

Annual Report 2023

Messe Düsseldorf Group



Messe
Düsseldorf

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Messe Düsseldorf GmbH Group

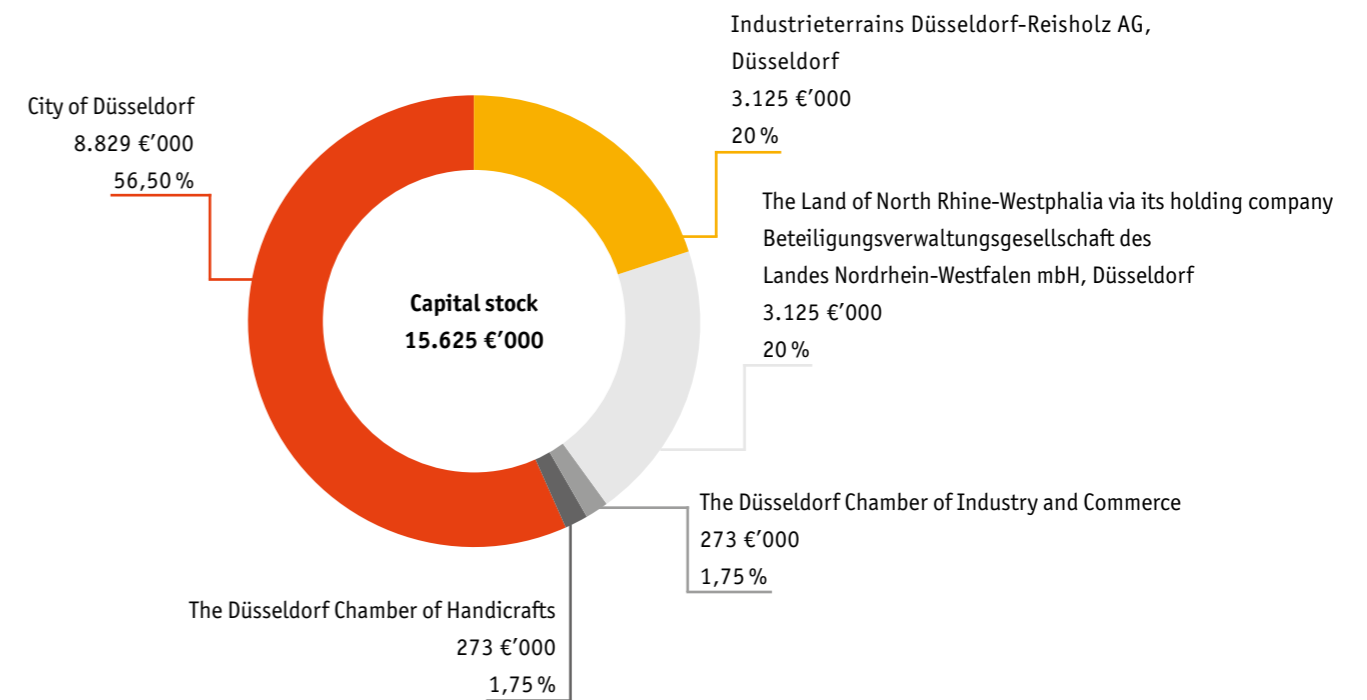
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Shareholders and Board of Management

of Messe Düsseldorf GmbH

Shareholders



The Management

Dipl.-Betriebswirt
Wolfram Nikolaus Diener
CEO, Chairman of the Managing Board
Düsseldorf

Dipl.-Kaufmann
Bernhard Johannes Stempfle
Düsseldorf

Dipl.-Volkswirt
Erhard Wienkamp
Düsseldorf

Supervisory Board

of Messe Düsseldorf GmbH

Supervisory Board of Messe Düsseldorf GmbH in 2023

In the business year under review, the Company's Supervisory Board comprised:

Chairman

Dr. Stephan Keller, Mayor of Düsseldorf, capital of North-Rhine Westphalia

Vice-Chairpersons

Andreas Ehlert, President of the Düsseldorf Chamber of Handicrafts (until April 2023)

Andreas Hartnigk, Lawyer, Member of Düsseldorf City Council

Dirk Lindner, Deputy President of the Düsseldorf Chamber of Industry and Commerce (as from May 2023)

Gabriele Schafer, former Chair of the Employees' Council, Messe Düsseldorf GmbH

Members

Uwe Balzer, Company Engineer, Messe Düsseldorf GmbH Employees' Representative

Peter Blumenrath, Building Services Engineer, Member of Düsseldorf City Council

Michael de Buhr, Deputy Head of Department, Messe Düsseldorf GmbH Employees' Representative

Andreas Ehlert, President of the Düsseldorf Chamber of Handicrafts (Deputy Chair until April 2023)

Jürgen Fischer, Consultant in the City of Düsseldorf's Environmental Department, Member of Düsseldorf City Council

Ursula Holtmann-Schnieder, Lecturer in Family / Adult Education, Member of Düsseldorf City Council

Dipl.-Wirtschaftsjurist Karsten Houf (business law graduate), Senior Project Manager, Messe Düsseldorf GmbH Employees' Representative

Dipl.-Ing. Ian Hume, Head of Department, Messe Düsseldorf GmbH Employees' Representative

Janine Kipping, Secretary of the Employees' Council, Messe Düsseldorf GmbH Employees' Representative

Silke Krebs, Secretary of State in the Land of North Rhine-Westphalia's Ministry for the Economy, Industry, Climate Protection and Energy

Dr. Gert Leis, Chief of Division in the Land of North Rhine-Westphalia's Ministry of Finance

Dirk Lindner, Deputy President of the Düsseldorf Chamber of Industry and Commerce (until April 2023)

Saliha Ouammar, Freelance Simultaneous Interpreter, Member of Düsseldorf City Council

Angelika Penack-Bielor, Lawyer, Member of Düsseldorf City Council

Mirko Rohloff, Managing Partner of a Marketing Agency and a Member of Düsseldorf City Council

Dipl.-Ing. Stefanie Rübsamen, Head of Department, Messe Düsseldorf GmbH Employees' Representative

Dipl.-Sozialwissenschaftlerin Marina Spillner (with a diploma in social science),

Educational Consultant and a Member of Düsseldorf City Council

Dr. Johannes Velling, Chief of Division in the Land of North Rhine-Westphalia's Ministry for the Economic Affairs, Innovation, Digitization, and Energy

Facts and Figures on the Performance

of Messe Düsseldorf GmbH in 2023

		2019	2020*	2021*	2022	2023
Total capacity**	m ²	305,727	305,727	305,727	305,727	305,727
Available hall space	m ²	262,727	262,727	262,727	262,727	262,727
Available open-air space	m ²	43,000	43,000	43,000	43,000	43,000
Space utilization**	m ² gross	1,701,618	700,489	613,192	1,556,079	1,916,524
Space rented out**	m ² net	1,014,145	362,707	256,307	827,829	1,024,567
Trade fairs and exhibitions**	total	29	7	8	24	26
Self-organized events**		18	4	5	14	16
Partner/guest events**		11	3	3	10	10
Total consolidated sales	€ million	378.5	136.8	108.7	310.9	422.5
Consolidated sales (Germany)	€ million	308.4	114.1	84.0	278.7	366.1
Consolidated sales (foreign)	€ million	70.1	22.7	24.7	32.2	56.4
Total consolidated annual sales	€ million	56.6	-53.5	-22.4	60.5	94.6
Group workforce		860	839	779	756	711
Exhibitors**	total	29,222	5,422	5,906	21,594	26,877
Exhibitors (Germany-based)		8,940	2,077	1,547	6,707	7,694
Exhibitors (foreign-based)		20,282	3,345	4,359	14,887	19,183
Visitors**	total	1,373,780	493,472	266,329	817,598	1,181,474
Visitors (Germany-based)		869,458	352,056	200,909	491,896	759,860
Visitors (foreign-based)		504,322	141,416	65,420	325,702	423,214
Düsseldorf Congress GmbH						
Event days		240	127	190	174	238
Events		1,277	322	318	783	847
Participants		373,490	118,058	110,160	182,292	303,994

* Due to the COVID-19 pandemic, 21 trade fair events were unable to take place in Düsseldorf.

** Düsseldorf exhibition site – due to the differing numbers of events, the annual figures are only partly comparable.

For reasons relating to the calculation, the rounding differences amounting to +/- one unit (€, %, etc.) may occur in the tables.

Self-organized Events 2023

at the Düsseldorf location

	Exhibitors (German-based)	Exhibitors (foreign-based)	Exhibitors Total	Net exhibition area m ²	Visitors Total	Visitors Of which foreign visitors (in %)
boot Düsseldorf	529	938	1,467	96,266	236,795	21
EuroShop	515	1,309	1,824	102,927	81,484	66
ProWein	697	5,067	5,764	72,986	49,304	57
BEAUTY DÜSSELDORF	315	175	490	16,694	46,171	12
TOP HAIR – DIE MESSE	108	51	159	6,253	26,000	9
interpack	533	2,196	2,729	176,598	142,060	74
components*	37	44	81	2,407		
GIFA	259	605	864	41,316	63,262	68
METEC**	134	432	566	20,994		
THERMPROCESS**	103	173	276	8,408		
NEWCAST**	36	446	482	8,138		
CARAVAN SALON DÜSSELDORF	478	293	771	126,686	256,326	12
REHACARE INTERNATIONAL	252	454	706	19,928	27,173	26
A+A	450	1,746	2,196	80,194	62,265	52
MEDICA	641	4,728	5,369	96,971	82,830	77
COMPAMED***	210	526	736	13,048		
Sum total	5,297	19,183	24,480	8889,814	1,073,670	

* Number of visitors included in the interpack visitor total.

