIDATED FINANCIAL STATEMENTS

NürnbergMesse GmbH prepares consolidated financial statements in accordance with Sections 290 et seq. HGB.

B. CONSOLIDATED GROUP/LIST OF EQUITY INVESTMENTS

LEHRIEDER CATERING-PARTY-SERVICE GmbH & Co. KG is included because of the possibility of control as a result of a majority of voting rights under the Articles of Association.

NürnbergMesse North America Inc., formed on 21 September 2007, and Nürnberg-Messe China Co., Ltd., formed on 31 October 2006, were included in the consolidated financial statements in accordance with Section 301 (1) HGB, former version, for the first time in 2008, applying the book value method.

In 2009, NürnbergMesse GmbH acquired 99.99% in NürnbergMesse Brasil Feiras e Congressos Ltda. (formerly Nielsen Business Media Brasil Feiras e Congressos Ltda.). The remaining 0.01% was acquired by NürnbergMesse Beteiligungs-GmbH. In accordance with Section 301 (1) HGB, former version, the Brazilian subsidiary was included in the consolidated financial statements according to the book value method for the first time as at the acquisition date of 7 April 2009. Hiria a NürnbergMesse Brasil Business Ltda., headquartered in São Paulo, was formed on 1 January 2020, with NürnbergMesse Brasil Feiras e Congressos Ltda. holding an interest of 55%. In accordance with Section 296 (2) HGB, Hiria a NürnbergMesse Brasil Business Ltda. is not included in the 2020 consolidated financial statements due to its secondary importance.

In accordance with Section 296 (2) HGB, NürnbergMesse Italia S.r.l., formed on 11 May 2009, is not included in the 2020 consolidated financial statements due to its secondary importance.

The limited partner share of 50% of the limited partner capital in Holtmann GmbH & Co. KG and 50% of Holtmann Beteiligungsverwaltungs GmbH (general partner company) was acquired effective 1 January 2010. Capital increases were agreed to at Holtmann GmbH & Co. KG and at Holtmann Beteiligungsverwaltungs GmbH by way of a contract dated 30 October 2020. As a result, NürnbergMesse GmbH now holds 66.67% of the shares of each of these companies. In accordance with Section 296 (2) HGB, Holtmann Beteiligungsverwaltungs GmbH is not included in the 2020 consolidated financial statements due to its secondary importance.

A 50% share was assumed by Holtmann GmbH & Co. KG on 8 November 2010 when mesomondo GmbH was formed. The remaining 50% was acquired effective 1 March 2011, so that Holtmann GmbH & Co. KG holds 100% of mesomondo GmbH. In accordance with Section 296 (2) HGB, mesomondo GmbH is not included in the 2020 consolidated financial statements due to its secondary importance.

Holtmann GmbH & Co. KG acquired 100% of E(POMONDO S.r.l. when the latter was formed in 2012. In 2019, the company was renamed Expomondo GmbH and its headquarters moved to Germany. In accordance with Section 296 (2) HGB, Expomondo GmbH is not included in the 2020 consolidated financial statements due to its secondary importance.

As at 8 December 2020, Holtmann GmbH & Co. KG acquired 90% of Hamburg-based The Y GmbH. The Y GmbH is not included in the 2020 consolidated financial statements due to its secondary importance.

SMT/ASIC/Hybrid MESAGO Messe & Kongreß GmbH & Co. oHG is not included in the consolidated financial statements under equity accounting as per Section 311 (2) HGB due to its secondary importance as a result of its small contribution to earnings.

NürnbergMesse GmbH acquired a 24.5% share in the newly-established ExpoNova Exhibitions and Conferences (India) Pvt. Ltd. effective 16 January 2013. In accordance with Section 311 (2) HGB, it is likewise not included under equity accounting in the 2020 consolidated financial statements due to its secondary importance.

NürnbergMesse India Pvt. Ltd. was formed in New Delhi on 10 April 2013. NürnbergMesse GmbH holds 99.96% and NürnbergMesse Beteiligungs-GmbH 0.04% of NürnbergMesse India. As it is no longer of secondary importance, NürnbergMesse India was included in the consolidated financial statements for the first time for 2016. Because of its different fiscal year, interim financial statements were prepared as at 31 December 2020.

NürnbergMesse GmbH acquired 50% of the shares of LEHRIEDER CATERING-PARTY-SERVICE GmbH & Co. KG, effective 1 January 2016. In 2016, LEHRIEDER CATERING-PARTY-SERVICE GmbH & Co. KG was included in the consolidated financial statements for the first time in accordance with Section 301 HGB, using the revaluation method. By way of a contract dated 18 December 2020 and effective 1 January 2021, NürnbergMesse GmbH acquired the remaining 50% of the shares.

