



MESSE
MÜNCHEN

Trade fairs have a future

Annual Report 2022

2022



Messe München demonstrates business strength

The true strengths of a company become evident during difficult times—especially when the company is forced to make sudden shifts, as Messe München had to in the challenging years of the pandemic that no one could have prepared for. They were very difficult years for all our employees, and decisions had to be made that were anything but easy. Within this context, it was important to reach out to our employees, as those responsible at Messe München did. Although we have managed to largely put the coronavirus behind us in the meantime, the Russian war in Ukraine is unfortunately still ongoing. Messe München hardly had time to react to this global upheaval. The entire company became a learning organization in which new approaches had to be tested, tasks taken on spontaneously and rethought. In this extraordinary situation, focusing on the core business once again was the right decision for profitability.

The employees in particular managed to help the company withstand this difficult time. This was an outstanding achievement of all employees, or rather the entire Messe München team, that deserves our utmost recognition. Messe München bounced back from the

coronavirus pandemic in impressive fashion, and it even separated itself from the competition with positive results in 2022.

That is important for more than just the company. A strong trade fair organization is a benefit to the economy in Munich and Bavaria as a whole—for industry, businesses, trade and service providers. This includes the world-leading trade fairs such as bauma, electronica, automatica and IFAT, as well as the travel and leisure trade show f.re.e. Or the many major and international conventions that enjoy coming to Munich to find the best possible meeting environment at the ICM – International Congress Center Messe München. The International AIDS conference will be coming to Munich for the first time in 2024, which is a major success for the city and the company, as another highlight added to the many medical conventions. Europe's largest platform for the energy industry has made its home here and extended its contract through 2028: Intersolar Europe/The smarter E Europe. Attracting international attention to Munich is also the IAA MOBILITY, which is an important event for Bavaria as an automotive center.

Messe München creates experiences for these event and helps companies from Munich and Bavaria to present their products to an international audience. Moreover, it can use its trade fairs to bring small and medium-sized enterprises to the growth regions of the world.

Through its activities, Messe München has a positive impact far beyond its own company: According to the most recent data, it generates around 250 million euros in tax revenue for the state capital and the Free State, it creates approximately 24,000 jobs and increases purchasing power effects throughout Bavaria by around 2.6 billion euros per year. It also translates into higher revenue, for example in the hospitality industry, cab companies, gastronomy, and crafts and trades.

In return, the city and the Free State offer plenty of location advantages: Munich lies at the center of a broadly based high-tech region and is a renowned scientific hub with two outstanding universities and many colleges. Messe München also attracts start-ups that play an important role in the economic tapestry of the state capital as well as the region. In 2022, for the first time, more start-ups per resident were founded in Munich than in Berlin.

On the whole, we at Messe München are confident for the future. The past two years, in which in-person events could not be held or were held only to a limited extent, have shown that the vast majority of exhibiting companies continue to regard trade shows as an indispensable marketing and sales tool and that digital formats cannot replace them. Trade fairs are simply relevant to the system.



“In the 2022 fiscal year, Messe München demonstrated in impressive fashion that it can emerge from a crisis with renewed strength. With its solid core business, it will also be able to master the numerous challenges that lie ahead.”

Hubert Aiwanger

Chairman of the Supervisory Board until December 31, 2022,
Deputy Chairman of the Supervisory Board since January 1, 2023,
State Minister of Economic Affairs, Regional Development
and Energy



“I would like to thank all employees in particular. Thanks to their hard work and dedication, we managed to significantly exceed the earnings forecast for 2022 following the hard years of the pandemic.”

Dieter Reiter

Deputy Chairman of the Supervisory Board until December 31, 2022,
Chairman of the Supervisory Board since January 1, 2023,
Lord Mayor of the City of Munich

Our trade fairs are relevant to the system

The trade show business has once again found its former dynamism. What today might seem easy to say was associated with many questions and uncertainties during the years of hardship of the coronavirus pandemic. Requirements had changed without warning and a new course needed to be set. Difficult decisions had to be made to secure the future of the company. In the end, contrary to all speculations, events did not relocate to the Internet following the shock-induced paralysis of the pandemic. Quite the opposite: the principle of live trade fairs won out. Today, we are happy and proud of how successfully our trade shows in Munich and in our locations abroad have rebounded.

Along the way, we learned a lot during this time, which was difficult for all employees. The coronavirus accelerated digitalization and called for greater focus on sustainability. An important strategic decision to strengthen profitability was to concentrate more on our solid core business with its great trade fairs. The result was a successful restart. The Messe München team did outstanding work to this end and tackled any problems with great zest and skill.

The successful year 2022 rests on Messe München's solid foundation: a high number of world-leading trade fairs anchored in the market, a concentration on the core business, and a popular location for trade shows and conventions. Finally, our companies and our global subsidiaries are considered reliable and perfect service providers. This enables us to further strengthen our core business and make it even more profitable, including the many conventions and guest events on our premises.

We experienced a year densely packed with trade fairs in 2022: with the restart, we launched 17 of our own events in Munich, 24 abroad and 88 guest events onto the exhibition and convention stage. All of this is proof that in-person trade fairs are simply relevant to the system—they are of great importance for exhibitors, visitors, the economy and the region. Trade fairs make progress tangible. We managed to exceed our cautious estimates. In the end, three-fourths of visitors returned, thus putting Messe München above the average of the competition. They were brought back primarily by events like bauma, the world's largest

trade show in terms of area; drinktec, the world's leading trade fair for the beverage industry; EXPO REAL, which focused on affordable living space; ISPO Munich, which put "New perspectives on Sports" on display; and electronica, which offered deep insights into new trends in research and application.

All in all, Messe München did above average in the sector in 2022—in terms of revenue as well as visitors (one million) and exhibitors (18,600). We came in well over the forecast figure with revenue of 413 million euros for Messe München GmbH. EBITDA came to 123 million euros and thus 156 million euros over the negative result from the coronavirus-impacted year 2021 (-33 million euros). Ultimately, we lost 10 percent less than the market, and we can make targeted use of the surplus: for digitalization, for personnel and for the premises. We will also use these earnings to further pay down our loans.

The situation abroad was mixed in 2022: only isolated trade fairs could be held in China, our most important foreign market. By contrast, Messe München managed to expand its involvement outside of Asia: in November 2022, transport logistic Americas and air cargo forum Miami took place in Miami for the first time.

After a satisfyingly strong start to 2023, we are seeing that the successful restart of trade fairs in 2022 was not just a flash in the pan, and we could even exceed the results from before the coronavirus pandemic with new records for certain events. People's appetite for trade fairs is simply enormous, as is their desire to present themselves on platforms like trade shows or to visit them. Trade fairs have a core purpose: our experience shows again and again that trade fairs are still in demand when complex topics are involved that require explanation. In-person trade fairs and face-to-face conversations are unbeatable in this respect.

Looking at the current year 2023, we are optimistic. We are staging 13 of our own events in Germany, 40 abroad and 91 guest events and conventions in Munich. f.re.e started off with a record number of visitors in February, and BAU occupied all exhibition halls in April and successfully launched BAU Insights as a digital expansion. In May, transport logistic announced a new event in Singapore, the world's logistics capital, and concluded with a double record for visitors and exhibitors.

Competition is intensifying and—in light of the global challenges—we have to further strengthen the positioning of our world-leading trade fairs. We are very vigilant on this.



Dr. Reinhard Pfeiffer
Deputy Chairman of the Board

A handwritten signature in black ink, appearing to read 'R. Pfeiffer', written in a cursive style.



Stefan Rummel
Managing Director

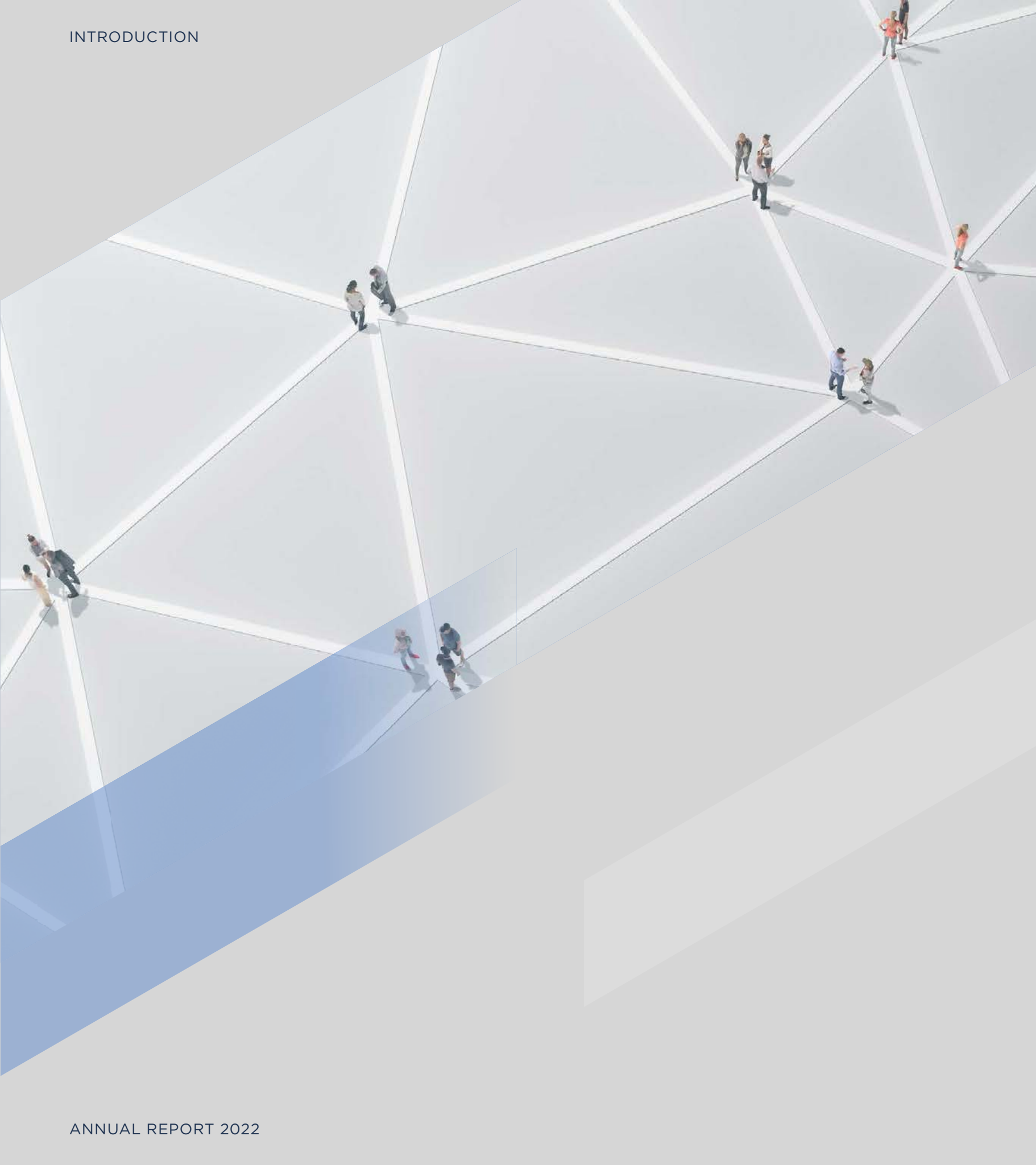
A handwritten signature in black ink, appearing to read 'Stefan Rummel', written in a cursive style.