** Number of visitors included in the GIFA visitor total.

*** Number of visitors included in the MEDICA visitor total.

Balance Sheet

of Messe Düsseldorf GmbH as at December 31, 2023

Assets	12/31/2023	12/31/2022
	€	€
Fixed assets		
Intangible assets		
Concessions acquired for valuable consideration, industrial property rights purchased, and similar rights and assets, including licenses	10,135,210.29	5,608,155.50
Advance payments made	673,400.00	3,562,509.51
	10,808,610.29	9,170,665.01
Tangible assets		
Land, land rights, and buildings, including buildings on third-party land	392,381,862.78	404,575,094.48
Other equipment, factory and office equipment	5,802,972.02	6,431,414.72
Advance payments made and assets under construction	20,470,331.55	19,200,960.17
	418,655,166.35	430,207,469.37
Financial assets		
Shares in affiliated enterprises	7,493,236.15	4,771,579.88
Loans to affiliated enterprises	9,954,751.13	4,595,588.24
Participations	11,919,108.79	11,915,182.73
Advance payments on financial assets	12,620,312.67	0.00
	41,987,408.74	21,282,350.85
	471,451,185.38	460,660,485.23
Current assets		
Inventories		
Raw materials, auxiliary materials and supplies	70,208.09	62,279.70
Receivables and other assets		
Trade receivables	7,336,394.33	11,322,813.80
Receivables from affiliated enterprises	183,806.63	4,565,015.10
Receivables from enterprises in which participations are held	1,764,152.83	715,379.50
Other assets	5,672,827.45	9,454,141.33
	14,957,181.24	26,057,349.73
Cash-in-hand, bank balances	218,199,564.38	227,843,887.67
	233,226,953.71	253,963,517.10
Expenses prepaid and receivables deferred	3,588,655.83	4,738,142.94
Sum total	708,266,794.92	719,362,145.27

Equity and liabilities	12/31/2023	12/31/2022
	€	€
Equity		
Subscribed capital	15,625,000.00	15,625,000.00
Capital reserves	111,397,741.65	111,397,741.65
Other revenue reserves	120,000,000.00	120,000,000.00
Retained profits brought forward	157,862,629.45	116,265,628.86
Net profit for the year	87,325,620.94	71,597,000.00
	492,210,992.04	434,885,370.51
Accruals		
Accruals for pensions and similar obligations	22,051,255.00	22,241,916.00
Tax accruals	12,424,879.59	8,101,200.00
Other accruals	39,711,777.47	36,876,405.00
	74,187,912.06	67,219,521.00
Liabilities		
Liabilities to banks	55,000,000.00	80,000,000.00
Advance payments received in respect of orders	55,101,803.72	103,696,448.42
Trade payables	9,310,571.12	12,567,871.68
Payables to affiliated enterprises	10,452,427.77	9,051,647.58
Payables to enterprises in which participations are held	590,143.25	0.00
Payables to shareholders	207,274.60	1,500.00
Other liabilities	11,205,670.36	11,939,786.08
(of which taxes €740,801.86; previous year €717,288.77)		
	141,867,890.82	217,257,253.76
Sum total	708,266,794.92	719,362,145.27

Income Statement

of Messe Düsseldorf GmbH for the Period from January 1 to December 31, 2023

	12/31/2023	12/31/2022
	€	€
Sales	391,371,431.51	294,939,020.98
Own work capitalized	0.00	29,087.56
Other operating income	14,264,562.00	16,166,309.87
(of which due to currency translation €14,355.59; previous year €227,310.92)		
Event-related expenses		
a) Cost of raw materials, auxiliary materials and supplies, and of purchased merchandise	19,137,984.62	6,983,340.88
b) Cost of purchased services	148,881,611.63	110,791,822.05
	168,019,596.25	117,775,162.93
Human resources expenses		
a) Wages and salaries	47,437,442.08	46,116,155.25
b) Social security charges and costs of retirement pensions and other welfare benefits (including €4,161,527.64 for retirement pensions; previous year €5,795,734.38)	11,959,761.72	13,235,812.90
	59,397,203.80	59,351,968.15
Depreciation on intangible and tangible fixed assets	21,684,841.78	21,777,851.93
Other operating income	44,111,855.19	34,809,980.60
(including other taxes €1,997,967.91; previous year €1,766,912.47) (of which due to currency translation: €139,234.52; previous year: €117,671.23)		
Income from participations	583,268.13	5,328,847.97
(including income from affiliated enterprises: €583,268.13; previous year: €5,328,847.97)		
Income from long-term loans	315,249.93	120,294.37
(including income from affiliated enterprises: €315,249.93; previous year: €120,294.37)		
Other interest and similar income	2,158,372.39	150,925.97
Write-downs on financial assets	192,588.69	0.00
Interest and similar expenses	1,996,645.85	2,953,039.25
(including €445,628.26 from affiliated enterprises; previous year: €61,928.63) (including €437,219.00 due to discounting of accruals; previous year: €422,437.75)		
Taxes on income and profits	25,964,531.46	8,469,483.86
Net profit for the year	87,325,620.94	71,597,000.00

Movements in the Fixed Assets

of Messe Düsseldorf GmbH in the 2023 Business Year

	Cost of acquisition/manufacture					Depreciation					Book values	
	Status at 1/1/2023	Additions	Reclassi- fications	Disposals	Status at 12/31/2023	Status at 1/1/2023	Additions	Write-ups	Disposals	Status at 12/31/2023	Status at 12/31/2023	Status at 12/31/2022
	€	€	€	€	€	€	€	€	€	€	€	€
Intangible assets												
Concessions, industrial property rights and similar rights and assets and licenses in such rights and assets acquired for valuable consideration												
	55,270,819.37	3,671,375.65	3,331,504.13	61,966.07	62,211,733.08	49,662,663.87	2,475,824.99	0.00	61,966.07	52,076,522.79	10,135,210.29	5,608,155.50
Advance payments made	3,562,509.51	818,962.50	-3,331,504.13	376,567.88	673,400.00	0.00	0.00	0.00	0.00	0.00	673,400.00	3,562,509.51
Total intangible Assets	58,833,328.88	4,490,338.15	0.00	438,533.95	62,885,133.08	49,662,663.87	2,475,824.99	0.00	61,966.07	52,076,522.79	10,808,610.29	9,170,665.01
Tangible assets												
Land, land rights, and buildings, including buildings on third-party land												
	963,386,911.24	5,269,542.21	0.00	959,189.80	967,697,263.65	558,811,816.76	17,448,232.33	0.00	944,648.22	575,315,400.87	392,381,862.78	404,575,094.48
Other equipment, factory and office equipment	48,219,178.90	2,292,153.03	0.00	9,737,276.97	40,774,054.96	41,787,764.18	1,760,784.46	0.00	8,577,465.70	34,971,082.94	5,802,972.02	6,431,414.72
Advance payments made and assets under construction	19,200,960.17	1,269,371.38	0.00	0.00	20,470,331.55	0.00	0.00	0.00	0.00	0.00	20,470,331.55	19,200,960.17
Total tangible fixed assets	1,030,807,050.31	8,831,066.62	0.00	10,696,466.77	1,028,941,650.16	600,599,580.94	19,209,016.79	0.00	9,522,113.92	610,286,483.81	418,655,166.35	430,207,469.37
Financial assets												
Shares in affiliated enterprises	14,082,597.00	0.00	6.87	0.00	14,082,603.87	9,311,017.12	0.00	2,721,649.40	0.00	6,589,367.72	7,493,236.15	4,771,579.88
Loans to affiliated enterprises	4,595,588.24	5,551,751.58	0.00	0.00	10,147,339.82	0.00	192,588.69	0.00	0.00	192,588.69	9,954,751.13	4,595,588.24
Participations	11,915,182.73	3,932.93	-6.87	0.00	11,919,108.79	0.00	0.00	0.00	0.00	0.00	11,919,108.79	11,915,182.73
Advance payments on financial assets	0.00	12,620,312.67	0.00	0.00	12,620,312.67	0.00	0.00	0.00	0.00	0.00	12,620,312.67	0.00
Total financial assets	30,593,367.97	18,175,997.18	0.00	0.00	48,769,365.15	9,311,017.12	192,588.69	2,721,649.40	0.00	6,781,956.41	41,987,408.74	21,282,350.85
Sum total	1,120,233,747.16	31,497,401.95	0.00	11,135,000.72	1,140,596,148.39	659,573,261.93	21,877,430.47	2,721,649.40	9,522,113.92	669,144,963.01	471,451,185.38	460,660,485.23

Explanatory Notes

to the Balance Sheet and Income Statement of Messe Düsseldorf GmbH

I. General principles

The annual financial statements of Messe Düsseldorf GmbH, Düsseldorf (entered in the Commercial Register of the Düsseldorf District Court/Amtsgericht under HRB No. 63) have been prepared in compliance with the mercantile law provisions relating to large joint-stock companies.

For the Messe Düsseldorf GmbH Income Statement, the total costs (type of expenditure) method has been opted for. The peculiarities of the trade fair business are taken into consideration.