NürnbergMesse GmbH acquired 50% of the shares of Lehrieder Verwaltungs-GmbH effective 1 January 2016. In accordance with Section 296 (2) HGB, Lehrieder Verwaltungs-GmbH is not included in the 2020 consolidated financial statements due to its secondary importance. By way of a contract dated 18 December 2020 and effective 1 January 2021, NürnbergMesse GmbH acquired the remaining 50% of the shares.

Effective 1 January 2016, NürnbergMesse GmbH contributed Lilly Verwaltungs- und Beteiligungsgesellschaft mbH to LEHRIEDER CATERING-PARTY-SERVICE GmbH & Co. KG, so that LEHRIEDER CATERING-PARTY-SERVICE GmbH & Co. KG became the 100% owner of Lilly Verwaltungs- und Beteiligungsgesellschaft mbH. In accordance with Section 296 (2) HGB, Lilly Verwaltungs- und Beteiligungsgesellschaft mbH is not included in the 2020 consolidated financial statements due to its secondary importance.

Effective 1 January 2016, NürnbergMesse GmbH contributed Gaststättenbetrieb Kurt Lilly GmbH & Co. KG to LEHRIEDER CATERING-PARTY-SERVICE GmbH & Co. KG, so that LEHRIEDER CATERING-PARTY-SERVICE GmbH & Co. KG became the 100% owner of Gaststättenbetrieb Kurt Lilly GmbH & Co. KG. In accordance with Section 296 (2) HGB, Gaststättenbetrieb Kurt Lilly GmbH & Co. KG is not included in the 2020 consolidated financial statements due to its secondary importance.

NürnbergMesse GmbH holds 51% of the shares of MedtecLIVE GmbH, which was founded on 4 May 2018 and entered in the Commercial Register on 8 May 2018. In 2018, MedtecLIVE GmbH was included in the consolidated financial statements for the first time in accordance with Section 301 HGB, using the revaluation method. As at 12 December 2019, NürnbergMesse GmbH acquired the remaining 49% of the shares, making NürnbergMesse GmbH the 100% owner of MedtecLIVE GmbH.

NürnbergMesse GmbH acquired 80% of the shares of FORUM S.A. effective 30 June 2019. In 2019, FORUM S.A. was included in the consolidated financial statements for the first time in accordance with Section 301 HGB, using the revaluation method. As at 1 December 2020, NürnbergMesse GmbH acquired another 10% of the shares.

C. CONSOLIDATION PRINCIPLES

Amongst the domestic subsidiaries included in the consolidated financial statements, a controlling and profit-and-loss transfer agreement is in place only with NürnbergMesse Beteiligungs-GmbH.

The annual financial statements of all included companies, as well as the consolidated financial statements, have the closing date of 31 December 2020 and are prepared in accordance with uniform accounting policies. Because the company has a different fiscal year, interim financial statements at 31 December 2020 were prepared for NürnbergMesse India Pvt. Ltd. The original closing date for the annual financial statements of NürnbergMesse India Pvt. Ltd. was 31 March 2020. The capital of the subsidiaries acquired before 1 January 2010 was consolidated using the book value method by offsetting the acquisition values of the equity investments against the proportional equity capital at the time of purchase or date when the subsidiary was included in the consolidated financial statements for the first time. As a rule, the capital consolidation of the subsidiaries acquired starting in fiscal year 2010 is stated in accordance with Section 301 HGB, using the revaluation method. The asset-side differences resulting from capital consolidation of these subsidiaries are either assigned to these subsidiaries' hidden reserves or event rights, or are recognised as goodwill.

NürnbergMesse Service GmbH was consolidated for the first time as at 31 December 2001, according to the book value method. The difference on the liabilities side was allocated to revenue reserves.

NürnbergMesse Beteiligungs GmbH was consolidated for the first time as at 31 December 2002, according to the book value method. The resulting difference from asset offsetting was recognised in event rights and written down over the respective useful life, ending in 2017.

NürnbergMesse North America Inc. and NürnbergMesse China Co., Ltd. were consolidated for the first time as at 31 December 2008, according to the book value method. Goodwill was amortised over four years, ending in 2012.

NürnbergMesse Brasil Feiras e Congressos Ltda. was consolidated for the first time as at 31 March 2009, according to the book value method. The resulting goodwill will be amortised over 15 years, as the trade fair business is assumed to have a long-term focus and the goodwill can presumably be utilised over that period.

Holtmann GmbH & Co. KG was consolidated for the first time as at 1 January 2010, using the revaluation method. The goodwill was amortised over five years, ending in 2014.

NürnbergMesse India Pvt. Ltd., formed in fiscal year 2013 and initially not consolidated because of its secondary importance in accordance with Section 296 (2) HGB, was consolidated for the first time as at 1 January 2016. In accordance with Section 301 (2) sentences 3 and 4 HGB, the valuation ratios at the date of a subsidiary's first consolidation are generally taken as a basis. However, the decision was made not to perform a revaluation because the parent company founded the company itself. The difference between the cost of acquiring the subsidiary and the carrying value of equity in Commercial Balance Sheet II was offset against the consolidated losses carried forward, with no net effect on profit or loss.