Trade fairs have a future

Messe München has emerged from the coronavirus crisis stronger than ever. Nearly all events are back, with some new ones added to the portfolio. In many areas we have returned to **pre-crisis levels**—even improving on them in some cases. The **strategic measures** we implemented have proven to be consistently successful, cementing our position as one of the **world's leading trade fair organizations**.

All of the changes and challenges that the restart entailed confirmed an existential assumption: trade fairs are **systematically relevant**. What is more, a well-positioned trade fair organization will continue to be successful going forward because there is no substitute for **human encounters** at our events and platforms. Particularly in business, people need direct contact to initiate profitable transactions. **Conventional trade fairs** are and will remain the **gold standard** in our industry.





The impact of the pandemic is not the only challenge the trade fair industry needs to overcome: worldwide, the industry is undergoing a sweeping **transformation**. The pace of change is constantly accelerating—and not only since the pandemic, the direct and indirect effects of which will remain perceptible for quite some time. **Multiple crises** are presenting us with additional challenges: disrupted supply chains, a shortage of service partners and skilled labor, but also war, energy crises with skyrocketing costs, and inflation. Navigating these coordinates requires skill and special care, which is why achieving **operational excellence** is a top priority for us at Messe München.

Agile structures and flexible responses are not the sole prerequisites for long-term success. An **adaptive approach** is required that is capable of paving the way as necessary. **Sustainability** and **digitalization** are key pillars of Messe München's **strategy** for stabilizing and strengthening its core business. Our vision is clearly formulated: We will become a **technology- and data-driven sustainable trade fair organization**. And we will always remain a trade fair organization.

A network for the future

17

Messe München events and
Munich cooperations

1.6

million visitors/
participants

88

guest events

126

events
worldwide

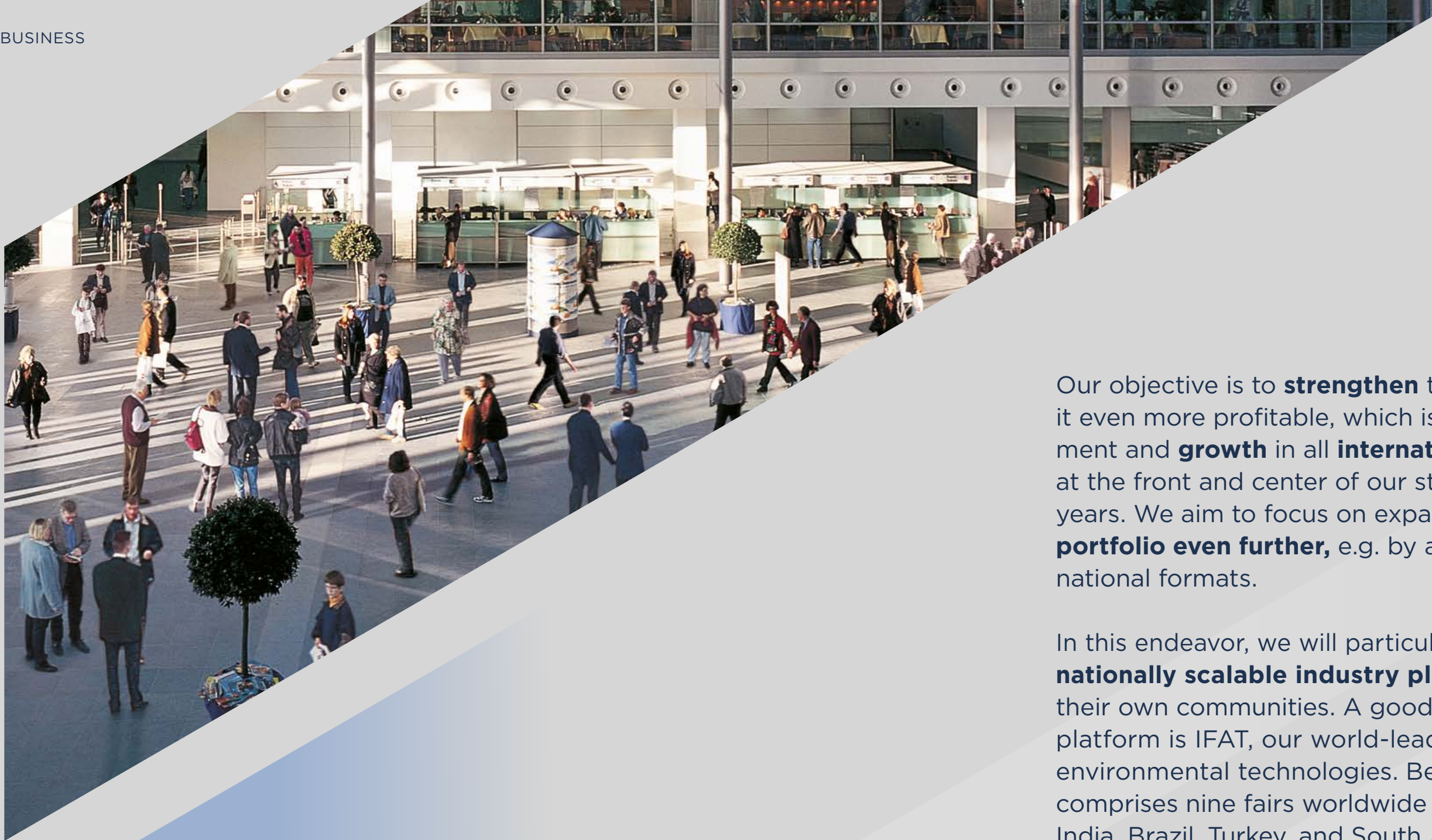
21

Messe München
events abroad

Strengthening the core business

We are **trade fair people**. We create **experiences that connect people**, our thoughts and actions are always centered on the customer. After all, our **core business** is organizing trade fairs in Germany and many other countries worldwide, making exhibition spaces available to provide a platform for forward-looking developments and innovations. Trade shows are more than just marketplaces. They provide **indispensable platforms** for industrial products that require explanation and are ideally spectacular events that are talked about long after the actual event has ended. Seeing, feeling, understanding, exchanging ideas—there is no better place for that than at a real-world trade show.





Our objective is to **strengthen** this **core business**, making it even more profitable, which is why organic development and **growth** in all **international markets** will remain at the front and center of our strategy over the coming years. We aim to focus on expanding Messe München's **portfolio even further**, e.g. by adding national and international formats.

In this endeavor, we will particularly emphasize **internationally scalable industry platforms** that create their own communities. A good example of this kind of platform is IFAT, our world-leading trade show for environmental technologies. Besides Munich, IFAT now comprises nine fairs worldwide in China, Singapore, India, Brazil, Turkey, and South Africa. The international network thus created adds tremendous value and is mutually enriching.

02



Sustainable action

Sustainability is a challenge that determines our daily and long-term thoughts and actions. Sustainability is a **state of mind**. Business success and sustainable action can no longer be considered independently from one another—and have not been for some time. **Coherent concepts** for waste disposal and energy have evolved into decisive competitive factors and are set to become even more important.

Credibility begins at home: Our exhibition center in Munich-Riem, which has been our headquarters for 25 years, is one of the greenest in the world with **220,000 square meters of green space**, around **2,500 trees**, **greened exterior walls on the halls** and **35,000 square meters of green roofs**. We have used exclusively **green electricity** since 2020; our **rooftop photovoltaic installation**, one of the largest in the world, is pioneering in its field. These measures alone cut our annual carbon emissions by around 8,000 tonnes. **Avoidance of waste, energy efficiency and resource-saving operations** are obligations not only for us as organizers, but also for our exhibitors, visitors and service companies.

Consistent sustainable action before, during and after our own events and guest events on our premises is not just part of our social responsibility, it also raises the value of our core business.



Increased use of digital technologies to benefit customers

Digital solutions and processes are important instruments in the trade fair industry that meaningfully complement our core business. Used consistently, they help us to optimize or automate internal processes and thus boost **performance** and **efficiency**.





We view digital transformation above all as an opportunity to take the **customer experience** up a notch and tailor it to individual needs. Whereas trade show organizers used to be primarily space rental companies, today they have to be **multifunctional service partners** who can be depended on to advise and support their customers throughout all stages of the **customer journey**. A high-caliber event requires equally high-quality services for the customer—**straightforward, efficient, and using state-of-the-art technology**. Digitally supported quotations and applications are the first choice for demonstrating the added value for the customer and making it quantifiable even beyond the specific trade fair. It is the whole package that makes us stand out from the competition.

Conventional trade fairs are and will remain our core business. Digitalization helps us add another dimension and implement our exhibitions with an eye to the future.



MESSE
MÜNCHEN

Annual Financial Statements 2022

Results of trade-fair events in 2022

in Germany

Trade-fair events 2022 in Germany	Exhibitors	Percentage of exhibitors from abroad	Visitors	Percentage of visitors from abroad	Net space in m ²
analytica	882	45	26,574	39	22,001
automatica	574	29	28,937	36	29,117
bauma	3,227	65	495,132	46	390,398
ceramitec	340	57	9,547	57	12,626
digitalBAU	338	14	6,695	8	6,775
drinktec	948	65	46,841	70	72,491
electronica	2,140	62	69,783	54	79,963
EXPO REAL	1,885	24	36,659	32	43,898
IFAT	2,984	51	118,826	51	160,109
INHORGENTA MUNICH	702	46	15,664	39	21,500
INTERFORST	350	34	31,006	18	41,370
ISPO Munich	1,539	89	38,065	72	51,322
LASER World of PHOTONICS	888	53	14,938	38	25,507
LOPEC	156	58	1,856	56	2,109
OutDoor by ISPO	310	69	7,670	62	8,497
TrendSet Sommer	700	29	20,919	23	37,402
TrendSet Winter	605	23	13,628	19	28,024
Bauzentrum Poing	55		43,174		
Guest events Messe München	6,270		267,708		
ICM – International Congress Center Messe München			40,000		
Guest events MOC – Event Center Messe München	3,890		103,151		
Total	28,783		1,436,773		1,033,109¹⁾

¹⁾ Relates only to Messe München's own events and partnerships

Results of trade-fair events in 2022

Abroad

Trade-fair events 2022 abroad	Exhibitors	Percentage of exhibitors from abroad	Visitors	Percentage of visitors from abroad	Net space in m ²
air cargo India	48	44	4,300	37	1,361
analytica Anacon INDIA/India Lab Expo Hyderabad	192	1	16,039	0	4,844
analytica Anacon INDIA/India Lab Expo Mumbai	81	0	3,871	0	1,369
ASEAN Ceramics Thailand	60	80	1,135	19	657
drink technology India Mumbai + World Tea & Coffee Expo + PackMach Asia Expo	184		13,204		6,041
electronica India + productronica India	343	8	20,942	1	10,157
electronicAsia	10	10	9,866	9	135
Glasstech Asia	46	39	1,099	34	1,626
IE expo Shenzhen + LEAP Expo	616		11,000		21,210
IFAT India	258	40	9,289	1	7,141
Indian Ceramics	91	29	6,437	6	4,354
ISPO Shanghai	207		20,089	0	12,000
LASER World of PHOTONICS INDIA	90	16	5,796	0	1,783
logitrans	171	51	16,724	12	5,727
M&T Expo	145		10,744	2	18,214
Smart Cards Expo	48	6	5,099	3	892
transport logistic Americas/ air cargo forum Miami	218	71	6,111	42	3,781
transport logistic Americas San Francisco	9	44	180	43	56
Total	2,817		161,925		101,348

Only brand-name fairs of Messe München

Key figures 2022

		2022 ¹⁾	2021	2020	2019
Available hall space, Messe München	m ²	200,000	200,000	200,000	200,000
Available open-air space, Messe München	m ²	414,000	414,000	414,000	414,000
Available exhibition space, MOC – Event Center Messe München	m ²	37,400	37,400	37,400	37,400
Trade fairs and exhibitions and partnerships in Munich ²⁾		17	5	6	15
Guest events		88 ³⁾	80	98	163
Messe München's own events abroad		21	21	15	30
Gross space ⁴⁾	m ²	2,669,065	902,964	964,200	3,029,641
Turnover ratio ⁵⁾		11	4	4	13
Net space ⁶⁾	m ²	1,082,158	182,358	296,322	1,214,288

Due to extreme differences in the number and structure of the events held each year, the key figures for any given year are comparable only to a limited extent.