II. Accounting and valuation policies

Purchased intangible assets are reported at their acquisition cost less the scheduled depreciation charge. Depreciation is based on the straight-line method, taking the normally applicable useful life of the asset into account.

Tangible fixed assets are valued at acquisition or manufacturing costs and, provided that their useful life is limited in time, scheduled depreciation is deducted. If necessary, additional depreciation is applied based on the value appropriate for the assets on the balance sheet date.

Buildings are depreciated on a straight-line basis. Investments in extensions to buildings are depreciated in accordance with an elevated assessment basis or so as to match the whole building's remaining useful life.

The straight-line method is used for depreciation on additions to movable assets. Straight-line depreciation is calculated pro rata temporis.

Low-value assets with a value of between EUR 52 and EUR 800 are written off fully in the year of acquisition and are simultaneously reported as disposals in the fixed assets movements schedule. Based on the tax threshold for low-value items, the ceiling for low-value assets is set at EUR 800.

Shares in affiliated enterprises and participations are carried at the cost of acquisition or at a lower appropriate value.

Shares in foreign subsidiaries are valued on the basis of their cost of acquisition at the appropriate historical rates of exchange or at lower appropriate values.

The values of inventories are assessed at the reporting date on the basis of the lower of acquisition or manufacturing cost or on that of the lower of stock exchange or market price.

Receivables and other assets are shown at their nominal value. Appropriate individual write-downs have been applied to trade receivables in order to cover the overall risk of non-payment. Interest-free receivables with a remaining term of more than one year are discounted as of the balance sheet date.

At the shareholders' meeting on July 13, 2023, the shareholders decided to distribute EUR 30,000k of the 2022 net profit of EUR 71,597k as of September 29, 2023. The remaining net profit for the year, totaling EUR 41,597k, was carried forward to the new account. The distributable profit figure at December 31, 2023 includes an amount totaling EUR 157,863k, consisting of profit brought forward from previous years.

The asset-value of direct accruals for pensions is established on the basis of actuarial principles following the projected unit credit method (PUC method), and also applying the 2018 G standard tables of Dr. Klaus Heubeck. Accruals for pensions are discounted at a flat rate, this being the average market interest rate of the last ten years, applicable to an assumed remaining term of 15 years, as published by the Deutsche Bundesbank (German Federal Bank) for the month of December. This interest rate was assumed to be 1.82 percent (previous year 1.78 percent). The calculation following the PUC method is based on the following assumptions regarding trends:

- Trend in wages and salaries: 2.7% (previous year: 2.7%)
- Trend in the income ceiling for social security contributions: 2.7% (previous year: 2.7%)
- Trend in pensions: 2.6% (previous year: 2.6%)

In actuarial terms, accruals for anniversary obligations and death grants are determined on the basis of biometrical probabilities (2018 G Heubeck standard mortality tables). Commitments are calculated using the projected unit credit method. An average market interest rate with matching time limits, applicable to the last seven years, and published on a

monthly basis by the Deutsche Bundesbank (German Federal Bank), is used to calculate obligations. The actuarial interest rate at December 31, 2023 amounts to 1.74 percent (previous year: 1.44 percent).

In the 2021 financial year, a partial retirement programme was launched. Part-time work for the elderly is offered in the so-called block model for a total of 3 years. The offer expires on December 31, 2023. During the entire term of the partial retirement contract, employees receive 50 percent of their previous monthly salaries. In addition, the employee concerned receives a top-up amount exempt from tax and social security payments by way of compensation. In addition, the Company pays additional contributions to the statutory pension insurance scheme on the employee's behalf. The partial retirement accruals are discounted at a flat rate based on the average market interest rate published by the Bundesbank over the last seven years. This market interest rate corresponds to the remaining term and amounted to 1.03 percent (previous year: 0.52 percent) as of December 31, 2023. As of December 31, 2023, the settlement amount of the regulated pension entitlements came to EUR 3,093k (previous year (EUR 1,972k). Messe Düsseldorf has taken out insurance cover for the pension commitments with Allianz Lebensversicherungs-AG, and the payments made to the asset value in the business year amounted to EUR 825,000 (previous year: EUR 709k). The asset value of this reinsurance policy, now totaling EUR 1,193k (previous year: EUR 77k), has been offset against the Company's partial retirement commitments.

All other accruals have been set up at a required payment level that takes account of all the risks identified as such up to the reporting date on the basis of a prudent business assessment. Accruals with a remaining term of more than one year are discounted on the basis of the actuarial interest rates published by the Deutsche Bundesbank.

Liabilities are stated at the amounts repayable. The payments received on account mainly relate to trade fairs and events scheduled for subsequent years.

Receivables and liabilities in foreign currencies are entered in the accounts at the rate of exchange applicable at the time, and are then valued at year-end at the rate applicable on the closing date. As regards receivables and liabilities with a remaining term of more than one year, the principle of the lowest value or highest value is applied, as the case may be.

When deferred taxes are calculated, deferred tax assets exceed liabilities, this resulting in particular to differences between tax-law and commercial-law valuations of shares in affiliated enterprises, participations, and accruals. The tax-deductible loss carried forward from the previous year was not recognised in the full amount in the reporting year. The tax rate used as a basis here amounts to 31.23 percent. The option provided for in Section 274 subsection 1 sentence 2 HGB (Commercial Code) of capitalizing the surplus in deferred tax assets, amounting to EUR 11,554k (previous year: EUR 13,337k) was waived.

As a part of the SAP migration from SAP R3 to SAP S4/Hana, the expenditure and revenue accounts were checked with regard to their accounting content and the associated allocation to the profit and loss items in accordance with Section 275 subsection 2 HGB. Compared with the previous year, there is a shift of EUR 812k from event-related expenditure to other operating expenses. The change in presentation mainly concerns cafeteria and catering expenses.

III. Explanatory notes and disclosures concerning the Balance Sheet

Fixed assets

Apart from purchased software, the intangible assets mainly consist of usufructuary rights plus the software purchased. The additions are essentially the second installment of the usufructuary rights concerning "Flotte! Der Branchentreff" as well as the first part of the SAP migration. The advance payments made mainly relate to the stand construction configurator as well as the extension of the online order system.

The additions to tangible assets are predominantly attributable to additions to buildings and to business and office equipment. As regards the buildings concerned, a matter of particular concern was the repurchase of

Messeturm (Tower) B at its residual book value from FIXXUS Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Rheinhalle Düsseldorf KG, Pullach i. Isartal. The purchases of plant and office equipment mainly relate to purchases of IT hardware, perimeter surveillance systems as well as audio-visual technology. The operating and office equipment disposals mainly result from the asset deal with WISAG Messe Service GmbH, Düsseldorf.

The additions to financial assets mainly concern shares in affiliated enterprises, loans to affiliated enterprises and advance payments on financial assets.

The increases in shares in affiliated enterprises are characterised by the write-ups of the book value of the shares in Messe Düsseldorf ASIA Pte. Ltd., Singapore as well as in Messe Düsseldorf India Pvt. Ltd., New Delhi/India. With the COVID-19 pandemic having come to an end, the economic prospects for the Asian region have noticeably improved. In a first step, the book value of the shares in Messe Düsseldorf ASIA was written up by EUR 2,000k. At the same time, the book value of shares in Messe Düsseldorf India was written up by EUR 722k to EUR 1,500k in total.

The change in loans to affiliated companies results from the disbursement of the second installment of the loan granted in the previous year. In a transaction dated May 30, 2022, Messe Düsseldorf granted a loan for a maximum of USD 17 million to its wholly owned subsidiary Messe Düsseldorf North America Inc., Chicago/USA. The loan will be made available in three installments. The first installment was paid out on June 1, 2022 and the second one on April 1, 2023. The remaining installment is to be paid out on April 1, 2024. The loan was granted for the purpose of acquiring the XPONENTIAL event and may be used solely for this purpose. The loan has an interest rate of 3.6 percent and is to be repaid as from the 2023 calendar year in annual installments of at least USD 800,000k.

The additions to the advance payments on financial assets concern the acquisition of shares in Hannover Messe Ankiros Fuarcilik Anonim Sirketi A.S., Ankara as well as the purchase of further shares in Messeturm Düsseldorf Verwaltungsgesellschaft mbH, Düsseldorf.

Messe Düsseldorf acquired 44.5 percent of the shares in Hannover Messe Ankiros Fuarcilik Anonim Sirketi A.S. in a contract dated December 21, 2023. The maximum purchase price of EUR 3,900k is divided into four installments. The first installment of EUR 1,000k was due on the day the contract was signed. A second installment of EUR 1,000k is due after all the contractual conditions have been fulfilled. The third and fourth installments are linked to the achievement of operational corporate objectives (earn-outs). Messe Düsseldorf also acquired a further 5.5 percent of the shares in Hannover Messe Ankiros Fuarcilik Anonim Sirketi A.S. from Hannover Fairs Turkey Fuarcilik A.S., Ankara in a contract dated January 19, 2024.

Messe Düsseldorf acquired a further 39.9 percent of the shares in Messeturm Düsseldorf Verwaltungsgesellschaft in a contract dated December 19, 2023. The sale and assignment of the shares took place on January 1, 2024. The payment of the purchase price of EUR 11,571k is dated December 21, 2023.

Receivables and other assets

As in the previous year, trade receivables have a remaining term amounting to less than one year.