LEHRIEDER CATERING-PARTY-SERVICE GmbH & Co. KG was consolidated for the first time as at 1 January 2016, using the revaluation method. Goodwill will be amortised over 10 years, as the catering business is assumed to have a long-term focus and the goodwill can presumably be utilised over that period.

On 8 May 2018, MedtecLIVE GmbH was included in the consolidated financial statements for the first time, according to the revaluation method. Goodwill will be amortised over 10 years, as the trade fair business is assumed to have a long-term focus and the goodwill can presumably be utilised over that period. A write-off was recognised in the 2019 consolidated financial statements due to the lower acquisition cost of the shares of the former minority shareholder UBM (49%) in December 2019. The goodwill generated by this acquisition will be amortised over 10 years, as the trade fair business is assumed to have a long-term focus.

As at 30 June 2019, FORUM S.A. was included in the consolidated financial statements for the first time, according to the revaluation method. Goodwill will be amortised over 10 years, as the trade fair business is assumed to have a long-term focus and the goodwill can presumably be utilised over that period. The goodwill generated by the acquisition of additional shares will be amortised over 10 years, as the trade fair business is assumed to have a long-term focus.

AMA-Service GmbH was included at equity in the consolidated financial statements for the first time in 2004, according to the book value method. The associated company was first consolidated at the time the shares were acquired (1 January 2004). The same date was used in calculating the difference arising on consolidation. The difference on the asset side from the proportionate equity was originally amortised over four years using the straight-line method based on the useful life of the event right. In 2006, the residual useful life was extended to six years because of the early extension of the license agreement, so amortisation ended in 2011.

The receivables and liabilities between the companies included in the consolidated financial statements are offset. The differences resulting from the offsetting of receivables and liabilities in foreign currencies are treated as a "difference from currency translation" taken directly to equity.

Intra-Group income is offset against corresponding expenses. Provisions set aside to cover obligations to other consolidated companies in the single-entity annual financial statements of NürnbergMesse are reversed in the consolidated financial statements and lead to a difference in the consolidation of debt or expenditure and of income.

The currencies of the balance sheets and income statements of consolidated foreign subsidiaries are translated according to the modified closing rate method.

Accordingly, equity – except for the net income/loss for the year – is translated at historical exchange rates, and the other asset and liability positions – except for depreciation and amortisation on fixed assets – are translated at the mean spot rates at the balance sheet date.

The items in the income statement of the Group are translated at the annual average rates. The net income/loss for the year from the translated income statement is transferred to the consolidated balance sheet, and the difference is not recognised in the income statement.

2. Disclosures for the balance sheet of NürnbergMesse GmbH and consolidated balance sheet

ASSETS

A. FIXED ASSETS

Intangible fixed assets are measured at cost less amortisation. Amortisation in the year of addition is applied pro rata temporis.

Property, plant and equipment is recognised at cost in compliance with the accounting provisions of the German Commercial Code, applying depreciation over the estimated useful life.

Buildings are recognised at cost. Some of the debt capital interest is capitalised over the period of construction. During the fiscal year, debt capital interest was capitalised in the prepayments and assets under construction item in the amount of EUR 89 thousand.

Low-value assets with a value of up to EUR 800 were written off immediately in the year they were added.

For **financial assets**, shares in affiliated companies and equity investments are generally recognised at cost. Any subsequent capital increases also increase the cost accordingly. Low-interest loans are recognised at net present value. Where necessary, the lower fair value as at the balance sheet date has been recognised.

B. CURRENT ASSETS

Inventory relates to work in progress and services, which are recognised at cost, taking into account appropriate shares of overhead in accordance with Section 255 (2) HGB, and also advertising materials. Advertising materials are measured at fixed value in accordance with Section 240 (3) HGB. Prepayments received on inventory are openly deducted from inventory. Inventory includes shares of production overhead, including depreciation of EUR 274 thousand.

Receivables and other assets are recognised at nominal value less the appropriate write-downs.

Receivables from affiliated companies of the parent company include EUR 2,118 thousand in trade receivables and EUR 3,038 thousand in other assets. Of the receivables from affiliated companies recognised in the consolidated financial statements, EUR 171 thousand refers to trade receivables and EUR 47 thousand refers to other assets netted against other liabilities in the amount of EUR 17 thousand.

Apart from wage advances, as well as premiums for interest-limiting transactions (caps), other assets of the parent company include only receivables with a residual term of less than one year. The consolidated financial statements also include furnished security deposits and collateral, as well as loans, all with a residual term of more than one year.

C. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are recognised at nominal values and are available for expenses arising shortly after the balance sheet date. The decline in cash and cash equivalents is largely due to events cancelled on account of the coronavirus pandemic and the resulting refunds issued for prepayments received.

EQUITY AND LIABILITIES

A. EQUITY

The subscribed capital remained unchanged in the reporting year.

Capital reserves increased due to cash contributions by the principal shareholder.