¹⁾ Unless otherwise stated, figures relate to all events at Messe München (including the ICM – International Congress Center Messe München), at Bauzentrum Poing and at the MOC – Event Center Messe München.

²⁾ Messe München GmbH events only, excluding other third-party events (guest events) but including digitalBAU in Cologne

	2022 ¹⁾	2021	2020	2019
Total number of exhibitors in Munich	28,783	6,884	11,333	32,432
Exhibitors from abroad at Messe München's events and partnerships in Munich	9,757	1,113	3,998	12,018
Total number of exhibitors at Messe München's events abroad	2,817	7,431	10,747	11,824
Total number of exhibitors in Munich and abroad	31,600	14,315	22,080	44,256
Total number of visitors in Munich	1,436,773	635,990	582,196	2,475,114
Visitors from abroad at Messe München's events and partnerships in Munich	453,114	–	76,903	527,275
Total number of visitors at Messe München's events abroad	161,925	408,374	496,589	647,348
Total number of visitors in Munich and abroad	1,598,698	1,044,364	1,078,785	3,122,462

³⁾ 42 guest events at the exhibition center, 46 at the MOC – Event Center Messe München

⁴⁾ Total hall space and outdoor space occupied by MMG

⁵⁾ Ratio of total occupied hall space (gross) and hall capacity of Messe München and the MOC – Event Center Messe München

⁶⁾ Total space (hall space and exhibition grounds) including approx. 5 percent special show space for Messe München GmbH events and partnerships and the Gesellschaft für Handwerksmessen mbH, excluding other third-party events (guest events)

		2022 ¹⁾	2021	2020	2019
Sales, Messe München GmbH	million EUR	413.4	127.2	93.6	404.4
Group sales	million EUR	438.8	158.1	167.2	474.2
EBITDA Messe München GmbH ⁷⁾	million EUR	123.3	–33.0	–12.3	138.4
Employees, Messe München GmbH ⁸⁾		563	644	749	786
Employees, group ⁸⁾		941	1,019	1,149	1,201

⁷⁾ Earnings before interest, taxes, depreciation and amortization—domestic only

⁸⁾ As of 2013, also includes the average number of temporary staff members

Management report and group management report 2022

I. Fundamental information about the group

The **business activity** of Messe München GmbH remains unchanged and comprises the ongoing development, operation and maintenance of the Messe München exhibition center and the ICM—International Congress Center Messe München (hereinafter referred to as “the ICM”), the operation of the MOC – Event and Order Center Messe München (hereinafter “the MOC”) as well as the organization of trade-fair events in Germany and abroad. Stand construction is handled through the associated company meplan GmbH, Munich. **Activities abroad** are mainly organized by the group companies in China, Singapore, India, Turkey, and Brazil.

II. Macroeconomic environment

The macroeconomic trend in 2022 was mixed. The general recovery from the economic fallout of the coronavirus pandemic is being increasingly eroded by the effects of the war in Ukraine, most notably the soaring energy costs. In the German and the predominantly international trade show business, however, the main focus is on recovering from the effects of the coronavirus pandemic. While trade fairs were still being canceled or postponed in Germany early on in 2022 as a consequence of the **pandemic**, the situation increasingly stabilized from the second quarter onward. Throughout the whole of 2022, only a handful of trade fairs were held in China.

Projections by the Association of the German Trade Fair Industry (AUMA)* for 2022 put 65 percent of visitors back at German trade-fair venues. By summer, the average number of visitors was still around 55 percent of pre-pandemic levels, but since last fall, figures have been rising. Exhibitor figures are showing a similar trend. According to preliminary figures from AUMA, 280 trade fairs will have been held in Germany in 2022, 130 were canceled, and 60 had to be postponed within the year. AUMA estimates that the overall economic damage caused by bans, postponements and cancellations of trade fairs since the beginning of the COVID-19 pandemic in Germany amounts to more than 56 billion euros. Nearly 180,000 jobs needed to be safeguarded through cutbacks in working hours.

The business performance of the group’s **foreign associated companies** also improved as the coronavirus pandemic receded. India’s economy, for example, recently saw a marked recovery from the historic slump precipitated by the pandemic and holds strong potential for growth.

The situation in **China** brightened abruptly at the end of 2022 / beginning of 2023. While 2022 was completely overshadowed by—in some cases radical—measures to contain the coronavirus pandemic across the country, districts of individual cities and even entire cities in certain regions were locked down and placed under extremely strict quarantine conditions, the Chinese central government abruptly rolled back the COVID-19 restrictions at the end of 2022. This initially led to a massive surge in infection rates; however, sickness rates have since fallen and herd immunity is expected to be achieved before long. In any case, no further

lockdowns are anticipated. Resumption and a relatively rapid recovery of trade-fair business in Shanghai and in other cities and regions in China in which Messe München is active through its subsidiaries is expected as of early April 2023.

III. Financial and non-financial key performance indicators

An extensive reporting system has been implemented at both company and group level as well as for the individual exhibition projects in order to **manage and control the company**. Once a month (Germany and MM Shanghai) or once per quarter (internationally), all actual values and forecasts for the business year concerned (e.g., sales, expenses, investments) at Messe München GmbH and its associated companies are recorded and contrasted with the target figures. In addition, key figures for the individual trade-fair events with regard to factors such as customer satisfaction, profitability on a contribution margin basis, percentages of exhibitors and visitors from abroad, etc. are established and compared with the figures of prior events and with targets.

The controlling of projects is supported by software and is effected as cost unit accounting; controlling of the corporate departments takes place on a cost-center basis.

*Source: German trade fairs recover slowly – AUMA

Management report and group management report 2022

Key figures for the 2022 fiscal year are as follows:

Significant key figures 2022	2022	Previous year
Sales, Messe München GmbH (MMG)	EUR 413.4 million	EUR 127.2 million
Annual net income	EUR 51.9 million	EUR -68.5 million
EBITDA	EUR 123.3 million	EUR -33.0 million
Group sales	EUR 438.8 million	EUR 158.1 million
Consolidated net income (loss) for the year	EUR 50.6 million	EUR -71.3 million
Group EBITDA	EUR 124.7 million	EUR -35.0 million
Exhibitors at Munich site (MMG events and partnerships)	18,600	3,500
Visitors at Munich site (MMG events and partnerships)	1.0 million	0.5 million
Total gross exhibition space, MMG	2.7 million m ²	0.9 million m ²

The key performance indicators used by MMG are sales, annual net income and EBITDA. The group uses group sales and consolidated net income (loss) for the year as its key performance indicators.

IV. Course of business of Messe München GmbH

The effects of the coronavirus pandemic still weighed heavily on business in early 2022. While the TrendSet trade fair could still be held in January, the trade fairs scheduled for February 2022 could not: INHORGENTA had to be postponed until April and f.re.e had to be canceled. Since LOPEC in March 2022 however, all scheduled trade fairs have been held, although a number were scaled back considerably compared to pre-pandemic levels. Nevertheless, the situation has stabilized with each trade fair held and particularly the major trade fairs in the third and fourth quarters, such as drinktec, EXPO REAL, bauma and electronica, produced gratifying economic results. Whereas the overall result was attributable in no small measure to a strong calendar of events in 2022, the postponement of trade shows from 2021 (Laser WoP, drinktec) to 2022 also provided a boost. A total of 17 own events and 88 guest events were held in Munich in the 2022 fiscal year. In addition, the Munich exhibition center hosted three major concerts.

Even before the outbreak of the coronavirus pandemic, the Board of Management had initiated an efficiency program, which had to be expanded on account of the pandemic. In addition to deep cuts in capital spending and substantial reductions in material costs to be implemented over the coming years, it was decided at the end of 2020 to shed some 170 full-time jobs. These plans were then largely implemented in 2021. Some of these jobs were added back in the course of 2022 to facilitate the successful restart of the trade-fair business following the pandemic-related restrictions and the year's very strong business program of rotating in-house events, guest events and open-air concerts.

Management report and group management report 2022

During the 2022 fiscal year, a further **financing measure** using debt was implemented that was absolutely vital for maintaining solvency and thus primordial for the continuation of the company's activities. Scheduled cash inflows from planned trade-fair projects in terms of volume and timing are also key. The overdraft facility of EUR 50 million that continued to exist in the 2022 fiscal year had not been utilized by the reporting date and is therefore still available to the parent company.

V. Course of business of the group

The coronavirus pandemic continued to cast a large shadow over the group's business in 2022. While no trade fairs could be held in Shanghai at any time during 2022 and few were held at other locations in China (for example, LEAP and IE Expo in Shenzhen), all events scheduled in India were regularly held once more from April 2022 onward. All trade shows at the other foreign locations were likewise held as planned, including M&T Expo in Brazil, Logitrans in Turkey, and the premiere of Glasstech Asia in Singapore.

The Chinese associated company Messe Muenchen Zhongmao Co., Ltd. **(MM Zhongmao)** generated net income for the year in 2022, as did the Turkish **associated company** EKO MMI Fuarçılık Limited Şirketi **(EKO MMI)** and the Indian company MMI India Private Limited **(MM India)**. The Chinese associated companies Messe Muenchen Shanghai Co., Ltd. **(MM Shanghai)** and MMU BAU Fenestration Co., Ltd. **(MMU)** generated a net loss for the year owing to the pandemic-related cancellation of their events, as did the companies MMI Asia Pte. Ltd. **(MMI Asia)** and Messe Muenchen do Brasil Feiras Ltda. **(MM Brasil)**.

The business of Shanghai New International Expo Centre Co. **(SNIEC)**, in which Messe München holds an interest of 16.6 percent through GEC GmbH, took a major hit through lost trade-fair business throughout 2022 attributable to the measures taken to combat the coronavirus pandemic. From the end of March until mid-June 2022, the trade-fair venue was requisitioned by the authorities and turned into a makeshift hospital that was subsequently dismantled by the end of August. At the end of 2022, the SNIEC received a substantial compensation payment from the state equivalent to around EUR 21 million. This safeguarded the company's liquidity. All the same, the company generated a significant net loss in the year now ended.

Sales of the subsidiary meplan GmbH **(meplan)** climbed (before consolidation) sharply year-on-year to around EUR 34 million. This company generated a net profit for the year. Fortunately, meplan was also able to repay a loan from Messe München of around EUR 2 million on the strength of its good liquidity development.

IMAG GmbH **(IMAG)** was merged with Messe München with retroactive effect from January 1, 2022, upon entry of the merger in the commercial register on March 23, 2022.

TrendSet GmbH **(TrendSet)** held both its winter and summer trade fairs. Sales (before consolidation) came in at around EUR 8 million, and the company generated net income for the year.