In the receivables from affiliated enterprises and receivables from enterprises in which participations are held, trade receivables have been set off against trade payables, the latter amounting to EUR 555k (previous year: EUR 1,361k). In the previous year, the receivables from affiliated enterprises also included other assets from a savings loan against the FIXXUS in the amount of EUR 4,062k.

The other assets include claims relating to value-added tax refunds amounting to EUR 1,841k (previous year: EUR 2,291k). These claims for refunds will not legally arise until the Company submits its advance VAT return. In addition, the other assets include advance payments of EUR 1,766k and creditors with debit balances of EUR 1,919k.

Accruals

The Company's pension obligations to former managerial staff are fully covered by pension accruals. In the year under review, these obligations led to changes in pension accruals amounting to EUR 191k (previous year: EUR 1,625k), with a net impact on results. The difference ensuing from the application of the 10-year average interest rate compared to the 7-year rate results in a EUR 181k (previous year: EUR 824k) reduction in accruals for pensions.

The tax accruals mainly cover trade tax and corporation tax relating to the year under review and for the previous year. The tax-related risks from previous years that have not yet been audited are taken into account based on empirical values.

The other accruals cover all risks identified up to the reporting date and have been calculated on the basis of prudent commercial principles.

The accruals underwent the following movements:

	1/1/2023	Amount	Write-backs	Additions	12/31/2023
	€	€	€	€	€
1. Accruals for pensions and similar obligations	22,241,916.00	574,399.00	0.00	383,738.00	22,051,255.00
2. Tax accruals	8,101,200.00	0.00	570,000.00	4,893,679.59	12,424,879.59
3. Other accruals					
Risks related to order processing					
Outstanding invoices	5,803,438.00	2,621,836.39	1,144,357.39	5,957,262.00	7,994,506.22
Human resources and the social sphere					
Accruals for vacations	149,000.00	149,000.00	0.00	902,501.09	902,501.09
Accruals for anniversaries	2,855,138.00	170,277.45	33,425.55	115,543.00	2,766,978.00
Bonuses	725,250.00	664,365.10	60,884.90	718,000.00	718,000.00
Partial retirement	3,067,984.00	150,477.04	1,389,586.96	371,844.00	1,899,764.00
Miscellaneous accruals	3,699,595.00	2,413,630.00	0.00	1,790,173.00	3,076,138.00
	10,496,967.00	3,547,749.59	1,483,897.41	3,898,061.09	9,363,381.09
Risks associated with benefits and taxes					
Fiscal risks in foreign countries	2,500,000.00	0.00	500,000.00	0.00	2,000,000.00
Financial assistance	17,500,000.00	0.00	0.00	0.00	17,500,000.00
	20,000,000.00	0.00	500,000.00	0.00	19,500,000.00
Miscellaneous					
Impending losses	0.00	0.00	0.00	1,913,585.00	1,913,585.00
Annual financial statements costs	291,000.00	144,297.60	7,702.40	227,000.00	366,000.00
Miscellaneous accruals	285,000.00	0.00	0.00	289,305.16	574,305.16
	576,000.00	144,297.60	7,702.40	2,429,890.16	2,853,890.16
	36,876,405.00	6,313,883.58	3,135,957.20	12,285,213.25	39,711,777.47
	67,219,512.00	6,888,282.58	3,705,957.20	17,562,630.84	74,187,912.06

Liabilities

The Company's liabilities as at December 31, 2023 were classified as follows on the basis of their remaining terms:

	Total amount	With a remaining term		
		of up to 1 year	from 1 to 5 years	of more than 5 years
	€'000	€'000	€'000	€'000
Liabilities to banks	55,000	25,000	30,000	0
Payments received on account	55,102	55,102	0	0
Trade payables	9,311	9,311	0	0
Payables to affiliated enterprises	10,452	10,452	0	0
Payables to affiliated enterprises in which participations are held	590	590	0	0
Payables to shareholders	207	207	0	0
Other liabilities	11,206	9,907	1,173	126
	141,868	110,569	31,173	126

The Company's liabilities as at December 31, 2022 were classified as follows on the basis of their remaining terms:

	Total amount	With a remaining term		
		of up to 1 year	from 1 to 5 years	of more than 5 years
	€'000	€'000	€'000	€'000
Liabilities to banks	80,000	25,000	55,000	0
Payments received on account	103,696	103,696	0	0
Trade payables	12,568	12,568	0	0
Payables to affiliated enterprises	9,052	9,052	0	0
Payables to shareholders	2	2	0	0
Other liabilities	11,939	10,616	1,188	135
	217,257	161,268	56,188	135

In 2020, Messe Düsseldorf took out three loans amounting, in each case, to EUR 16,667k. The loans are to be repaid, in each case, in eight identical, consecutive installments each amounting to EUR 2,083k. Repayment will commence with the first installments in March 2023 and will terminate in December 2024.

Furthermore, Messe Düsseldorf has taken out another three loans, each amounting to EUR 10,000k, for the purpose of financing its business operations. The payment date was January 15, 2021. The loans are to be repaid in one sum on December 31, 2025/January 15, 2026.

Furthermore, in 2020, Messe Düsseldorf concluded contracts regarding three overdraft facilities with various banks. These three contracts provide for a total overdraft facility of EUR 50,000k, broken down into two overdrafts each totaling EUR 13,333k and one overdraft amounting to EUR 23,333k. As at December 31, 2023, the overdraft facilities were not being used.

Furthermore, there is a revolving credit facility of EUR 7,500k with Stadtparkasse Düsseldorf; on the return date, EUR 1,220k of this was being utilized via guarantees.

Of the Company's total liabilities to banks, liabilities consisting of loans in the amount of EUR 130,000k were secured by mortgages.

In the payables to affiliated enterprises and payables to enterprises in which participations are held, trade receivables and other assets amounting to EUR 1,074k (previous year: EUR 763k) have been set off against trade payables. Furthermore, the payables to affiliated enterprises include a loan that can be terminated at short notice, involving Messe Düsseldorf China and amounting to EUR 9,597k (previous year: EUR 9,597k).

The payables to the shareholder amounting to EUR 207k (previous year EUR 2k) are to the City of Düsseldorf.

The other payables are mainly made up of accounts receivable with credit balances amounting to EUR 8,930k (previous year: EUR 9,190k).

EUR 1,335k is mainly attributable to the sale of factory and office equipment to WISAG Messe Service GmbH, Düsseldorf. The write-ups of Messe Düsseldorf ASIA (EUR 2,000k) and Messe Düsseldorf India (EUR 722k) resulted in revenue from write-ups of financial assets amounting to EUR 2,722k (previous year EUR 0k).

Event-related expenditure

The differentiation between event-related expenditure and other operating expenses was effected via an assessment of the individual costs. The event-related expenditure consists of costs that are directly allocable to a cost unit. Deliveries of fabricated goods are recorded under "cost of raw materials, auxiliary materials and supplies, and of purchased merchandise". Construction work and other services are included in "cost of purchased services".

IV. Explanatory notes on the Income Statement

Sales

Business segment	2023	2022
	€'000	€'000
Events in Germany	358,501	263,076
Foreign events	14,958	10,140
Other revenues	17,912	21,723
	391,371	294,939

The sales revenue from abroad stems mainly from events in the People's Republic of China, India and the United Arab Emirates. EUR 1,042k of sales (previous year: EUR 609k) are related to events of previous years.

Other operating income

Income not relating to the accounting period mainly consists of EUR 3,136k (previous year: EUR 11,975k) in the form of income deriving from write-backs of accruals. The non-operating income mainly consists of income from the sale of interest rate swaps amounting to EUR 4,530k and refunds amounting to EUR 1,999k as a result of the German act to introduce an energy price cap. Income from currency translation amounted to EUR 14k in the financial year under review (previous year: EUR 227k). The income from the disposals of assets totaling

It is mainly energy costs, workshop consumables, and expenditure on advertising materials that are shown under "cost of raw materials, auxiliary materials and supplies, and of purchased merchandise", whereas the "cost of purchased services" item mainly covers expenditure on commissions, stand construction services purchased, rental charges, and advertising expenditure.

Other operating expenses

In addition to exhibition site maintenance costs, the other operating expenses mainly consist of rental charges for premises, legal and consultancy expenses, expenditure on advertising and IT expenses, insurance policies, site security and cleaning services, and additions to accruals. Expenses not relating to the accounting period and totaling EUR 217k (previous year: EUR 304k) mainly result from exchange rate losses amounting to EUR 139k (previous year EUR 118k). Expenses from disposals of assets classified as tangible assets are attributable to disposals of operating and office equipment. The other taxes incurred in the business year concerned and shown as part of other operating expenses amounted to EUR 1,998k (previous year: EUR 1,767k).

Income from participations

	2023	2022
	€'000	€'000
Messeturm Düsseldorf Verwaltungsgesellschaft mbH	583	543
000 Messe Düsseldorf Moscow	0	4,786
	583	5,329

Interest and similar income

This consists of interest income on overnight money and fixed-term deposits amounting to EUR 1,967k (previous year EUR 96k) and income from interest rate swap transactions amounting to EUR 121k (previous year EUR 0).

Write-downs on financial assets

Write-downs on financial assets of EUR 193k (previous year EUR 0) cover the price adjustments to the loan to Messe Düsseldorf North America in US dollars.