The revenue reserves were formed in previous years.

The profit carried forward relates to previous years and is carried forward to new account.

B. PROVISIONS

Provisions that are predominantly long-term have been classified as long-term provisions in full.

The provisions for pensions are recognised according to actuarial reports in accordance with the provisions of the Accounting Law Modernisation Act through the application of the projected unit credit method. The 2018 mortality tables by Dr Klaus Heubeck are applied to the calculation with the following assumptions:

Actuarial interest rate	2.30 % p.a.
Expected pension trend	2.00 % p.a.

There is a difference of EUR 662 thousand between the measurement at the average actuarial interest rate from the past 10 years and the measurement at the rate from the past seven years. The interest component from the change in provisions during the reporting year is recognised under Interest and similar expenses.

The recognised difference from asset offsetting results from netting the pension reinsurance cover against the pension provision for one subsidiary, as provided in Section 246 (2) sentence 2 HGB. The fair value of the netted assets was EUR 504 thousand, cost was EUR 483 thousand, and the fulfilment amount for the offset pension provision was EUR 165 thousand.

For another subsidiary, the fulfilment amount for the pension provision of EUR 323 thousand was netted against the pension reinsurance cover with a cost and a fair value of EUR 127 thousand.

The fair value corresponds to the insurer's reported fair valuation.

Tax provisions are recognised in the amount of the expected charges from taxes not yet assessed, including prepayments made.

The scope of the other provisions is calculated with due regard for commercial principles. Provisions are set aside in the amount of the prospective settlement. For provisions with a residual term of more than one year, future price and cost increases are taken into account and discounting is applied at the balance sheet date. Provisions for anticipated losses were recognised to account for trade fair cancellations and virtual trade fairs held due to the coronavirus pandemic.

The provisions include provisions for maintenance in accordance with Section 249 (1) sentence 3 HGB, former version, and in accordance with Section 249 (2) HGB, former version, which are retained in accordance with Article 67 (3) sentence 1 of the Introductory Act of the German Commercial Code (EGHGB).

C. LIABILITIES

Liabilities were measured at the settlement amount.

Liabilities by residual term

	NürnbergMesse Group			NürnbergMesse GmbH		
	up to one year EUR thousand	one to five years EUR thousand	more than five years EUR thousand	up to one year EUR thousand	one to five years EUR thousand	more than five years EUR thousand
1. Due to banks	41,050	76,247	15,183	37,214	76,247	15,183
<i>(previous year)</i>	<i>37,116</i>	<i>21,310</i>	<i>16,683</i>	<i>35,398</i>	<i>21,310</i>	<i>16,683</i>
2. Payments received on account for orders	15,433	0	0	9,035	0	0
<i>(previous year)</i>	<i>61,262</i>	<i>26</i>	<i>0</i>	<i>53,415</i>	<i>0</i>	<i>0</i>
3. Trade payables	7,016	296	0	5,500	286	0
<i>(previous year)</i>	<i>18,774</i>	<i>332</i>	<i>0</i>	<i>10,655</i>	<i>332</i>	<i>0</i>
4. Due to affiliated companies	272	0	0	4,117	0	1
<i>(previous year)</i>	<i>157</i>	<i>0</i>	<i>0</i>	<i>6,670</i>	<i>0</i>	<i>0</i>
5. Due to shareholders	501	536	0	520	0	0
<i>(previous year)</i>	<i>300</i>	<i>500</i>	<i>0</i>	<i>279</i>	<i>0</i>	<i>0</i>
6. Other liabilities	7,489	6,700	75	5,964	5,900	75
<i>(previous year)</i>	<i>11,632</i>	<i>5,902</i>	<i>77</i>	<i>10,237</i>	<i>5,900</i>	<i>77</i>
Total	71,761	83,779	15,258	62,350	82,433	15,259
<i>(previous year)</i>	<i>129,241</i>	<i>28,070</i>	<i>16,760</i>	<i>116,654</i>	<i>27,542</i>	<i>16,760</i>

The single-entity financial statements of the parent company recognised no liabilities secured by liens or similar rights as at the closing date. In the consolidated financial statements, liabilities to banks of EUR 1,393 thousand are secured by various machinery under a global assignment and transfer as security.

Overdraft facilities were used more than previously due to the effects of the coronavirus pandemic and resulting adverse consequences for the financial position. Furthermore, medium-term loans were obtained to compensate for the loss of cash flow.

Liabilities to affiliated companies of NürnbergMesse GmbH include trade payables of EUR 435 thousand which are netted against trade receivables of EUR 43 thousand. Additional other liabilities of EUR 9,948 thousand are netted against other assets of EUR 6,222 thousand on the basis of the offsetting procedures in place at the domestic subsidiaries. The liabilities to affiliated companies recognised in the consolidated financial statements include EUR 323 thousand in trade payables and EUR 31 thousand in other liabilities reported in the amount obtained after netting against EUR 82 thousand in other assets.