VI. Situation of the company and the group

a) Messe München operating results

The 2022 fiscal year saw a marked recovery from the effects of the coronavirus pandemic, with sales and earnings targets being exceeded by a large margin. Only f.re.e had to be canceled at the beginning of the year as a result of the pandemic. INHORGENTA was moved from February to April and could be successfully held. Starting with LOPEC in March, all other own events were held as planned in 2022, even if most of them were on a smaller scale than before the pandemic. The company benefited significantly from the fact that IFAT, drinktec, EXPO REAL, bauma and electronica—all major events from Messe München's portfolio—generated strong sales and earnings. Sales revenue amounted to EUR 413.4 million (2021: EUR 127.2 million). EBITDA came in at EUR 123.3 million (2021: EUR –33.0 million). Net income for the year was recognized in the amount of EUR 51.9 million (2021: EUR –68.5 million). The change compared with the previous year is attributable to the effects described below.

The **sales revenue** of EUR 413.4 million (2021: EUR 127.2 million) was mainly attributable to own events in the amount of EUR 344.1 million (2021: EUR 94.2 million) and to third-party events in the amount of EUR 61.2 million (2021: EUR 21.1 million). It was offset by directly attributable **expenses** of EUR 181.7 million (2021: EUR 81.1 million). Events generated a net income of EUR 231.7 million (2021: EUR 46.1 million).

Management report and group management report 2022

Other operating income of EUR 1.6 million (2021: EUR 27.6 million) resulted in particular from the reversal of provisions (EUR 1.0 million). In the previous year, Messe München had received state aid of EUR 21.9 million under the November/December aid program.

The average number of employees decreased from 644 to 563 in connection with a downsizing and restructuring program that was launched in 2021. **Personnel costs** rose from EUR 45.9 million in the previous year to EUR 53.5 million, mainly due to the discontinuation of short-time allowances paid at German companies in 2021, regular salary increases and a sharp year-on-year increase in performance-related remuneration.

Depreciation and amortization of tangible and intangible fixed assets was slightly above the previous year at EUR 43.2 million (2021: EUR 41.7 million).

Other operating expenses amounted to EUR 53.7 million (2021: EUR 39.3 million). As the trade-fair business recovered from the effects of the pandemic, general operating expenses returned to pre-pandemic levels.

Income from participating interests amounted to EUR 0.4 million (2021: EUR 4.0 million). Due to the lack of trade-fair business in China, GEC in particular was unable to make a dividend payment.

Write-downs of **financial assets** amounting to EUR 9.4 million (2021: EUR 4.0 million) were recognized due to expected permanent impairment of participating interests. This mainly relates to the write-down of the subsidiary Messe Muenchen Rus LLC to a memo value of EUR 7.5 million owing to discontinuation of its business activities.

At EUR 13.5 million, **interest expenses** were at the prior-year level (EUR 12.6 million).

Taxes on income amounted to EUR 5.9 million; none had been incurred in the 2021 fiscal year. The other taxes are predominantly property taxes.

b) Net assets and financial position of Messe München

Total assets/total equity and liabilities rose from EUR 952.2 million to EUR 1,060.1 million. On the **assets side**, fixed assets decreased from EUR 892.8 million to EUR 848.3 million. As a result of depreciation, tangible fixed assets contracted from EUR 851.8 million to EUR 820.8 million. Financial assets declined from EUR 28.0 million to EUR 16.4 million owing to value adjustments. Current assets rose from EUR 57.1 million to EUR 210.0 million, due in particular to an increase in cash at banks from the commercial success of 2022, and to advance payments for trade-fair events in 2023, especially for BAU. In addition, trade receivables also rose significantly by EUR 12.2 million. By contrast, other assets fell by EUR 1.5 million to EUR 2.6 million in the fiscal year. This is attributable to the EUR 1.3 million drop in VAT receivables, which fell to EUR 2.0 million.

On the **liabilities side**, equity rose from EUR 210.7 million to EUR 262.6 million, buoyed by the net income for the year. Liabilities to banks registered only a minor change, rising from EUR 655.6 million to EUR 658.1 million. In 2022, a EUR 100 million loan was taken out, EUR 50 million of which was paid out in 2022. Repayments of principal amounted to EUR 47.6 million.

Other provisions increased from EUR 39.2 million to EUR 50.9 million due in particular to the provisions for taxes on income and for restoration obligations relating to the bauma temporary parking spaces at the trade-fair center. At EUR 36.4 million, advance payments received from customers as of December 31, 2022 were significantly higher than the prior-year figure of EUR 21.6 million due to payments by exhibitors for trade fairs in 2023.

The company's **liquidity** was again safeguarded at all times in the 2022 fiscal year due to consistently sufficient bank balances and an overdraft facility of EUR 50 million that was not utilized in 2022. Moreover, a (further) bank loan of EUR 100 million was also taken out at the end of June 2022, EUR 50 million of which was paid out in July 2022. The second tranche of a loan, amounting to a further EUR 50 million, will be paid out in July 2023. Cash and cash equivalents totaled EUR 173.5 million at year-end (2021: EUR 30.2 million). All payment obligations were fulfilled in the fiscal year.

Management report and group management report 2022

Due to the severe impact of the coronavirus pandemic on the trade-fair business, Messe München's net assets and financial position initially remained strained in 2022 after 2020 and 2021, but improved continuously in the course of the year. By contrast, Messe München has a very high level of debt. The debt level at the end of 2022 was around EUR 660 million, which is partly attributable to loans taken out as a result of the coronavirus pandemic. Repayment of these loans in the respective fixed-interest period is essential because the agreed interest rates are generally low and below the current interest rate level.

c) Position of the group

Consolidated net income for the year came to EUR 50.6 million (2021: consolidated net loss of EUR 71.3 million). The improvement is largely attributable to a significant recovery from the effects of the coronavirus pandemic. The foreign associated companies were unable to make a substantial contribution to consolidated net income, particularly due to the bauma CHINA being canceled on account of the coronavirus restrictions. Only the odd trade fair was held in China.

Group sales revenue amounted to EUR 438.8 million, significantly higher than the previous year's level (EUR 158.1 million) due to the recovery of the German trade-fair business in particular from the consequences of the coronavirus pandemic—even though it was not possible to hold bauma CHINA in 2022 owing to the pandemic.

The significant drop in **other operating income** is predominantly attributable to effects at the parent company.

In line with the recovery of sales revenue, **event expenses** rose from EUR 94.8 million to EUR 184.4 million.

Personnel costs in the group soared from EUR 63.1 million in the previous year to EUR 72.2 million despite the smaller workforce. This is mainly due to the discontinuation of short-time allowances paid at the German companies in 2021, regular salary increases and a sharp year-on-year increase in performance-related remuneration.

Depreciation and amortization in the group rose by EUR 8.3 million to EUR 55.1 million largely due to the write-off of the goodwill of the Russian subsidiary Messe Muenchen Rus LLC.

Other operating expenses amounted to EUR 59.2 million (2021: EUR 46.2 million), also a reflection of the recovery of the trade-fair business from the effects of the coronavirus pandemic.

The **result from participating interests in associated companies** declined significantly by EUR 7.7 million to just EUR 0.3 million. This is attributable to the complete absence of trade fairs in Shanghai and the resulting loss of dividend payments from GEC / SNIIEC.

At EUR 13.5 million, **interest expenses** were slightly up on the prior-year level (EUR 13.1 million) and stem mainly from the parent company.

Other taxes are virtually unchanged.

Taxes on income came to EUR 6.8 million (expense) compared with EUR 0.2 million (income) in the previous year, largely due to the significant net income for the year generated by the parent company in 2022.

Consolidated total assets/total equity and liabilities rose from EUR 1,065.6 million to EUR 1,182.1 million. On the **assets side**, fixed assets decreased from EUR 908.1 million to EUR 860.4 million, due in particular to depreciation and amortization as well as to the amortization of the goodwill of Messe Muenchen Rus LLC. Current assets rose sharply from EUR 152.4 million to EUR 318.1 million, primarily as a result of the increase in trade receivables and cash at banks at the parent company described above. Prepaid expenses and deferred charges declined from EUR 5.0 million to EUR 3.6 million.

On the **liabilities side**, consolidated equity rose from EUR 274.0 million to EUR 325.9 million, buoyed by the net income for the year. The effects on currency translation differences in the group also rose from EUR 4.4 million to EUR 5.9 million. Provisions increased from EUR 55.7 million to EUR 75.6 million. This is due among other things to tax provisions, which rose from EUR 0.8 million to EUR 7.0 million chiefly as a result of the net income for the year generated by Messe München. The principal effects of changes in other provisions are already described in the results of operations of the parent company. Several minor individual effects from the subsidiaries also had an impact. Liabilities increased from EUR 735.9 million to EUR 780.6 million due to higher advance payments received and a rise in trade payables at the parent company and MM Shanghai. Only the parent company has liabilities to banks.

Management report and group management report 2022

Advance payments received in the 2022 fiscal year for trade fairs in 2023 rose from EUR 62.7 million to EUR 88.6 million. Trade payables increased from EUR 13.8 million to EUR 29.7 million. The main driving factors for the two developments were the effects at the parent company and MM Shanghai described above. The other liabilities of EUR 4.3 million (2021: EUR 3.8 million) are essentially unchanged on the previous year.

The group achieved a positive **cash flow from operating activities** of EUR 166.5 million (2021: EUR –37.3 million). The cash inflows resulted mainly from a significant improvement in consolidated net income for the year and from the increase in advance payments received and trade payables. By contrast, trade receivables rose. The negative **cash flow from investing activities** changed from EUR –0.7 million to EUR –4.9 million due in particular to lower dividends received (EUR –2.9 million). Investments in intangible and tangible fixed assets increased by a total of EUR 1.1 million to EUR 11.0 million. **Cash flow from financing activities** decreased from EUR 56.3 million to EUR –10.7 million. The figure for the previous year had included an allocation to the capital reserves in the amount of EUR 80.0 million. In the reporting year, however, a new loan was taken out in the amount of EUR 50.0 million, with an amount of EUR 47.6 million being repaid. In addition, MMG had obtained government coronavirus assistance of EUR 24.1 million in the previous fiscal year. The changes in cash and cash equivalents attributable to currency movements amounted to EUR 0.2 million (2021: EUR 7.1 million). Total cash and cash equivalents rose by EUR 151.1 million to EUR 270.1 million.

The group's **liquidity** was therefore ensured at all times in the 2022 fiscal year due to high bank balances at various group companies as well as a EUR 50 million overdraft facility plus a new loan of EUR 50 million taken out by the parent company and paid out.

Due to the severe impact of the coronavirus pandemic on the trade-fair business, the group's net assets and financial position remained strained in the first half of 2022 after 2020 and 2021, but improved markedly as the year went on. On the whole, 2022 was a very successful year for trade fairs.

VII. Opportunities and risks of future development and risk management

A **risk management system** is in place at Messe München. This is used to record trends with relevance for Messe München and its associated companies so that the necessary counteractive and compensatory measures can be implemented at any time.

The risk situation is analyzed and assessed every three months. Property and liability insurance policies with reasonable deductibles have been taken out in the scope necessary to protect against the usual business risks. The risk matrix used to report to the Supervisory Board categorizes the identified risks as low, medium or high, and appropriate mitigation measures are explained based on the classification. Risks are also reported to the Supervisory Board of MMG on an ad hoc basis as required.