Interest and similar expenditure

In addition to interest paid on long-term loans amounting to EUR 1,108k (previous year: EUR 1,224k), the item also covers expenditure from the discounting of accruals in the amount of EUR 437k (previous year: EUR 422k). Expenditure on interest arising from loans cancelable at short notice and involving affiliated companies amounts to EUR 446k (previous year: EUR 62).

Taxes on income and profits

The item mainly shows expenditure on corporation tax and the solidarity surcharge amounting to EUR 14,021k (previous year: EUR 4,102k), and also expenditure on trade tax amounting to EUR 11,807k (previous year: EUR 3,992k) in both cases for the

business year under review. The provisions for tax risks from previous years were reduced by EUR 180k.

Appropriation of profits

The management proposes that EUR 31,490k of the net profit for the year, totaling EUR 87,326k, be distributed and the remaining amount of EUR 55,836 be carried forward to the new account.

Report on post-balance sheet events

In connection with the acquisition of 39.9 percent of the shares in Messeturm Düsseldorf Verwaltungsgesellschaft and the associated transfer of the shares on January 1, 2024, a reclassification of EUR 11,571k from advance payments on financial assets to shares in affiliated companies will take place in 2024. There will be no financial impact in 2024.

Messe Düsseldorf acquired 44.5 percent of the shares in Hannover Messe Ankiros Fuarcilik Anonim Sirketi A.S. in a contract dated December 21, 2023. The maximum purchase price is EUR 3,900k. The first installment of EUR 1,000k will be recognized in the advance payments on financial assets as of December 31, 2023. The maximum outstanding installments of EUR 2,900k are taken into account in other financial obligations. Messe Düsseldorf also acquired a further 5.5 percent of the shares in Hannover Messe Ankiros Fuarcilik Anonim Sirketi A.S. from Hannover Fairs Turkey Fuarcilik A.S., Ankara in a contract dated January 19, 2024. The outstanding amount is taken into account in other financial obligations as of December 31, 2023. The shares will be recognized in participations once economic ownership has been transferred to Messe Düsseldorf.

V. Other disclosures

Consolidated financial statements

In its capacity as the parent company, Messe Düsseldorf GmbH includes the following subsidiaries, in which it has either a direct or an indirect majority holding, fully in its consolidated financial statements:

- Messe Düsseldorf China Ltd., Hong Kong/China
- Messe Düsseldorf (Shanghai) Co., Ltd., Shanghai/China
- Messe Düsseldorf North America Inc., Chicago/USA
- Messe Düsseldorf ASIA Pte. Ltd., Singapore
- Messeturm Düsseldorf Verwaltungsgesellschaft mbH, Düsseldorf
- FIXXUS Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Rheinhalle
- Düsseldorf KG, Pullach
(The company was deconsolidated at the end of December 30, 2023)

Furthermore, the Company's shareholdings in Düsseldorf Congress GmbH, Düsseldorf, and its shareholding in CIOASH Asia Co. Ltd., Beijing/China are included in the Company's consolidated financial statements as associated enterprises.

The Company will be included in the consolidated financial statements for Düsseldorf, capital of North-Rhine Westphalia. This entry will not be disclosed.

Human resources

In addition to the 3 members of management, on average as many as 605 (previous year: 608) staff members were employed during the business year. The workforce is subdivided into 480 full-time employees (previous year: 487) and 125 part-time employees (previous year: 120). These numbers correspond to a staff of 537 (previous year: 543) calculated on a full-time basis. In addition, the casual staff and apprentices employed numbered on average 168 (previous year: 97) and 3 (previous year: 10), respectively.

Other financial obligations and contingent liabilities

For financial reasons, in the business years from 1999 to 2003, two sale and lease-back transactions were carried out with FIXXUS Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Rheinhalle Düsseldorf KG, Düsseldorf (abbreviated to FIXXUS) regarding real estate items hitherto owned by Messe Düsseldorf GmbH.

In a contract dated December 15, 2003, Messe Düsseldorf GmbH sold FIXXUS part ownership rights relating to Messeturm (Tower) B for a purchase price of EUR 12,000k. As at December 31, 2021, the annual rental payments amounted to EUR 799k. The leasing agreement runs until December 29, 2023. The right of purchase agreement concluded under this contract gives Messe Düsseldorf GmbH a repurchase right when the 20th rental year has elapsed. An appropriate purchase price is to be paid, but at least the fiscal residual book value amounting to EUR 5,100k. In accordance with the agreement, the right of purchase was exercised and Messeturm (Tower) B was acquired in a contract dated December 19, 2023. Exhibition Hall 6 from the first sale-and-lease-back transaction was acquired in the previous year.

Further obligations amounting to EUR 580k (previous year: EUR 107k) stem from the leasing rates payable in future under other leasing agreements; in addition, there are commitments totaling EUR 7,408k (previous year: EUR 12,456k) based on rental agreements and leases as well as purchase contracts in connection with the acquisition of shares in Ankiros of EUR 3,382k (previous year EUR 0). Accordingly, on the balance sheet date, the other financial obligations totaled EUR 11,370k (previous year: EUR 13,401k), EUR 4,214k (previous year: EUR 8,027k) of these being obligations vis-a-vis affiliated enterprises.

On the balance sheet date, the Company's purchase commitments totaled EUR 36,448k (previous year: EUR 14,605k).

On the balance sheet date, guarantees amounting to EUR 618k had been issued in favor of employees to cover employees' investment loans. In addition, there were guarantees amounting to EUR 602k relating to trade-related transaction relationships.

Messe Düsseldorf GmbH grants its employees benefits under the occupational pension scheme; for this purpose, employees have been insured with the Rhenish Supplementary Pension Fund, Cologne. The Fund's pension commitment covers old-age pensions, pensions for reduction in earnings capacity, and survivors' pensions for the insured persons' widows, widowers, and orphans. To the best of our current knowledge, the institutional assets of the public supplementary pension funds and the contributions system in its existing structure do not adequately or completely cover the existing pension commitments of the employers participating in the scheme. The cover shortage thus ensuing comes to a substantial sum - a financial obligation that will hit public employers hard in the future. By way of exercising the option, as provided for under commercial law, of reporting indirect pension obligations as a liability (Section 28 subsection 1 EGHGB/Introductory Act to the German Commercial Code), in the business year under review, as in previous years, no accrual was set up. The Supplementary Pension Fund (RZVK) levy shown on the Messe Düsseldorf GmbH Income Statement under human resources expenses amounts to EUR 3,056k for the year under review (previous year: EUR 2,857k). The contribution levied amounts to 4.25 percent of the compensation on which contributions are payable - EUR 38,775 (previous year: EUR 36,275). In addition, a 3.5 percent financial reorganization charge is also imposed. The contribution rate can be regarded as remaining constant. The level of the financial reorganization charge is likely to increase even further pending on the establishment of definitive capital cover for the supplementary pension system. As at December 31, 2023, the possibility of a claim arising from the above contingent liabilities cannot be ruled out.

Hedging policy and financial derivatives

Due to it being an internationally-operating Company, both the business operations and financing transactions of Messe Düsseldorf GmbH are exposed to financial risks. The risks involved may arise in particular as a result of interest rate changes and exchange rate fluctuations.

In accordance with the Company's risk management system, action is taken to limit these risks not only by identifying, analyzing, and assessing them but also by using financial derivative instruments. Pursuant to a management directive, it is not permissible to use such derivatives for speculative purposes.

Messe Düsseldorf GmbH had concluded a total of three previous interest rate swap transactions designed to hedge against interest rate-related payment flow risks relating to variable-interest liabilities to banks - entered into for the purpose of financing future capital projects. These three interest rate swap transactions had a nominal value of EUR 60,000k. Due to the positive trend in the market values of the interest rate swaps, the Company decided to sell the financial instruments. The sales revenue was EUR 4,530k.

Auditors' fees

In accordance with Section 285 subsection 17 HGB (Commercial Code), the disclosure of auditors' fees has been waived, as the latter are included in the Company's consolidated financial statements.

Transactions contrary to market principles

No transactions contrary to market principles involving companies or persons close to the Company have been performed.

Disclosures regarding the Company's bodies

The compensation paid to the Managing Board of Messe Düsseldorf GmbH in the business year concerned totaled EUR 1,510k (previous year: EUR 1,416k). The compensation paid to former members of the Managing Board and their surviving dependants amounted to EUR 1,368k (previous year: EUR 1,290k).

Under occupational pension schemes, in the business year under review, direct insurance contributions were incurred for Mr. Diener, Mr. Stempfle, and Mr. Wienkamp, these amounting to EUR 166k, EUR 134k, and EUR 100k, respectively.

An accrual amounting to EUR 22,051k (previous year: EUR 22,242k) has been set aside to cover pension obligations to former members of the Managing Board and their surviving dependants.

In the business year concerned, expenses for the Supervisory Board amounted to EUR 91k (previous year: EUR 93k).

Combined Group and Company Management Report

of Messe Düsseldorf GmbH for the 2023 business year

Explanations regarding the Report

Pursuant to Section 315 subsection 5 HGB (Commercial Code), this report combines the Management Report of the Messe Düsseldorf Group consisting of Messe Düsseldorf GmbH and its consolidated subsidiaries and the Management Report of Messe Düsseldorf GmbH.