Liabilities to shareholders of NürnbergMesse GmbH include trade payables of EUR 519 thousand and other liabilities of EUR 1 thousand. Liabilities to shareholders in the consolidated financial statements include EUR 519 thousand in trade payables and EUR 518 thousand in other liabilities.

3. Disclosures on the income statement of NürnbergMesse GmbH and consolidated income statement

SALES REVENUE

Sales revenue is classified by activity and geographic market as follows:

Sales revenue by activity type

	NürnbergMesse Group EUR thousand	NürnbergMesse GmbH EUR thousand
Own and partner events	37,470	38,658
Guest events/NCC	23,431	23,431
International	20,896	4,428
MesseService/other	28,471	15,820
Total	110,268	82,337

Sales revenue by region

	NürnbergMesse Group EUR thousand	NürnbergMesse GmbH EUR thousand
Germany	89,393	77,929
Europe without Germany	8,875	744
Asia	9,360	2,174
Americas	2,553	1,486
Other abroad	87	4
Total	110,268	82,337

The sales revenue includes out-of-period income of EUR 158 thousand at NürnbergMesse GmbH and in the Group.

OTHER OPERATING INCOME

The other operating income includes out-of-period income of EUR 5,088 thousand at NürnbergMesse GmbH and EUR 4,678 thousand in the Group. Out-of-period income stems primarily from the reversal of provisions.

EVENT EXPENSES

Event-related expenses primarily include costs for press/information events, exhibitor and visitor advertising, conference and meeting organisation, technical realisation, general material expenses, reports, and remuneration for partners for events in fiscal year 2020. The event expenses include out-of-period expenses of EUR 196 thousand at NürnbergMesse GmbH and in the Group.

DEPRECIATION, AMORTISATION, AND WRITE-DOWNS

This item comprises amortisation of intangible fixed assets, depreciation of property, plant and equipment, and write-downs of financial assets. The write-downs of financial assets for the parent company are recognised separately in accordance with Section 275 (2) HGB.

New construction could not be completed to the extent planned, or at all, due to the effects of the coronavirus pandemic. For this reason, planning costs amounting to EUR 10,811 thousand were written off and derecognised from fixed assets on account of anticipated permanent impairment.

A write-down of EUR 1,325 thousand was recognised in the annual financial statements of the parent company for the temporary impairment of the book value of the equity interest in NürnbergMesse Brasil Feiras e Congressos Ltda.

OTHER OPERATING EXPENSES

Other operating expenses primarily include costs for improvements to services, maintenance, services, and general administrative expenses. The single-entity financial statements of the parent company include out-of-period expenses of EUR 35 thousand. The consolidated financial statements include out-of-period expenses of EUR 178 thousand.

TAXES

Taxes on income consist primarily of income from the reversal of provisions for corporate income tax and trade tax and refunds for prior years. The single-entity and consolidated financial statements include out-of-period income of EUR 727 thousand. Other taxes include EUR 144 thousand in out-of-period income from the reversal of provisions.

4. Other information

Staff		
Annual average		
	NürnbergMesse Group 2020	NürnbergMesse GmbH 2020
Permanent and temporary staff	966	527
Apprentices	41	28
Students, degree BA in business administration, exhibition, congress, and event management at the Baden-Württemberg Cooperative State University (DHBW), Ravensburg	18	15
Trainees	2	2
Total	1,027	572

No **contingent liabilities** to third parties and affiliated companies as defined in Section 251 HGB were present as at the balance sheet date.

Other financial obligations in the Group totalled EUR 28,654 thousand as at the balance sheet date, with EUR 24,390 thousand relating to NürnbergMesse GmbH. The obligations mainly relate to energy supply, rental, and telecommunications contracts and to the open purchase order commitment for fixed assets as at 31 December 2020.

Pension entitlements of the governing bodies result from contractual agreements with members of the Management Board and a former member of the Management Board.

No advances or loans have been paid to the managing directors of NürnbergMesse GmbH or the subsidiaries.

CURRENCY TRANSLATION

Foreign currency receivables with a residual term of one year or less have been translated at the mean spot rate at the closing date in accordance with Section 256a HGB without considering the restriction of the purchasing cost and realisation principle.

Foreign currency liabilities with a residual term of one year or less have been translated at the mean spot rate at the closing date in accordance with Section 256a HGB, without considering the restriction of the maximum value or realisation principle.

DERIVATIVE FINANCIAL INSTRUMENTS

The Group uses derivative financial instruments to hedge against interest rate risks on current loans.

Two interest rate hedges in the form of a maximum rate agreement (cap) were in place at the balance sheet date.

The existing interest rate caps were established in fiscal 2012 for loans of EUR 5,000 thousand and EUR 12,000 thousand with terms until 2021. A valuation unit has been formed for the former loan. For the second interest rate cap, a refinancing during the 2017 fiscal year resulted in a cancellation of the existing hedge valuation unit, with the consequence that the book value of the cap premium recognised amongst "other assets" had to be written down to the fair value. At the balance sheet date, the cap premiums had a total fair value of EUR 0.00, compared to a book value of EUR 3,847.00.