Now that the coronavirus pandemic is receding, major improvements have been made to the assessment of Messe München's risks and opportunities. Further impacts caused by a resurgence of the coronavirus pandemic are not considered very likely.

Since March 2022, it has been possible to hold all events in Germany without COVID-related restrictions, which is gradually improving the **liquidity situation** of the parent company and the group. While new burdens have risen for the parent company in particular, especially the spike in costs for the supply of electricity and heat to the company, other cost increases and the additional costs of trade-fair operations resulting from the increase in the minimum wage, which have adversely impacted on the results of operations and cash flows, sufficient liquidity is nevertheless available.

Based on current planning, the existing liquidity will be sufficient to meet payment obligations falling due in the forecast period. The planning is based on the assumption that the program of events planned for the 2023 fiscal year can take place without significant restrictions caused, for example, by a resurgence of the coronavirus pandemic or effects of the war in Ukraine. Nevertheless, as mentioned before, Messe München has a very high level of debt. The risk is estimated to be moderate.

Management report and group management report 2022

With regard to the global economic and geopolitical situation, which has deteriorated significantly in the past year due in particular to the Russia-Ukraine conflict, there is a risk that energy prices could rise further or that there could even be rationing or power outages. There is also a risk that supplies of certain raw materials will dry up, leading to constraints. This would push inflation even higher, culminating in further price increases. While such a scenario is not very likely, it could conceivably put further pressure on the liquidity situation. This would require further action to ensure liquidity. The impact on the results of operations has been factored into the planning.

On the whole, the risk that energy prices could rise is therefore estimated to be moderate.

In a number of trades, there are dependencies on individual **suppliers**. Experience has shown that these can have a negative impact on the stability of purchase prices and the quality of the work performed. The risk is believed to be low.

On the whole, Messe München is confident for the future. The past two years, in which in-person events were unable to be held or were held only to a limited extent, have shown that the vast majority of exhibiting companies continue to regard trade shows as an indispensable marketing and sales tool, and that the alternative digital formats offered cannot even begin to replace them.

A survey conducted in fall 2021 by the Association of the German Trade Fair Industry together with its member associations VDMA, ZVEI and SPECTARIS, in which over 400 exhibiting companies participated, showed that a vast number of the companies surveyed had incurred sizable economic losses through the cancellation of trade fairs. They also lacked opportunities for acquiring new customers, networking, and sales opportunities in particular. While digital events were considered to have important substitute functions in the coronavirus pandemic, they were deemed to be of significantly less benefit than physical trade fairs and were therefore seen by the majority of respondents as a supplement rather than an alternative.

Messe München sees these findings as a clear **opportunity** that—once the coronavirus pandemic has been overcome—the trade-fair business will recover to pre-crisis levels in the medium term and subsequently return to growth—both in the German domestic market and in international markets, especially China and India. The significant recovery of the trade show business in Germany in 2022 from the restrictions imposed as a result of the coronavirus pandemic already impressively demonstrates this.

A **compliance structure** is in place at Messe München GmbH with the positions of an internal compliance director, an internal compliance officer, and an external ombudsman. This is intended to ensure observance of the compliance policy that was updated at the beginning of 2016. Besides detecting and penalizing misconduct, the organization helps to raise awareness of compliance issues among staff as a preventive measure and improves the effectiveness of the existing internal systems with a view to preventing breaches of the rules.

The **International Risk & Compliance Manager** assists with enhancing the compliance systems at the foreign associated companies, which in turn strengthens the compliance system of Messe München.

VIII. Declaration of corporate governance

The shareholders' meeting has set a ratio of 22.2 percent for the Supervisory Board and 20 percent for the Management Board as target values for the **ratio of women** in the Supervisory Board and the Management Board, to be attained by June 30, 2022. The ratio of women in the Supervisory Board at this time was 22.2 percent and was thus achieved; the ratio of women in the Management Board was 0 percent and was therefore not achieved. The Management Board has been restructured in recent years. In light of the coronavirus pandemic, the number of members in the Management Board was halved from six to three. As of July 1, 2021, Messe München's Management Board was composed of Klaus Dittrich, Chairman and CEO, Dr. Reinhard Pfeiffer, Deputy Chairman of the Board, and Stefan Rummel. Since July 1, 2022, Dr. Reinhard Pfeiffer and Stefan Rummel have led Messe München as sole and equal managing directors. This was resolved unanimously at the shareholders' meeting. Due to the aforementioned restructuring, no new members were appointed to the Management Board.

Management report and group management report 2022

The Management Board has set a ratio of 16.7 percent for first management level and 45 percent for second management level as target values to be attained by June 30, 2022 with regard to the **ratio of women** at the first and second management levels below the Management Board. The ratio of women in the first management level at this time was 30 percent and was thus achieved; the ratio of women in the second management level was 42.9 percent and was therefore not achieved. Due to the reduction in the headcount in 2021 and 2022 as a consequence of the pandemic, unplanned shifts took place when management positions were being filled.

With regard to the **ratio of women** in the Supervisory Board and the Management Board, the shareholders' meeting has resolved a ratio of 27.8 percent for the Supervisory Board and 0 percent for the Management Board, since no changes are envisioned to the existing composition. The ratio of women in the Supervisory Board is currently 27.8 percent and the ratio of women in the Management Board is 0 percent.

The Management Board has set a ratio of 40 percent for first management level and 45 percent for second management level as new target values to be attained by June 30, 2025 with regard to the **ratio of women** at the first and second management levels. Currently, the ratio of women in the first management level is 36.4 percent and the ratio of women in the second management level is 47.7 percent.

IX. Expected trends

After an exceedingly strong calendar of events in 2022, Messe München will have a normal year in **2023** due to the rotation of trade fairs.

The three own events scheduled for the first quarter of 2023, INHORGENTA MUNICH, f.re.e and LOPEC, went ahead very successfully. INHORGENTA attracted significantly higher numbers of exhibitors and visitors than before. A new record number of visitors was achieved at f.re.e and a new record number of exhibitors at LOPEC.


The major trade fairs BAU and transport logistic held in April and May were well attended. Given this situation, in its forecast as of February 28, 2023 the Management Board of Messe München GmbH projects full-year sales revenue of EUR 310.1 million and a net loss for the year in the mid-double-digit millions despite positive EBITDA (in accordance with the projection of EUR 18.1 million).

However, this is assuming that the current forecasts of economic development turn out to be correct and the **war in Ukraine** does not give rise to added pressure. While the war does not directly affect the trade fairs held in Germany, an economic slowdown caused by high energy prices, for example, could also have repercussions for the trade-fair business.

It is not yet possible to predict how trade-fair business will develop at the Chinese venues, especially in **Shanghai**, during the rest of the year now that the pandemic-related restrictions have been rolled back. Since March 7, 2023, trade fairs have again been held at the SNIEC exhibition center, which is almost fully booked throughout the end of the year. Capacity utilization at the events is expected to reach 70–80 percent for the current year.

Compared with the previous year, consolidated net income (loss) for 2023 will be on a similar level to the result achieved by the group parent due to the lack of the major trade fair bauma CHINA by MM Shanghai, which is held only every two years. We currently anticipate group sales revenue of EUR 365.5 million in 2023 and a consolidated net loss for the year in the mid-double-digit millions.

Munich, April 28, 2023



DR. REINHARD PFEIFFER



STEFAN RUMMEL

Consolidated balance sheet—figures 1/2

as of December 31, 2022, Messe München GmbH

Assets	December 31, 2022 EUR	Previous year TEUR
A. Fixed assets		
I. Intangible fixed assets	21,142,593.66	33,304
II. Tangible fixed assets	822,331,259.42	853,815
III. Financial assets	16,943,132.42	21,023
	860,416,985.50	908,142
B. Current assets		
I. Stocks		
1. Finished goods and merchandise	5,093.25	25
2. Advance payments	0.00	534
	5,093.25	559
II. Receivables and other assets		
1. Trade receivables	32,603,306.24	19,487
2. Receivables from associated companies	206,831.85	956
3. Other assets	15,134,684.67	12,424
	47,944,822.76	32,867
III. Cash on hand, cash at banks	270,099,403.63	119,011
	318,049,319.64	152,437
C. Prepaid expenses and deferred charges	3,600,413.91	4,987
D. Positive difference from asset allocation	2,868.78	0
	1,182,069,587.83	1,065,566

Consolidated balance sheet—figures 2/2

as of December 31, 2022, Messe München GmbH

Equity and liabilities	December 31, 2022 EUR	Previous year TEUR
A. Equity		
I. Capital subscribed	248,656,580.58	248,656
II. Capital reserves	178,400,090.21	178,400
III. Other revenue reserves	317,875.50	318
IV. Currency differences	5,926,737.71	4,396
V. Consolidated accumulated loss	-108,726,106.98	-159,295
VI. Minority interests	1,329,585.57	1,494
	325,904,762.59	273,969
B. Provisions		
1. Provisions for pensions and similar liabilities	13,021,855.38	11,987
2. Provisions for taxation	6,996,248.38	828
3. Other provisions	55,545,245.09	42,886
	75,563,348.85	55,701
C. Liabilities		
1. Liabilities to banks	658,073,412.05	655,649
2. Advance payments received from customers	88,560,667.05	62,672
3. Trade liabilities	29,668,195.17	13,798
4. Liabilities to shareholders	0.00	13
5. Other liabilities	4,299,202.12	3,764
	780,601,476.39	735,896
	1,182,069,587.83	1,065,566

Consolidated profit and loss account

for the fiscal year from January 1 to December 31, 2022, Messe München GmbH

	2022 EUR	Previous year TEUR
1. Sales	438,751,666.88	158,137
2. Change in inventories of finished goods and work in progress	0.00	-182
3. Other operating income	4,715,167.72	28,514
	443,466,834.60	186,469
4. Event expenses	-184,448,878.23	-94,790
5. Personnel costs		
a) Wages and salaries	-58,062,767.59	-51,687
b) Social security contributions and pension and support costs, of which pension costs: EUR 2,973,060.00 (2021: TEUR 1,111)	-14,108,773.94	-11,388
	-72,171,541.54	-63,075
6. Depreciation and amortization of tangible and intangible fixed assets	-55,121,733.36	-46,781
7. Other operating expenses	-59,258,948.18	-46,227
	72,465,733.29	-64,404
8. Income from participating interests	0.00	0
9. Result from participating interests in associated companies	315,532.04	7,976
10. Income from long-term financial instruments	32,708.00	40
11. Other interest and similar income	1,723,069.30	1,302
12. Amortization of financial assets	-147,094.03	-369
13. Interest and similar expenses	-13,493,487.69	-13,148
14. Result of ordinary business activities	60,896,460.91	-68,604
15. Taxes on income	-6,815,317.04	228
16. Result after tax	54,081,143.87	-68,376
17. Other taxes	-3,263,978.80	-3,518
18. Consolidated net income (loss) for the year before minority interests	50,817,165.06	-71,894
19. Share of result attributable to minority shareholders	-248,704.73	570
20. Consolidated net income (loss) for the year	50,568,460.33	-71,324
21. Loss carryforward	-159,294,567.31	-87,971
22. Consolidated accumulated loss	-108,726,106.98	-159,295