Basic information

Business model

The present-day Messe Düsseldorf GmbH was founded on January 7, 1947 under the name of Nordwestdeutsche Ausstellungsgesellschaft mbH – NOWEA. Today, the Messe Düsseldorf Group's product portfolio includes roughly 70 events encompassing a wide variety of sectors both at home and abroad and it employs worldwide a workforce of 700 persons. Both in terms of floor space rented out and in terms of sales, the Group ranks among the world's major trade fair organizers. As at December 31, 2023, 12 companies in 6 countries belonged to the Messe Düsseldorf Group. The majority of the Group's foreign sales are in China, India and the US.

Economic survey

Macroeconomic and sector-specific boundary conditions

The economic recovery from the collapse due to the COVID-19 pandemic has been slowed down in many regions of the world by high inflation, geopolitical conflicts, and disruptions of supply chains.

In the European Union, interest rate increases have reduced the rate of inflation. As a result of reduced price competitiveness, industrial enterprises suffered from weak global demand, partly caused by the appreciation of the euro. However, the decrease in new orders did not fully impact the production sector given the still full order books. The construction industry is also suffering from higher financing costs and increased construction costs.

The economic situation in North America has turned out more positive than expected. Both private consumption and capital investments had a tangible impact in the US. Expansive fiscal policy gave the US stable growth. In South America, the economy remains weak in Argentina, Chile, Peru, and Colombia. Argentina, in particular, is battling runaway inflation and a recessionary trend. Brazil is a positive exception, with an expanding economy.

In China, industrial production, business investment and exports fell due to weakening foreign demand and geopolitical uncertainties. The problems in the domestic real estate market had a clear impact on the economy. Uncertainties in the labour market also affected private consumption. Unlike the Indian economy, which was able to reach the high level of the previous year in 2023 as well. Once again, private investment shaped the Indian economy, while the high level of exports was maintained. The Japanese economy benefited from the depreciation of the yen and the related increase in exports in the first half of 2023.

In Germany, private consumption proved vulnerable to economic weaknesses, in addition to a fall in exports. Continuing tension between China and the West also affected growth in foreign trade. The fall in energy prices in the second half of the year did not provide sufficient relief for businesses and households to compensate for other negative factors. The significant increases in interest rates had a dampening effect on the economy and led to a significant reduction in demand for industrial goods and housing construction. Companies often tried to cushion the fall in demand by reducing existing orders.

According to economists at the Organisation for Economic Cooperation and Development (OECD), the German economy is expected to grow by just 0.3 percent in 2024. Germany is thus lagging behind Spain, Italy, and France in international comparison. This is mainly due to the energy-intensive industries in the German economy compared to other eurozone countries. Economic growth in the US is once again expected to be at a level of 2.6 percent.

The trade fair industry has almost recovered from the COVID-19 pandemic worldwide. In 2023, revenue reached a level comparable to 2019 on average. This is shown by the latest survey by the UFI, the global association of the exhibition industry.

In an initial forecast by the Association of the German Trade Fair Industry (AUMA), the number of exhibitors in Germany increased by 28.6 percent and the number of visitors even by 52 percent. With the COVID-19 restrictions having come to an end, the leading German trade fairs are showing a recovery.

The Messe Düsseldorf Group's business performance

Sales and profitability situation

The Group's revenue improved again compared with the previous year. The main reason for the renewed increase in sales from EUR 111,535k to EUR 422,475k was the domestic trade fair business in Düsseldorf. The share of consolidated sales attributable to the foreign subsidiaries amounted to EUR 42,746k, with the bulk of these being generated in China, Singapore and the US.

Major items in other operating revenue (EUR 12,755k) consisted of the write-backs of other accruals amounting to EUR 3,706k plus revenue from the sale of interest rate swaps amounting to EUR 4,530k. Event-related expenditure (EUR 178,888k) was linked to the increases in sales revenue and showed an increase of EUR 56,547k. Major items in other operating expenses (EUR 44,239k) consisted of expenditure on repairs and maintenance (EUR 12,225k), IT costs (EUR 5,630k) and expenses for buildings and grounds (EUR 5,422k). The Group's net profit for the year after tax amounted to EUR 94,560k (previous year: EUR 60,529k).

Net asset position and financial situation

Compared with the previous year, the Messe Düsseldorf Group's total assets decreased by 1.5 percent to EUR 765,965k (previous year: EUR 778,866k). As in the past, the Group's net asset position is greatly influenced by the fixed assets figure (64.7 percent) and by the level of liquid assets (32.3 percent). The addition to intangible assets essentially results from the second installment of the usufructuary rights concerning "Flotte! Der Branchentreff", the first part of the SAP migration from SAP R/3 to SAP S4/Hana as well as the shares acquired in the Plastics & Rubber Indonesia and Plastics & Rubber Thailand events as part of a cooperation. By contrast, the reduction in tangible fixed assets results from scheduled depreciation and the disposals of operating and office equipment from the asset deal with WISAG Messe Service GmbH in Düsseldorf. Cash and cash equivalents remained almost unchanged at EUR 247,169k (previous year: EUR 246,062k).

On the equity and liabilities side, Group equity increased from EUR 483,308k to EUR 546,309k. This corresponds to an equity ratio of 71.3 percent. Due to the positive result, tax provisions in particular increased by EUR 5,268k. The increase in short-term accruals is mainly due to the addition of accruals for outstanding incoming invoices and to set up provisions for onerous contracts. On the other hand, there is a reduction in the provision for partial retirement. The decrease in payments received on account relates, inter alia, to the drupa, EuroCis, boot, and ProWein events that are to take place in 2024.

The financial situation was mainly affected by the trade fair business and by the advance payments that consequently became due as well as by the Group's positive annual result. Overall, on the return date, the Group owed loans totaling EUR 55,000k (previous year: EUR 80,500k). The Group's cash and cash equivalents remained virtually unchanged from the previous year at EUR 247,169k.

Apart from that, the reader's attention is drawn to the Consolidated Cash Flow Statement attached hereto as Annex II.

Liquidity

Messe Düsseldorf can draw on a credit line of EUR 57,500k, EUR 1,220k of which was being used as collateral as at December 31, 2023. On the whole, the Company was in a position to settle its liabilities at all times.

Overall assessment of the Group

The Group's net worth, financial situation and profitability give an accurate picture corresponding to its actual circumstances, thus reflecting the overall success of the Group's business year.

Messe Düsseldorf GmbH's business performance

Sales and profitability situation

Following rather difficult years due to the pandemic, the planned trade fair programme was implemented for the first time in the 2023 trade fair year. Messe Düsseldorf took advantage of these conditions for a successful year of events. In 2023, 16 self-organized events (previous year: 14) and 10 guest events (previous year: 10) were held, with a total

of 26,877 exhibiting companies (previous year: 21,594) and 1,181,474 visitors (previous year: 817,598).

In addition to the boot, ProWein, CARAVAN SALON, BEAUTY, TOP HAIR, and MEDICA annual events, interpack, EuroShop, A+A, and the GIFA/METEC/THERMPROCESS/NEWCAST metallurgy trade fairs had an impact on sales development as leading trade fairs for their industries. With 2,729 exhibitors and over 142,000 visitors, interpack presented itself as a highlight of its industry.

The following events – shown in comparison with the previous year – were staged at the Düsseldorf site:

	2023	2022
Fairs and exhibitions:		
Own events	16	14
Guest events	10	10
Net floor space rented out	1,024,567 m ²	827,829 m ²
Number of exhibitors	26,877	21,594
Number of visitors	1,181,474	817,598

Self-organized events were attended by 1,073,670 visitors and 24,480 exhibitors, with net floor space rented out being 889,814 m². One major challenge was interpack, which occupied the whole of the Düsseldorf exhibition grounds. The other trade fairs that take place on different cycles were EuroShop, A+A, and the GIFA/METEC/THERMPROCESS/NEWCAST metallurgy trade fairs. The annual self-organized event to kick off the year was boot, while MEDICA, as the strongest annual self-organized event in 2023, ended the year.

Guest events included expopharm, PSI, Solar Solutions, and "Flotte! Der Branchentreff" acquired in the business year under review, as strong guest events. Guest organizers brought a total of 2,397 exhibitors and 107,804 visitors to our grounds in Düsseldorf. Due to pandemic experiences and geopolitical conflicts, the number of international exhibitors and visitors was slightly consolidated. The international share of exhibitors at self-organized events was 78.4 percent and the international share of visitors was 39.3 percent. The internationality of events, therefore, remained at a very high level despite slightly fewer foreign visitors. MEDICA showed the highest level of internationality, with 88.1 percent of exhibitors and 77 percent of visitors.

In addition to the 16 self-organized events, a further 10 guest events covering a total exhibition space of 134,753 m² were successfully carried out in Düsseldorf. Expopharm, the biggest guest event in 2023, occupied a space of 67,230 m² with its 530 exhibitors and 29,000 visitors.

In the international trade fair business, Messe Düsseldorf can look back on a successful business year with 18 commissioned events and 7 self-organized events and participations. The majority of the events took place in China and India.

In the year under review, Messe Düsseldorf achieved a total revenue of EUR 391,371k. Compared to the previous year, this represents an increase in sales of EUR 96,432k. Other operating revenue was mainly affected by the write-backs of other accruals amounting and revenue from the sale of interest rate swaps. Personnel costs are rising due to wage increases and the new hires, but remain almost at the same level as the previous year due to the diminishing effect of the transfer of employees to WISAG Messe Düsseldorf GmbH. On a par with the increase in revenue, event-related expenditure also exhibited a EUR 50,244k rise. The net profit for the year amounted to EUR 87,326k (previous year: EUR 71,597k).