The swap agreement held by the parent company at the balance sheet date, constituting a valuation unit together with the loan liability as the underlying transaction, has a nominal value of EUR 5,000 thousand, reaches maturity in 2022, and has a negative fair value of EUR 254 thousand.

Interest risks from fluctuations in the Euribor rate are prevented through congruent application of Euribor in the hedge transaction if the characteristics of the underlying transaction and hedge transaction match (critical terms match method). Effectiveness is calculated retroactively by comparing the payment flows.

Market and fair values are based on the mark-to-market method and were taken from bank communications.

STATEMENT OF SHARE OWNERSHIP

A current statement of share ownership has been filed with the Nuremberg Local Court under the register number HRB 761.

AUDITOR'S FEE

The total fee for the audit of the 2020 annual financial statements of NürnbergMesse GmbH was EUR 26 thousand. The total auditor's fee for the consolidated financial statements and the domestic subsidiaries included in the consolidated financial statements was EUR 52 thousand. Additionally, expenses of EUR 6 thousand were incurred during the reporting year for other certification services.

SIMPLIFICATIONS FOR GROUP SUBSIDIARIES

Holtmann GmbH & Co. KG, Langenhagen, and LEHRIEDER CATERING-PARTY-SERVICE GmbH & Co. KG, Nuremberg, which are included in the consolidated financial statements of NürnbergMesse GmbH, fulfil the requirements of Section 264b HGB and therefore exercise the option not to publish annual financial statements as at 31 December 2020 or a management report for fiscal 2020. The consolidated financial statements of NürnbergMesse GmbH, Nuremberg, are published in the Electronic Federal Gazette.

5. Events after the balance sheet date

A letter of comfort dated 30 March 2021 was issued in respect of the subsidiary Holtmann GmbH & Co, KG to settle its liabilities in the event of possible insolvency or overindebtedness. NürnbergMesse GmbH's maximum liability is limited to EUR 1 million.

The coronavirus pandemic has persisted beyond the balance sheet date and a number of trade fairs were either cancelled or held virtually as a result, which caused the Company's performance to suffer. For more information, see the management report.

The shareholders agreed to additional measures to strengthen the Company's equity base and secure its liquidity.

6. Governing bodies

Members of the Management Board

Management Board members of NürnbergMesse GmbH in fiscal year 2020 were:

Diplom-Kaufmann Dr rer. pol. Roland Fleck	Nuremberg
Diplom-Kaufmann Peter Ottmann	Schnaittach

Members of the Supervisory Board

Supervisory Board members of NürnbergMesse GmbH in fiscal year 2020 were:

Chairman of the Supervisory Board

State Minister Albert Füracker	Free State of Bavaria
--------------------------------	-----------------------

Deputy Chairman of the Supervisory Board

Dr Ulrich Maly, Lord Mayor	City of Nuremberg (until 30 April 2020)
Marcus König, Lord Mayor	City of Nuremberg (Deputy Chairman from 29 June 2020, as member: City Councillor until 30 April, Lord Mayor since 1 May 2020)

Members of the Supervisory Board

Kerstin Böhm, City Councillor	City of Nuremberg (since 1 May 2020)
Prof. Dr jur. Elmar Forster, General Manager	Chamber of Crafts for Middle Franconia, Nuremberg
Dr Michael Fraas, Full-Time City Councillor	City of Nuremberg
Dr Daniela Hüttinger, City Councillor	City of Nuremberg (until 30 April 2020)
Dr Christian Kelders, Senior Government Official	Free State of Bavaria
Dr Nicole Lang, Leading Ministerial Director	Free State of Bavaria
Markus Löttsch, General Manager	Nuremberg Chamber of Commerce and Industry
Maik Pflaum, City Councillor	City of Nuremberg (since 1 May 2020)
Christian Vogel, Mayor	City of Nuremberg
State Secretary Roland Weigert, Member of the Bavarian Parliament	Free State of Bavaria
Dr Markus Wittmann, Leading Ministerial Director	Free State of Bavaria

Employee representatives on the Supervisory Board

Jürgen Albrecht	NürnbergMesse GmbH
Thomas Benzinger	NürnbergMesse GmbH
Christopher Boss	NürnbergMesse GmbH
Lukas Handrich	NürnbergMesse GmbH
Elke Harreiß	NürnbergMesse GmbH
Andreas Müller	NürnbergMesse GmbH

No compensation was paid to members of the Supervisory Board in the fiscal year.

7. Appropriation of net profit proposed by the Management Board

The Management Board proposes approving the net loss of EUR 57,810,552.31 recognised for the fiscal year ended 31 December 2020 and offsetting it against the profit carried forward of EUR 37,489,312.61.