Balance sheet—figures 1/2

as of December 31, 2022, Messe München GmbH

Assets	EUR	December 31, 2022 EUR	Previous year TEUR
A. Fixed assets			
I. Intangible fixed assets			
Purchased concessions, industrial and similar rights and assets, and licenses in such rights and assets		11,011,207.87	12,962
II. Tangible fixed assets			
1. Land, land rights and buildings, including buildings on third-party land	805,091,290.65		837,893
2. Other equipment, operating and office equipment	10,618,892.07		10,988
3. Assets under construction	5,096,660.12		2,953
		820,806,842.84	851,834
III. Financial assets			
1. Shares in affiliated companies	4,159,543.28		13,684
2. Loans to affiliated companies	0.00		2,040
3. Other long-term equity investments	12,274,062.32		12,275
		16,433,605.60	27,999
		848,251,656.31	892,795
B. Current assets			
I. Receivables and other assets			
1. Trade receivables	31,464,242.46		19,301
2. Receivables from affiliated companies	2,255,386.96		2,605
3. Receivables from investment companies	206,831.85		956
4. Other assets	2,600,823.01		4,053
		36,527,284.28	26,915
II. Cash on hand, cash at banks		173,450,003.78	30,210
		209,977,288.06	57,125
C. Prepaid expenses and deferred charges		1,849,492.84	2,236
D. Positive difference from asset allocation		2,868.78	0
		1,060,081,305.99	952,156

Balance sheet—figures 2/2

as of December 31, 2022, Messe München GmbH

Equity and liabilities	EUR	December 31, 2022 EUR	Previous year TEUR
A. Equity			
I. Capital subscribed		248,656,580.58	248,657
II. Capital reserve		178,400,090.21	178,400
III. Accumulated losses brought forward		-216,314,106.61	-147,817
IV. Net loss for the year		51,869,872.94	-68,497
		262,612,437.12	210,743
B. Provisions			
1. Provisions for pensions and similar liabilities		13,021,855.38	9,814
2. Provisions for taxation		5,855,190.00	0
3. Other provisions		50,853,373.19	39,167
		69,730,418.57	48,981
C. Liabilities			
1. Liabilities to banks		658,073,412.05	655,649
2. Advance payments received from customers		36,439,657.74	21,550
3. Trade liabilities		28,814,366.33	12,229
4. Liabilities to affiliated companies, of which to shareholders: EUR 13,016.28 (2021: TEUR 13)		2,245,378.94	569
5. Other liabilities, of which taxes: EUR 739,820.58 (2021: TEUR 1,481)		2,165,635.24	2,435
		727,738,450.30	692,432
		1,060,081,305.99	952,156

Profit and loss account

for the fiscal year from January 1 to December 31, 2022, Messe München GmbH

	2022 EUR	Previous year TEUR
1. Sales	413,357,012.04	127,176
2. Other operating income, of which from currency translation: EUR 94,598.39 (2021: TEUR 6)	1,553,416.96	27,552
	414,910,429.00	154,728
3. Event expenses		
a) Promotional and media relations expenses	-20,961,816.20	-13,093
b) Implementation costs	-160,724,025.21	-68,002
	-181,685,841.41	-81,095
4. Personnel costs		
a) Wages and salaries	-43,455,747.99	-38,358
b) Social security contributions and pension and support costs, of which pension costs: EUR 2,916,365.26 (2021: TEUR 997)	-10,051,938.82	-7,566
	-53,507,686.81	-45,924
5. Depreciation and amortization of tangible and intangible fixed assets	-43,194,590.95	-41,718
6. Other operating expenses, of which from currency translation: EUR 77,389.03 (2021: TEUR 12)	-53,695,324.07	-39,344
7. Income from participating interests, of which from affiliated companies: EUR 432,555.51 (2021: TEUR 0)	432,555.51	4,000
8. Expenses from profit and loss transfer agreements, of which from affiliated companies: EUR 0.00 (2021: TEUR 131)	0.00	-131
9. Income from long-term financial instruments, of which to affiliated companies: EUR 32,708.00 (2021: TEUR 40)	32,708.00	40
10. Other interest and similar income, of which from affiliated companies: EUR 1,735.20 (2021: TEUR 3)	506,325.29	41
11. Amortization of financial assets	-9,370,702.17	-4,020
12. Interest and similar expenses, of which from compounding interest: EUR 255,004.61 (2021: TEUR 235)	-13,479,560.46	-12,635
13. Taxes on income	-5,855,190.00	942
14. Result after tax	55,093,121.93	-65,116
15. Other taxes	-3,223,248.99	-3,381
16. Annual net income (-losses / +earnings)	51,869,872.94	-68,497

Notes to the 2022 consolidated financial statements

for the fiscal year from January 1 to December 31, 2022, Messe München GmbH

Identification of the company

Company name: Messe München GmbH

Registered office: Munich

Registry court: Munich Local Court

Commercial register number: HRB 6311

General information

These consolidated financial statements were prepared in accordance with sections 290 ff. of the German Commercial Code (HGB) and in accordance with the relevant provisions of the German Limited Liability Companies Act (GmbHG). There are no supplementary requirements in the articles of association.

We have combined individual consolidated balance sheet items for clarity and ease of understanding of the consolidated financial statements. These items are explained in the notes. We have also included the additional disclosures required for individual items in the notes. The consolidated income statement has been prepared using the nature of expense method.

Due to the special features of the trade-fair industry, the structure of the income statement has been expanded to include the “events-related expenses” item.

The wholly owned subsidiary IMAG GmbH was retroactively merged with MMG with effect from January 1, 2022. The merger was entered in the commercial register on March 24, 2023. The entry did not give rise to any material changes that would be required to be reported.

Basis of consolidation

In addition to Messe München GmbH, Munich, as the parent company, the consolidated financial statements include the following consolidated companies:

Company, location of registered office	Share in equity December 31, 2022 in %	Nominal capital		Equity December 31, 2022 TEUR	Annual net income 2022 TEUR
		Currency	December 31, 2022 TEUR		
Direct:					
MMI Asia Pte. Ltd., Singapore	100.00	SGD	50	32,326	-2,332
Messe Muenchen India Pvt. Ltd., Mumbai ¹⁾	100.00	INR	31,372	3,978	1,315
MMI Asia (Hong Kong) Limited, Hong Kong, China (currently not trading) ²⁾	100.00	HK\$	10	-19	0
meplan GmbH, Munich	85.00	EUR	51	872	2,935
TrendSet GmbH, Munich	51.15	EUR	26	1,632	1,274
Messe Muenchen South Africa Proprietary Limited, Johannesburg ²⁾	100.00	ZAR	41,968	496	4
Messe Muenchen Rus LLC, Moscow ⁵⁾	95.00	RUB	10	1,749	-188
MM do Brasil Feiras Ltda., São Paulo ²⁾	100.00	BRA	26,641	-1,199	-2,344
Indirect:					
Messe Muenchen Shanghai Co., Ltd., Shanghai ³⁾	100.00	CNY	4,138	22,958	-6,831
bc Expo India Pvt. Ltd., Mumbai ⁴⁾	65.00	INR	44,950	704	-48
MMU BAU Fenestration Co., Ltd., Beijing ⁶⁾	75.00	CNY	7,500	964	-1,467

¹⁾ 32.86% is held by Messe München GmbH and 67.14% by MMI Asia Pte. Ltd.

²⁾ All the shares in the subsidiary are held by Messe München GmbH.

³⁾ All the shares in the subsidiary are held by MMI Asia Pte. Ltd.

⁴⁾ This is a 65%-owned subsidiary of MMI Asia Pte. Ltd., Singapore.

⁵⁾ This is a 95%-owned subsidiary of Messe München GmbH.

⁶⁾ This is a 75%-owned subsidiary of Messe Muenchen Shanghai Co., Ltd.

Notes to the 2022 consolidated financial statements

Consolidation of the single-entity financial statements of the subsidiaries

Pursuant to the statutory requirements of sections 300 ff. HGB, the single-entity financial statements of the subsidiaries are included in accordance with the principles of full consolidation, i.e. the assets, liabilities, deferred items and special items of the subsidiaries take the place of the shares held by the parent entity in the subsidiaries included.

Acquisition accounting

Acquisitions are accounted for in accordance with the revaluation method (section 301 (1) HGB). Under this method, the interests subject to consolidation are offset against the equity of the subsidiaries attributable to them. A resulting asset difference is presented as goodwill and amortized on a straight-line basis over ten years beginning with the following year.

In 2015, the company acquired 95 percent of Messe Muenchen Rus (formerly CTT Expo) LLC, Moscow. Because the purchase price exceeds the equity acquired, there is a positive difference, which is recognized as goodwill and is being amortized over ten years starting in 2016. The goodwill was written down by EUR 500,000.00 in 2017 and by EUR 1,670,000.00 in 2020 and then written off in 2022 due to significant changes in the economic environment and a resulting permanent impairment.

In 2017, Messe Muenchen Shanghai Co., Ltd. acquired 75 percent of the shares in MMU Bau Fenestration, Beijing. Because the purchase price exceeds the equity acquired, there is a positive difference of EUR 19,527,088.88, which is recognized as goodwill and is being amortized over ten years starting in 2017.

In 2017, Messe München acquired 99.99 percent of MM do Brasil Feiras Ltda., São Paulo, which was included in the consolidated financial statements for the first time in 2019. Because the purchase price exceeds the equity acquired, there is a positive difference of EUR 1,118,472.64, which is recognized as goodwill and is being amortized over ten years starting in 2019. The goodwill of EUR 894,778.12 still remaining after amortization as of December 31, 2020 was written down in full due to changes in the economic environment and a permanent impairment in the previous year.

In this fiscal year, the change in goodwill results from the extraordinary write-down of Messe Muenchen Rus in addition to the amortization of goodwill.

Consolidation of intercompany balances

Receivables and liabilities between the companies included in the consolidated financial statements are eliminated.

Consolidation of income and expenses

Revenues and other income from deliveries and services between the companies included in the consolidated financial statements were offset against the related expenses.

Elimination of intercompany profits

No intercompany profits within the group were eliminated in the 2022 fiscal year or in the previous year.

Deferred taxation

Deferred taxes are recognized for temporary differences between carrying amounts and their tax bases if these lead to deferred tax liabilities—after offsetting against deferred tax assets. They are measured using the tax rates that are expected to apply at the date when the temporary differences reverse. There are no deferred taxes from the reconciliations to Handelsbilanz II (the single-entity financial statements restated to comply with the parent's accounting policies) or from consolidation adjustments.

Notes to the 2022 consolidated financial statements

Foreign currency translation

Receivables and liabilities in **foreign currencies** were measured at the middle spot rate at the reporting date.

Foreign currency financial statements are translated using the closing rate method. Under this, equity—with the exception of net income for the year—is translated at the historical exchange rate, while the remaining asset and liability items are translated at the middle spot rate at the reporting date. The balance sheet differences arising from this are presented under a separate heading under equity. The items of the income statement are translated at the average rate.

Proportionate consolidation

EKO MMI Fuarçılık Limited Şirketi, Istanbul, is managed jointly by Messe München GmbH and the external company EKO Fuarçılık Ticaret Limited Şirketi, Istanbul. The company was consolidated in proportion to the equity investment of 50 percent (section 310 HGB).

Equity consolidation

Messe München GmbH holds an equity investment of 33.3 percent in GEC German Exposition Corporation International GmbH, Berlin, which has been included in MMG's consolidated financial statements since 2004. MM Shanghai Co., Ltd., Shanghai, holds 50 percent of Messe Muenchen Zhongmao Co., Ltd., Shanghai. MM Zhongmao has been included in the consolidated financial statements since 2017. Thus, significant influence within the meaning of section 311 (1) HGB exists in the case of these equity investments.