Net asset position and financial situation

Compared with the previous year, Messe Düsseldorf's total assets only decreased insignificantly by 1.54 percent to EUR 708,267k (previous year: EUR 719,362k). The fixed assets item is dominated by real estate and buildings. The increase in intangible assets essentially results from the acquisition of the usufructuary rights to the "Flotte! Der Branchentreff" event as well as the first part of the SAP migration from SAP R/3 to SAP S4/Hana. The reduction in tangible fixed assets mainly results from scheduled depreciation and the disposals of operating and office equipment from the asset deal with WISAG Messe Service GmbH, Düsseldorf. In the previous year, the Company provided the first installment of the long-term loan to Messe Düsseldorf North America. The second installment of EUR 5,552k was paid out in April 2023. The book value of shares in Messe Düsseldorf ASIA Pte. Ltd., Singapore was written up by EUR 2,000k as well as those in Messe Düsseldorf India Pvt. Ltd., New Delhi/India by EUR 722k. The write-up is due to the improvement in the economic prospects

for the Asian region after the end of the COVID-19 pandemic and also contributes to the increase in financial assets. Cash and cash equivalents decreased slightly by EUR 9,644k to EUR 218,200k.

On the liabilities side, equity increased by 13.2 percent to EUR 492,211k due to the net profit for the year minus the distribution of profit. Due to the similar total assets, the equity ratio improved by 0.9 percentage points to 69.5 percent (previous year: 60.5 percent). In addition to accruals for pensions, the accruals totaling EUR 74,188k mainly include accruals for risks relating to state aid payments and taxes, and for outstanding invoices and miscellaneous human resources costs. Due to the reduction in advance payments on canceled events, the advance payments received dropped from EUR 103,696k to EUR 55,102k.

Liquidity

The liquidity trend was significantly influenced by the positive result, taking into account the distribution of profit for the previous year, and by the reduction in advance payments received. Messe Düsseldorf GmbH's cash and cash equivalents decreased by 4.2 percent to EUR 218,200k. Of the existing credit line of EUR 57,500k, EUR 1,220k was used as collateral.

Overall assessment of Messe Düsseldorf GmbH

The Company's net worth, financial situation, and profitability give an accurate picture corresponding to the Company's actual circumstances.

Business performance of the Group's international subsidiaries

Overall, the international and national subsidiaries benefited from the revival of the events industry. The following figures have been taken from local financial statements as of December 31, 2023.

Messe Düsseldorf North America Inc. is a wholly owned subsidiary of Messe Düsseldorf. The Company's main task is to obtain business in terms of exhibitors and visitors from the US, for trade fairs at the Düsseldorf site as well as to organize and stage trade fairs, exhibitions, and similar events in the American region. On April 18, 2022, the Company concluded a collaboration agreement with the Association for Unmanned Vehicle Systems International ("AUVSI") and acquired 60 percent of the financial assets and commercial rights to the results of the XPONENTIAL events. The XPONENTIAL event is the world's largest trade fair in the USA for unmanned locomotion and robotics. Messe Düsseldorf North America Inc.'s revenue of EUR 9,158k (previous year: EUR 5,142k) are mainly attributable to the American Organization for Joint Exhibition Stands in Düsseldorf and its own events XPONENTIAL and valve world North America. The Company reported a net profit for the year of EUR 1,129k (previous year: a net profit of EUR 344k).

The Singapore-based Messe Düsseldorf ASIA Pte. Ltd., a wholly owned subsidiary of Messe Düsseldorf, organizes its own trade fairs in the Asian region while also obtaining business in terms of exhibitors and visitors for events in Düsseldorf. Significant revenue factors in 2023 included Medical Fair Thailand, wire & tube Southeast Asia and Pack Print International Thailand. Medical Fair Thailand in particular benefited from the return of Chinese exhibitors. Revenue increased by EUR 3,317k from EUR 5,966k to EUR 9,283k. Overall, the net profit for the year improved by EUR 1,606k to EUR 2,175k (previous year: EUR 569k).

Messe Düsseldorf China Ltd., in which Messe Düsseldorf holds a 100 percent stake, is responsible together with its wholly owned subsidiary Messe Düsseldorf Shanghai Co., Ltd. for obtaining business in the form of exhibitors and visitors for events in Düsseldorf as well as organizing these companies' own events in China. The sub-group's sales increased from EUR 6,786k to EUR 23,264k. The positive trend in sales is

a result of the return of Chinese exhibitors to Düsseldorf. Chinaplas, which was held again for the first time in 2023, contributed to the annual result with income of EUR 4,035k. There is, therefore, a significantly improved annual result for 2023 of EUR 7,926k (previous year: net loss for the year: EUR -1,561k).

Business performance of the Group's national subsidiaries

Messe Düsseldorf's 50-percent subsidiary Düsseldorf Congress Sport & Event GmbH provides services for congresses and other events, including events held, inter alia, in the CCD Congress Center, Düsseldorf, in the CCD Ost, and in the HORISUM complex (Messe Düsseldorf's exhibition halls). The increase in sales revenue is due in particular to an increase in capacity utilization in the marketing of exhibition halls compared with the previous year. Sales amounted to EUR 13,601k (previous year: EUR 9,955k), while the Company returned a profit of EUR 584k for the year (previous year: EUR 248k).

Messeturm Düsseldorf Verwaltungsgesellschaft mbH is a 50-percent subsidiary of Messe Düsseldorf. The Company rents out Messeturm (Tower) A, which it owns. Messe Düsseldorf acquired a further 39.9 percent of shares in Messeturm Düsseldorf Verwaltungs-Gesellschaft with effect from January 1, 2024. The rental income from Messeturm (Tower) A was EUR 3,505k with an annual result of EUR 1,065k (previous year: EUR 1,167k).

With a 94 percent stake in the company, Messe Düsseldorf was a limited partner of FIXXUS Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Rheinhalle Düsseldorf KG until the end of December 29, 2023. The Company purchased Exhibition Hall 6 together with part ownership of Messeturm (Tower) B from Messe Düsseldorf GmbH under a sale-and-lease-back scheme, and leased these buildings back to the latter on a long-term basis. Messe Düsseldorf made use of its right to purchase both properties with a contract dated September 19, 2022 (Hall 6) and one dated December 19, 2023 (Tower B). The company seized trading at the end of December 29, 2023 as part of its merger. In the business year under review, FIXXUS returned a net loss for the year of EUR 23k (previous year: a net profit of EUR 22k), while generating sales revenue of EUR 446k (previous year: EUR 3,453k).

Financial and non-financial performance indicators

Financial performance indicators

Major control parameters applicable both to the Group and the Company are sales, earnings before tax (EBT), and capital expenditure on fixed assets, including expenditure on repairs and maintenance. A comparison between the results and forecasts is made in the section entitled "Forecast report".

Non-financial performance indicators

The Group's business performance is not only manifested in business indicators. Messe Düsseldorf has been continually improving its standards of service and quality for years to maintain its top position in an international environment among the leading trade fair companies at the national and international level. Furthermore, the Group is resolutely pursuing the strategic course that it has set for itself. The aims of this strategy are to secure and develop the trade fair program at the Düsseldorf site and to expand international business by means of the Group's own activities or in joint ventures with partners. To this end, with the exception of a few fairs for high-quality consumer goods, Messe Düsseldorf is concentrating its activities on exhibitions covering capital goods. The goal is to become the number one company as regards the organization of capital goods trade fairs. A prerequisite for this is highly-capable staff – which is why Messe Düsseldorf invests in training and advanced training schemes as well as occupational safety.

On average, the Group employed a staff of 711 (previous year: 756) plus casual staff numbering 168 (previous year: 97) throughout the 2023 business year. To train its employees and managers, Messe Düsseldorf offers advanced training courses on the following topics within the framework of an in-house academy: IT, Communication & Social Skills, Methods & Techniques, Languages & Intercultural Skills and Leadership. Furthermore, employees and managers participate in individual, e.g., subject-specific training, measures. Managers can attend business coaching sessions and request team development for their employees. The existing exchange programs with partners in Finland, Sweden, and the US is being revised and will be resumed in 2024.

Statement with regard to company management (quota for women)

At the shareholders' meeting of November 26, 2021, the shareholders set the necessary target value for the Supervisory Board of at least 7 female members based on the "Act supplementing and amending the regulations for the equal participation of women and men in management positions both in the private and in the public sectors (Second Management Positions Act – FüPoG II)". The corresponding target value for the management was stipulated as being at least one female managing director. Simultaneously, a resolution was passed stipulating a quota of 20 percent (1 person) for the level of authorized representatives and 27 percent (8 people) for the level of senior executives. The date for achieving the targets has been set for November 25, 2026. As of December 31, 2023, the proportion of women on the Supervisory Board was 38 percent (8 people). The Executive Board was a purely male body at that time. This is due to long-term management employment contracts with the active managers. As of December 31, 2023, the proportion of women on the two management levels below the Executive Board was 20 percent (1 person) at the level of authorized representatives and 25 percent (6 people) at the level of senior executives.