Nuremberg, 9 April 2021

NürnbergMesse GmbH

Dr Roland Fleck
CEO

Peter Ottmann
CEO

→ AUDITOR'S REPORTS

NürnbergMesse Group

INDEPENDENT AUDITOR'S REPORT

To NürnbergMesse GmbH, Nuremberg

Audit opinions

We have audited the consolidated financial statements of NürnbergMesse GmbH, Nuremberg, and its subsidiaries (the Group) – comprising the consolidated balance sheet as at 31 December 2020, the consolidated income statement, the consolidated statement of changes in equity, and the consolidated cash flow statement for the fiscal year from 1 January to 31 December 2020 and the notes to the consolidated financial statements, including the presentation of the accounting policies. We also audited the combined management report and Group management report (hereinafter: "management report") of NürnbergMesse GmbH, Nuremberg, for the fiscal year from 1 January to 31 December 2020. We did not audit the content of the corporate governance statement pursuant to Section 289f (4) HGB (disclosures on gender quotas) in accordance with the provisions of German law.

In our opinion, based on the findings of our audit,

- the accompanying consolidated financial statements comply, in all material respects, with the provisions of the German Commercial Code and, in compliance with the German generally accepted principles of accounting, give a true and fair view of the net assets and financial position of the Group as at 31 December 2020, as well as its results of operations for the fiscal year from 1 January to 31 December 2020, and
- the accompanying management report provides an accurate picture of the Group's position. In all material respects, this management report is consistent with the consolidated financial statements, complies with German law, and accurately presents the opportunities and risks of future development. Our audit opinion on the management report does not extend to the content of the aforementioned corporate governance statement.

In accordance with Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any objections against the correctness of the consolidated financial statements and the management report.

Basis for the audit opinions

We conducted our audit of the consolidated financial statements and of the management report in accordance with Section 317 HGB and in compliance with the generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer (IDW)). Our responsibility in accordance with these regulations and principles is further described in the section "Auditor's responsibility for the audit of the consolidated financial statements and of the management report" of our auditor's report.

We are independent of the Group companies in accordance with German commercial and professional regulations and have fulfilled our other German professional duties in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and suitable for providing a basis for our audit opinions on the consolidated financial statements and the management report.

Other information

The legal representatives are responsible for the other information. The other information includes the corporate governance statement pursuant to Section 289f (4) HGB (disclosures on gender quotas).

Our audit opinions on the annual financial statements and on the management report do not extend to the other information and, accordingly, we neither express an audit opinion nor make any other form of audit finding regarding the other information.

In connection with our audit, we are required to read the other information and consider whether the other information

- is materially inconsistent with the annual financial statements, the parts of the management report audited for content, or the auditor's knowledge obtained in the audit, or
- otherwise may indicate material misstatement.

Responsibility of the legal representatives and of the Supervisory Board for the consolidated financial statements and management report

The legal representatives are responsible for the preparation of the consolidated financial statements, which are consistent with the provisions of the German Commercial Code in all material respects, and for ensuring that the consolidated financial statements, in compliance with German generally accepted principles of accounting, present a true and fair view of the asset, financial, and result situation of the Group. In addition, the legal representatives are responsible for such internal controls as they determine are necessary in compliance with German generally accepted principles of accounting to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the legal representatives are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting on the going concern basis of accounting unless precluded by actual or legal circumstances.

Furthermore, the legal representatives are responsible for the preparation of a management report that, as a whole, provides an accurate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and accurately presents the opportunities and risks of future development. In addition, the legal representatives are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the management report.

Auditor's responsibility for the audit of the consolidated financial statements and of the management report

Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an accurate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements, and accurately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and in compliance with generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer (IDW)) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this management report.

We exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the consolidated financial statements and the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of the internal control system relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems.
- Evaluate the appropriateness of accounting policies used by the legal representatives and the reasonableness of estimates made by the legal representatives and related disclosures.
- Conclude on the appropriateness of the legal representatives' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the asset, financial, and result situation of the Group in compliance with German generally accepted principles of accounting.
- Obtain sufficient appropriate audit evidence regarding the financial information of the companies or business activities within the Group to express opinions on the consolidated financial statements and on the management report. We are responsible for the direction, supervision, and performance of the Group audit. We are solely responsible for our opinions.
- Evaluate the consistency of the management report with the consolidated financial statements, its conformity with the law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by management in the management report. On the basis of sufficient appropriate audit evidence, we evaluate, in particular, the significant assumptions used by the legal representatives as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control system that we identify during our audit.

Nuremberg, 17 May 2021

Rödl & Partner GmbH
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

Grässle	Hahn
Auditor	Auditor

NürnbergMesse GmbH

INDEPENDENT AUDITOR'S REPORT

To NürnbergMesse GmbH, Nuremberg

Audit opinions

We have audited the annual financial statements of NürnbergMesse GmbH, Nuremberg – comprising the balance sheet as at 31 December 2020, the income statement for the fiscal year from 1 January to 31 December 2020, and the notes to the financial statements, including the presentation of the accounting policies. We also audited the combined management report and Group management report (hereinafter: “management report”) of NürnbergMesse GmbH, Nuremberg, for the fiscal year from 1 January to 31 December 2020. We did not audit the content of the corporate governance statement pursuant to Section 289f (4) HGB (disclosures on gender quotas) in accordance with the provisions of German law.