These investments are recognized in the consolidated financial statements at their carrying amount applying the equity method (section 312 (1) HGB). The companies' accounting policies are largely aligned with the policies applied in the consolidated financial statements.

Accounting policies

The following accounting policies were applied for the preparation of the consolidated financial statements.

The consolidated financial statements were prepared on the assumption that each of the companies included in the consolidated financial statements is a going concern.

Purchased **intangible fixed assets** are recognized at cost and, if they have a finite life, are amortized on a straight-line basis over their useful lives. The useful life excluding goodwill is three to eight years. Please refer to the above statements on goodwill.

Tangible fixed assets are recognized at cost and, if they have a finite useful life, are depreciated on a straight-line basis in accordance with their expected useful lives. The following useful lives are applied: 40 years for buildings, 3 to 12 years for factory and office equipment, 6 years for vehicles and 10 years for operating equipment. The depreciation on additions to tangible fixed assets is calculated pro rata temporis. Low-value assets up to a value of EUR 800.00 are written off in full in the year of acquisition.

In the case of **financial assets**, the shares are recognized at the lower of cost or fair value.

Inventories are recognized at cost. The events not yet invoiced, which are recognized under inventories, result from IMAG's implementation business for public-sector customers. These were measured at the event costs incurred.

Receivables and other assets are carried at their principal amount. All items with a risk component are taken into account by recognizing appropriate specific valuation allowances. General credit risk is taken into account through a general allowance.

Cash on hand and **cash at banks** are recognized at their nominal amount at the reporting date.

Prepaid expenses and deferred charges are recognized for amounts spent up to the reporting date that constitute period-related expenses to be incurred after the reporting date.

Notes to the 2022 consolidated financial statements

Assets that serve exclusively to meet pension commitments and settle outstanding amounts arising from partial retirement arrangements and that are exempt from attachment by all other creditors are measured at fair value. The measurements of the **provision for pensions and early**

retirement commitments and the **provision for benefit payment commitments** are based on the projected unit credit method using a monthly advance payment approach. The measurement is based on actuarial reports with the following assumptions:

The Klaus Heubeck 2018 G mortality tables are used to determine the probability of death and disability. The entitlements to a spouse's pension are calculated using the collective method. The calculations are based on an age at expiry of financing of 65. The interest rate is determined by the Regulation on the Discounting of Provisions (RückAbzinsV) published by the Deutsche Bundesbank; the option from section 253 (2) sentence 2 HGB was exercised and a residual maturity of 15 years has been assumed.

The **difference** pursuant to section 253 (6) HGB between the recognition of the pension provisions in accordance with the corresponding average market interest rate from the past ten fiscal years and the recognition of the provisions in accordance with the corresponding average market interest rate from the past seven fiscal years is TEUR 487 (2021: TEUR 551).

	Pension commitment		Benefit payment commitment	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Interest rate	1.78%	1.87%	1.44%	1.35%
Salary trend	3.00%	2.00%	0.00%	0.00%
Pension trend	3.00%	2.00%	0.00%	0.00%

Notes to the 2022 consolidated financial statements

The calculations for the **deferred compensation** and for the **provision for partial retirement** are based on the projected unit credit method using a monthly advance payment approach. The following actuarial assumptions were used.

	Deferred compensation		Partial retirement	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Interest rate	1.44%	1.35%	0.43%	0.30%
Salary trend	–	–	3.00%	2.00%
Average pension trend	1.00%	1.00%	3.00%	2.00%

The Klaus Heubeck 2018 G mortality tables are used to determine the probability of death and disability. The interest rate is determined by the Regulation on the Discounting of Provisions (RückAbzinsV) published by the Deutsche Bundesbank; the option from section 253 (2) sentence 2 HGB was exercised and a residual maturity of 15 years has been assumed.

The **difference** pursuant to section 253 (6) HGB between the recognition of the deferred compensation provision in accordance with the corresponding average market interest rate from the past ten fiscal years and the recognition of the provisions in accordance with the corresponding average market interest rate from the past seven fiscal years is TEUR 54 (2021: TEUR 85).

The fulfillment of obligations from partial retirement is secured by a bank guarantee. The fulfillment of commitments from deferred compensation is secured by a reinsurance policy. The asset value of the reinsurance policy is TEUR 778 according to the insurance company and is equal to the fair value. The settlement amount of offset liabilities is TEUR 1,011.

The effect on results arising from the change in the discount rate is recognized in the results of operations (reporting option pursuant to IDW RS HFA 30, note 87).

Assets that are exempt from attachment by all other creditors and that serve exclusively to settle liabilities from post-employment benefit obligations are measured at their fair value and are offset against the corresponding liability items in accordance with section 246 (2) sentence 2 HGB.

Notes to the 2022 consolidated financial statements

The Klaus Heubeck 2018 G mortality tables are also used to calculate the long-service anniversary provisions. The calculation of the long-service anniversary provision is based on an interest rate of 1.44 percent (2021: 1.35 percent), the assumption of a salary trend of 3.00 percent (2021: 2.00 percent) and a staff turnover of 8.00 percent (2021: 8.00 percent).

Other provisions and **provisions for taxation** take all contingent liabilities into account. The measurement is made in the settlement amount deemed necessary according to prudent business judgment. Long-term provisions with a term of more than one year are discounted at the interest rate specified by the Deutsche Bundesbank that matches the term. Future price and cost increases in the amount of the general inflation rate are taken into account.

Liabilities are recognized at their settlement amount.

Foreign-currency receivables and liabilities were measured at the middle spot rate at the reporting date.

Sales revenue is recognized for the period in which the contractually agreed service was rendered.

Government refunds through the use of reduced working hours (short-time allowance) were paid to the employees in the previous year. Refunds of social security contributions by the German Federal Employment Agency in accordance with section 2 (1) of the Regulation on Facilitating Short-time Work (KugV) are non-repayable government grants that were reported in the income statement in the previous year as a reduction of personnel expenses.

Notes to the consolidated balance sheet

Financial assets

The composition of the shareholdings is shown in the following overview:

Company, location of registered office	Share in equity Dec. 31, 2022 in %	Nominal capital Dec. 31, 2022 TEUR	Equity Dec. 31, 2022 TEUR	Annual net income 2022 TEUR
Abroad:				
Associated company				
Messe Muenchen Zhongmao Co., Ltd., Shanghai ¹⁾	50.00	136	959	785
Domestic:				
Associated company				
GEC German Exposition Corporation International GmbH, Berlin	33.33	150	48	-231

¹⁾ Reporting date exchange rate 0.13590 / average exchange rate 0.14127

Receivables and other assets

As in the 2021, all receivables and other assets are due in less than one year.

Cash and cash equivalents

Cash and cash equivalents total TEUR 270,099 and comprise cash in banks and cash on hand.

Excess of plan assets over pension liability

For pension commitments of IMAG GmbH the group pledged reinsurance policies in the amount of TEUR 24 to the beneficiaries; consequently, these have been offset as dedicated assets in accordance with section 246 (2) sentence 2 HGB. The fair value of TEUR 24 corresponds to the acquisition cost. The settlement amount of the pension commitments hedged by means of the reinsurance policy was TEUR 21 as of December 31, 2022. After the assets were offset, a positive difference of TEUR 3 was recognized.

Notes to the consolidated balance sheet

Other provisions

Other provisions were recognized largely for deferred maintenance measures (TEUR 15,847; 2021: TEUR 16,044), for restoration obligations relating to the bauma temporary parking spaces at the trade-fair center (TEUR 9,450; 2021: TEUR 2,955), for personnel provisions (TEUR 14,196; 2021: TEUR 11,009), of which supplementary insurance within the supplementary insurance fund (TEUR 1,224; 2021: TEUR 1,224) and outstanding invoices for advertising, press, and implementation costs (TEUR 5,613; 2021: TEUR 5,946).

From the conversion of the long-term expense provisions for building defects/warranty defects for the first construction section due to the change in measurement as a result of the German Accounting Law Modernization Act (BilMoG), use is made of the option of Art. 67 (3) sentence 1 of the Introductory Act to the German Commercial Code (EGHGB) and the provision is retained. As of December 31, 2022, the amount of the provision was TEUR 15,847.

Liabilities to banks

Liabilities to banks are due as follows:

Due date	2022 TEUR	2021 TEUR
< 1 year	60,196	47,696
> 1 year	597,877	607,953
of which > 5 years	435,000	475,075

The liabilities to banks are secured by land charges in the amount of TEUR 639,115.

Maturity of liabilities

As in the previous year, the following liabilities are all due within one year:

Liabilities	Dec. 31, 2022 TEUR	Dec. 31, 2021 TEUR
Liabilities from advance payments received on orders	88,561	62,672
Trade payables	29,668	13,811

Liabilities to shareholders

Trade payables include liabilities to shareholders in the amount of TEUR 0 (2021: TEUR 13) that in the previous year had a remaining term of up to one year.

Other liabilities

Of the other liabilities, TEUR 1,777 (2021: TEUR 1,803) result from tax. Other liabilities have the following remaining terms:

Due date	2022 TEUR	2021 TEUR
< 1 year	3,751	3,216
> 1 year	548	548
of which > 5 years	237	315

Notes to the consolidated balance sheet

Other financial commitments

As of the end of the 2022 fiscal year, there were financial commitments to external third parties of TEUR 5,003 (2021: TEUR 8,156). Other financial commitments have the following remaining terms:

Due date	2022 TEUR	2021 TEUR
< 1 year	2,109	3,282
> 1 year	2,894	4,874
of which > 5 years	0	0

Notes to the consolidated income statement

Sales	2022 TEUR	2021 TEUR
Exhibitors	364,485	101,424
Public-sector customers	0	885
Visitors	22,883	10,272
Other	51,384	45,556
	438,752	158,137

A total of 95 percent of sales were generated in Germany and 5 percent outside Germany.

Other operating income

This item includes prior-period income of TEUR 1,319, which results primarily from the reversal of provisions in the amount of TEUR 1,051. Moreover, income of TEUR 1,454 resulted from currency translation.

Event expenses

Expenses for materials directly attributable to the events are reported under event expenses. In addition to expenses for the period, this item contains expenses in the amount of TEUR 9,269 for future trade fairs.

Personnel expenses

In the previous year, personnel expenses had been reduced by the amount of social security contributions refunded by the German Federal Employment Agency of TEUR 1,599. No refunds were made in the current fiscal year.

Other operating expenses

The item includes prior-period expenses totaling TEUR 703, of which an amount of TEUR 618 is attributable in particular to the write-down of trade receivables. Moreover, expenses of TEUR 885 resulted from currency translation.