In our opinion, based on the findings of our audit,

- the accompanying annual financial statements comply, in all material respects, with the provisions of the German Commercial Code applicable to corporations and, in compliance with the German principles of proper accounting, give a true and fair view of the net assets and financial position of the Company as at 31 December 2020, as well as its results of operations for the fiscal year from 1 January to 31 December 2020, and
- the accompanying management report provides an accurate picture of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German law, and accurately presents the opportunities and risks of future development. Our audit opinion on the management report does not extend to the content of the aforementioned corporate governance statement.

In accordance with Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any objections against the correctness of the annual financial statements and the management report.

Basis for the audit opinions

We conducted our audit of the annual financial statements and of the management report in accordance with Section 317 HGB and in compliance with the generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer (IDW)). Our responsibility in accordance with these regulations and principles is further described in the section “Auditor's responsibility for the audit of the annual financial statements and of the management report” of our auditor's report.

We are independent of the Company in accordance with German commercial and professional regulations and have fulfilled our other German professional duties in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and suitable for providing a basis for our audit opinions on the annual financial statements and the management report.

Other information

The legal representatives are responsible for the other information. The other information includes the corporate governance statement pursuant to Section 289f (4) HGB (disclosures on gender quotas).

Our audit opinions on the annual financial statements and on the management report do not extend to the other information and, accordingly, we neither express an audit opinion nor make any other form of audit finding regarding the other information.

In connection with our audit, we are required to read the other information and consider whether the other information

- is materially inconsistent with the annual financial statements, the parts of the management report audited for content, or the auditor's knowledge obtained in the audit, or
- otherwise may indicate material misstatement.

Responsibility of the legal representatives and of the Supervisory Board for the annual financial statements and management report

The legal representatives are responsible for the preparation of the annual financial statements, which are consistent with the provisions of the German Commercial Code applicable to corporations in all material respects, and for ensuring that the annual financial statements, in compliance with German generally accepted principles of accounting, present a true and fair view of the asset, financial, and result situation of the Group. In addition, the legal representatives are responsible for such internal controls as they determine are necessary in compliance with German generally accepted principles of accounting to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the legal representatives are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting on the going concern basis of accounting unless precluded by actual or legal circumstances.

Furthermore, the legal representatives are responsible for the preparation of a management report that, as a whole, provides an accurate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and accurately presents the opportunities and risks of future development. In addition, the legal representatives are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

The Supervisory Board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the management report.

Auditor's responsibility for the audit of the annual financial statements and of the management report

Our objective is to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an accurate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements, and accurately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and in compliance with generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer (IDW)) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this management report.

We exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the annual financial statements and the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

REPORTING AT A GLANCE

Our 2020 Annual Report is our first hybrid publication offering you the best of both worlds: analog and digital.

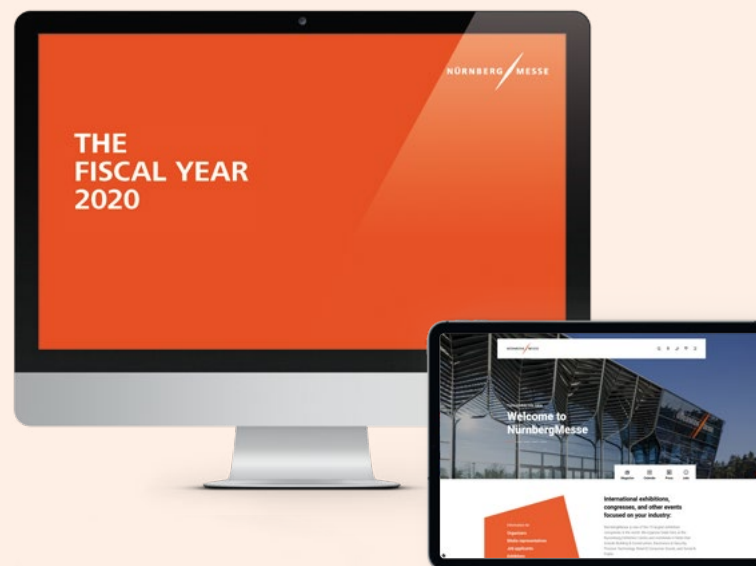
This year you will receive our Magazine covering the Annual Report in a new square format. For more information on our fiscal year, see the interactive site supplementing this publication:

🖱️ www.nuernbergmesse.de/fiscal-year2020

The 2020 Annual Report is available online at:

🖱️ www.nuernbergmesse.de/annual-report

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Credits

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