Other disclosures

The Supervisory Board in the reporting year

Hubert Aiwanger

State Minister, Bavarian Ministry of Economic Affairs, Regional Development and Energy, Member of the Landtag (Chairman)

Dieter Reiter

Mayor of the Bavarian Capital of Munich (First Deputy Chair)

Franz Xaver Peteranderl

President of the Chamber of Trade for Munich and Upper Bavaria (Additional Deputy Chair)

Ulrike Bauer

Chair of the Works Council, Messe München GmbH (Additional Deputy Chair)

Dr. Heiko Bauer

Undersecretary, Bavarian Ministry of Finance and Homeland

Anja Berger

City Council Member, Bavarian Capital of Munich

Albert Füracker

State Minister, Bavarian Ministry of Finance and Homeland

Dr. Manfred Gößl

CEO of the Chamber of Commerce and Industry for Munich and Upper Bavaria

Christian Horak

Undersecretary, Bavarian State Chancellery

Christian Lepp

Department Head, Messe München GmbH

Abdul Mansouri

Full-time Member of the Works Council, Messe München GmbH

Georg Moller

Division Head, Messe München GmbH

Frank Pastior

Department Head, Messe München GmbH

Julia Post

City Council Member, Bavarian Capital of Munich

Sebastian Schall

City Council Member, Bavarian Capital of Munich

Rolf Tischer

Division Head, Messe München GmbH

Christian Vorländer

City Council Member, Bavarian Capital of Munich

Dr. Ulrike Wolf

Head of Department, Bavarian Ministry of Economic Affairs, Regional Development and Energy

Members of the finance and personnel committee

Christian Vorländer, Chair (until November 7, 2022)

Anja Berger, Chair (since November 8, 2022)

Dr. Ulrike Wolf, Deputy Chair

Ulrike Bauer

Dr. Heiko Bauer

Dr. Manfred Gößl

Rolf Tischer

Management Board

Dr. Reinhard Pfeiffer Deputy Chairman of the Board (until June 30, 2022), Managing Director (as of July 1, 2022)

Stefan Rummel Managing Director

Klaus Dittrich Chairman and CEO (until June 30, 2022)

Other disclosures

Total remuneration of the Management Board

The members of the Management Board received total remuneration of EUR 683,193.94 in 2022.

As in the previous year, the remuneration does not include the pension allowances from public bodies amounting to EUR 34,194.75 or other pension contributions of EUR 31,749.90.

Total remuneration of the Supervisory Board

The members of the Supervisory Board received total remuneration of EUR 43,458.82 in 2022. One member waived the meeting fee.

Total remuneration of former members of the Management Board

Former members of the Management Board and their surviving dependents received remuneration of EUR 566,433.71 in 2022. A total of EUR 6,703,584.00 was set aside for pension and retirement obligations to former members of the executive bodies and EUR 2,613,382.00 for their surviving dependents. No loans have been extended to members of the executive bodies, nor are there any contingent liabilities in favor of these individuals.

Cash and cash equivalents

The cash and cash equivalents reported in the cash flow statement in accordance with GAS 21 are comprised of cash on hand and cash at banks. Changes in cash and cash equivalents due to exchange rates are reported separately in the cash flow statement. Additionally, income and/or payments received from coronavirus assistance are reported separately in the cash flow statement.

Employees

The group had a total of 941 employees in the reporting period (2021: 1,019). The average number of employees at Messe München GmbH was 563 (2021: 644), of whom 343 were women (2021: 388) and 220 were men (2021: 256).

EKO MMI Fuarçılık Limited Şirket, Istanbul / Turkey, which is reported using proportionate consolidation, does not have any employees.

Auditor's fee

The auditor's fee reported as an expense in the fiscal year amounts to TEUR 134 for the audit of the separate and consolidated financial statements (of which TEUR 57 accrues to the auditor's international network).

Report on post-balance sheet date events

No significant events occurred after the end of the 2022 fiscal year that were required to be reported.

Munich, April 29, 2023



DR. REINHARD PFEIFFER



STEFAN RUMMEL

Independent auditor's report

To Messe München GmbH, Munich

Opinions

We have audited the consolidated financial statements of Messe München GmbH, Munich, and its subsidiaries (the group), which comprise the consolidated balance sheet as of December 31, 2022, the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement for the fiscal year from January 1 to December 31, 2022, and notes to the consolidated financial statements, including the presentation of accounting policies. In addition, we have audited the management report of the company and the group (hereinafter referred to as the “group management report”) of Messe München GmbH for the fiscal year from January 1 to December 31, 2022.

In accordance with German legal requirements, we have not audited the content of those parts of the group management report listed in the “Other information” section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the requirements of German commercial law and give a true and fair view of the assets, liabilities and financial position of the group as of December 31, 2022, and of its financial performance for the fiscal year from January 1 to December 31, 2022, in compliance with German generally accepted accounting principles and

- the accompanying group management report as a whole provides an appropriate view of the group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the group management report does not cover the content of those parts of the group management report listed in the “Other information” section of our auditor's report.

Pursuant to section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

Basis for the opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with section 317 HGB in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the “Auditor's responsibilities for the audit of the consolidated financial statements and of the group management report” section of our auditor's report. We are independent of the group entities in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the group management report.

Other information

The executive directors and the Supervisory Board are responsible for the other information. The other information comprises the following non-audited parts of the management report:

- the corporate governance statement of the parent company pursuant to section 289f (4) HGB (disclosures on the proportion of women), which is contained in section VIII of the group management report.

Our opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Independent auditor's report

Responsibilities of the Executive Board and the Supervisory Board for the consolidated financial statements and the group management report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with the requirements of German commercial law, and that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the group in compliance with German generally accepted accounting principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German generally accepted accounting principles, have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors 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 based on the going concern basis of accounting unless actual or legal circumstances require otherwise.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group 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 group 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 group management report.

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

Our objectives are 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 group management report as a whole provides an appropriate 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 appropriately 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 group 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 German Generally Accepted Standards for Financial Statement Audits promulgated by the 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 group management report.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group 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.

Independent auditor's report

- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group 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 executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' 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 group 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 assets, liabilities, financial position and financial performance of the group in compliance with German generally accepted accounting principles.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinions.
- Evaluate the consistency of the group 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 the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors 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, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Munich, May 8, 2023

KPMG AG
Wirtschaftsprüfungsgesellschaft

signed Rüger
German Public Auditor

signed Patzak
German Public Auditor

Report by the Supervisory Board to the shareholders' meeting on the 2022 annual financial statements

“The Supervisory Board had the Executive Management report to it in writing and verbally on the affairs of the company and the group on an ongoing basis during the reporting period and informed itself about the results achieved during the fiscal year. It discussed all important affairs of the company at its meetings, in particular at the meetings of its committees, and adopted the resolutions necessary according to the law and the articles of association.

The audit of the annual financial statements and the consolidated financial statements and the management report and the group management report were performed by KPMG AG, Wirtschaftsprüfungsgesellschaft, Munich, and each received an unqualified audit opinion. The Supervisory Board agrees with the findings of these audits following its own audit of the annual financial statements, the consolidated financial statements, the management report, and the group management report and approves the annual financial statements and the consolidated financial statements. It recommends that the shareholders' meeting adopt the company's annual financial statements and the consolidated annual financial statements.

The audit of KPMG AG, Wirtschaftsprüfungsgesellschaft, Munich, further showed that the Executive Management has taken the measures to set up an early risk detection system required in accordance with the German Limited Liability Companies Act (GmbHG) in conjunction with section 91 (2) of the German Stock Corporation Act (AktG) and that the early risk detection and monitoring system is fundamentally suitable for the early detection of developments that could threaten the company's continued existence.”

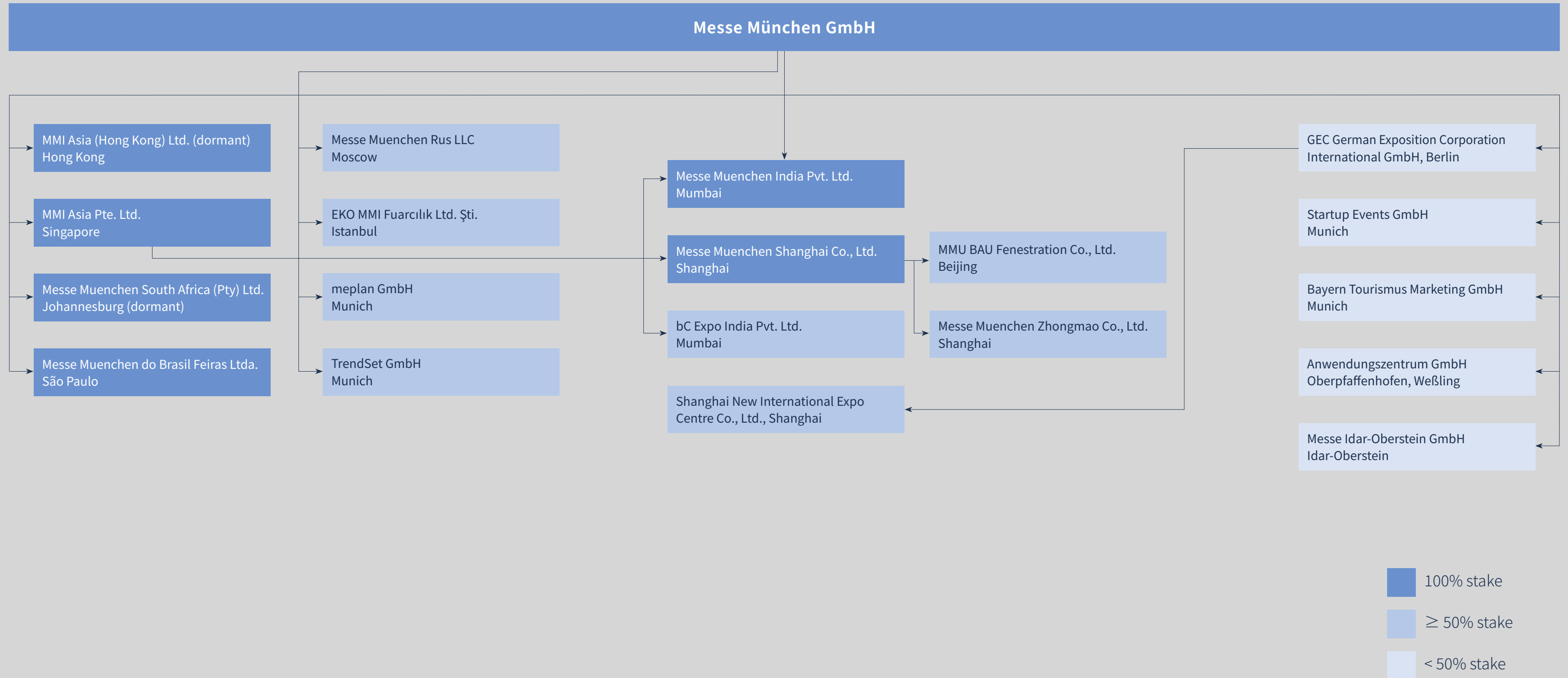
Munich, June 20, 2023

Chairman of the Supervisory Board

Dieter Reiter

Mayor of the Bavarian Capital of Munich

Shareholding structure



- 100% stake
- ≥ 50% stake
- < 50% stake

As of May 11, 2023

Legal Notice

Published by Messe München GmbH

Dr. Reinhard Pfeiffer and Stefan Rummel,
Managing Directors | CEOs

Am Messesee 2
81829 München

Deutschland / Germany
Phone +49 89 949-20720

Fax +49 89 949-20729

presse@messe-muenchen.de
messe-muenchen.de

Responsibility

Dr. Carola Hesse

Director Corporate Marketing & Communications

Edited by Laura Duffe & Birgit Nebe

Corporate Marketing & Communications

Photo Credits:

Page 1, 7, 8, 12, 13, 14, 16: Messe München

Page 4: left: State Minister Aiwanger: StMWi/R.Kerl,
and right: Mayor Reiter: Michael Nagy / Presseamt

Page 9: Yuichiro Chino, Getty Images Deutschland GmbH

Page 10: Lukman Hakim, justinroque, iStock by Getty Images

Page 11: sanjeri, iStock by Getty Images

Page 15: miniseries, iStock by Getty Images