Reports on risks, forecasts, and opportunities

Risk report

Risk management system

The Group has a risk management system into which all the divisions of Messe Düsseldorf GmbH and those of its subsidiaries are integrated. The task of the risk management system is to identify, assess, and communicate/report any possible risks or opportunities so as to enable countermeasures or mitigating action to be initiated in good time. The risk management system is managed by the Company's internal auditing body and is closely dovetailed with Messe Düsseldorf's internal auditing system. All these systematic monitoring operations have, in their entirety, the aim of guaranteeing the security and efficiency of business operations, the reliability of financial reporting, and the conformity of all Company activities with the statutes and regulations.

What Messe Düsseldorf defines as a risk is an exposure to losses, ensuing from events or actions, which may have a negative impact on the Group's net worth, financial situation, or profitability.

Individual risk categories are defined on the basis of this overall risk definition. The various risk categories express the severity of the repercussions to which the Group's net worth, financial situation, or profitability will be exposed if a risk materializes. In this classification, the following risk categories have been laid down:

- Operating risks
- Ad-hoc risks

Operating risks are risks whose expected level of loss would not have the effect of jeopardizing the Group's existence, but which, viewed separately or in their interaction with other operating risks, would have a more than negligible impact on the Group's net worth, financial situation, or profitability.

Ad-hoc risks are risks whose expected level of loss and probability of materialization would trigger an immediate report to the Board of Management and from the Board of Management to the Supervisory Board.

In the risk committee, the risks reported by the risk owners are evaluated and discussed. Subsequently, the risk committee chairperson reports directly to the management.

Risks

Individual risks are assessed on the basis of the anticipated level of loss and the probability of the risk actually materializing within the framework of a risk inventory. The level of loss is subdivided into minor, relevant, and critical. The probability of materialization is divided into low, medium, high, and very high. Risks with a low level of loss and a low to medium probability of materialization are not shown in the following overview. In the year under review, the risks affecting the parent company and those affecting the Group were identical.

As at December 31, 2023, the following risks were identified:

Probability of materialization:	Level of loss	
	Relevant	Critical
very high (75%-100%)	-	1
high (50%-75%)	5	-

The trade fair industry was already affected by the risk with the highest probability of materialization and critical level of loss in the form of a global pandemic. The effects of travel restrictions, official bans, and even including nationwide lockdowns led to record negative results in the entire trade fair and exhibition sector. Messe Düsseldorf is countering future pandemic risks with a hygiene concept and various protective measures for exhibitors, visitors, and employees.

A risk with a high probability of materialization relates to the worldwide travel restrictions. Restrictions on freedom of travel due to wars, border closures, or strikes affect, in particular, trade fairs with a high degree of international orientation. In this regard, Messe Düsseldorf is trying to obtain an up-to-date assessment of its worldwide network of representatives abroad through its subsidiaries and in cooperation with AUMA.

One risk is geopolitical conflicts. Travel restrictions and security concerns may affect the trade fair industry. Barriers to trade and sanctions may hinder the international flow of goods and services, which may have a negative impact on the variety of products presented. Political instability in the countries may put exhibitors off and thus affect the size and quality of events, leading companies to reassess their participation in trade fairs and change their priorities.

Another danger to trade fairs and investment projects, which are often planned over the long term, is also posed by rising prices. The price increases are mainly driven by energy prices, material shortages, and supply bottlenecks are additional factors.

Messe Düsseldorf is trying to counter the latter risk by making inquiries to its suppliers at an early stage in order to guarantee prices and the availability of materials.

In times of a lack of skilled workers or increasing concentration, there is a risk of dependence on process-relevant service providers and suppliers. Messe Düsseldorf's operational processes could be affected, especially if these service providers support critical functions. Disruptions or failures at these companies could lead to significant impairments in organizing and staging trade fair events or construction work. To avoid the risk of dependence on a few process-relevant suppliers and service providers, the process partners are carefully monitored and evaluated.

The increase in cybercrime poses another risk to any business. In this case, the loss ranges from actual financial losses due to counterfeit invoices, the blocking of systems and the loss of sensitive customer data. Messe Düsseldorf is investing in additional resources to implement and maintain security systems. The cost of restoring data and reputational damage is relevant.

In the business year under review, no risks were established that, either individually or cumulatively, might be susceptible to jeopardizing Messe Düsseldorf's existence.

Risk reporting with regard to the use of financial instruments

As at December 31, 2022, Messe Düsseldorf GmbH had concluded another three interest rate swap transactions designed to hedge against interest rate-related payment flow risks relating to variable-interest liabilities to banks – entered into for the purpose of financing future capital projects. These three interest rate swap transactions are designed to provide a hedge for future loans with a total volume of EUR 60,000k. Due to the positive trend in the market values of the interest rate swaps in 2023, the Company decided to sell the financial instruments. No financial instruments exist as at December 31, 2023.

Forecast report

Messe Düsseldorf Group	Forecast for 2023	Results 2023	Forecast for 2024
Sales (€ '000)	326,710	422,475	382,160
Pre-tax result (€ '000)	37,882	120,937	54,050
Capital expenditure (€ '000)	33,908	21,597	46,962

* Including repairs and maintenance

The Messe Düsseldorf Group can look back on a successful year in 2023. The 73 events gave the Group revenue of EUR 422,475k. This represents a further increase in revenue of EUR 111,535k compared with the previous year. The majority of the Group's revenue is generated at its home location in Düsseldorf, with a consolidated revenue contribution of 89.5 percent. In addition to the other domestic events, interpack in particular has been able to make a significant contribution to improving results. Abroad, Messe Düsseldorf along with its 6 foreign subsidiaries organized 47 events and participations. The consolidated revenue of the foreign subsidiaries is EUR 42,746k. Medical Fair Thailand, wire & tube Southeast Asia, and Pack Print International Thailand performed better than expected. The nine new events abroad in total in 2023 include XPONENTIAL, REHACARE China (Suzhou), Valve World Southeast Asia (Singapore), GIFA Southeast Asia (Bangkok, Thailand), GIFA and METEC Indonesia (Jakarta), GIFA, METEC, wire & Tube Middle East Africa (Cairo, Egypt), Central Asia Plast World (Almaty, Kazakhstan), Wine & Gourmet Japan, Tokyo as well as wire Eurasia and Tube Eurasia (both Istanbul, Turkey). Five more new trade fairs abroad will follow in 2024: wire Mexico (Monterrey), GIFA Mexico, Mexico City, Plastics & Rubber Indonesia (Jakarta), Plastics & Rubber Thailand, Bangkok and ANKIROS/TURCAST Turkey, Istanbul. The foreign subsidiaries' contribution to the consolidated net profit/loss for the year before tax amounted to EUR 17,958k (previous year EUR -2,946k).

Messe Düsseldorf GmbH	Forecast for 2023	Results 2023	Forecast for 2024
Sales (€ '000)	331,934	391,371	349,056
Pre-tax result (€ '000)	33,739	113,290	46,403
Capital expenditure (€ '000)	33,792	25,222	45,587
Self-organized and guest events			
Net hall space rented out m ²	816,293	1,024,567	791,450
Numbers of exhibitors	21,973	26,877	20,685
Numbers of visitors	934,450	1,181,474	1,042,500

* Including repairs and maintenance

Messe Düsseldorf's revenue was higher in 2023 than forecast and compared to the previous year. The planned sales revenue was improved by a strong increase in sales of floor space at interpack, CARAVAN, A+A, and MEDICA as well as the GIFA/METEC/THERMPROCESS/NEWCAST trade fair quartet. The number of visitors also exceeded expectations. Together with the unplanned non-operating effects from the sale of interest rate swaps, the write-ups of participations and refunds from the energy price cap, Messe Düsseldorf reported earnings before tax of EUR 113,290k. Due to the trade fair cycle, Messe Düsseldorf expects a slight decrease in the key KPIs in 2024. In addition to the annual events, drupa, wire & tube, and glasstec will decisively shape the sales revenue. The modernization of the exhibition halls and entire grounds will be pressed ahead with next year, and so investment in the infrastructure will reach more than EUR 45 million in 2024.

In 2024, a total of 15 self-organized and 8 guest events are scheduled in Düsseldorf. Highlights include the number one position for the global printing industry as well as wire & Tube as the world's leading trade fairs for the wire, cable, and tube industries.

Opportunity report

International business development is to receive a boost in Turkey through the joint venture with Deutsche Messe AG, Hannover. XPONENTIAL EUROPE will also be held for the first time in 2025, as the spin-off to the successful XPONENTIAL Denver, in the US. XPONENTIAL is a trade fair for unmanned and autonomous locomotion.

The technologically optimally-equipped exhibition site in Düsseldorf is to be developed further as a success factor. In the years from 2024 to 2028, Exhibition Hall 9 is to be modernized successively for EUR 160 million. Furthermore, investments are to be made in the digital transformation as well as in national and international business development.

Statement regarding compliance with the Company's public objective and the attainment of the corporate purpose in accordance with Section 108 subsection 3 item 2 GO NRW and Section 65 subsection 1 item 1 of the NRW budgetary regulations.

In accordance with the articles of association of Messe Düsseldorf GmbH, the object of the Company is to organize and stage fairs, exhibitions and other events that serve to promote industry, craft industries, trade and services, and to provide the counseling, project development, and order placement services necessary for this purpose.

We are absolutely convinced of the fact that we have oriented the business policy and strategic position of Messe Düsseldorf in a suitable fashion.

Düsseldorf, March 31, 2024

Messe Düsseldorf GmbH
The Management

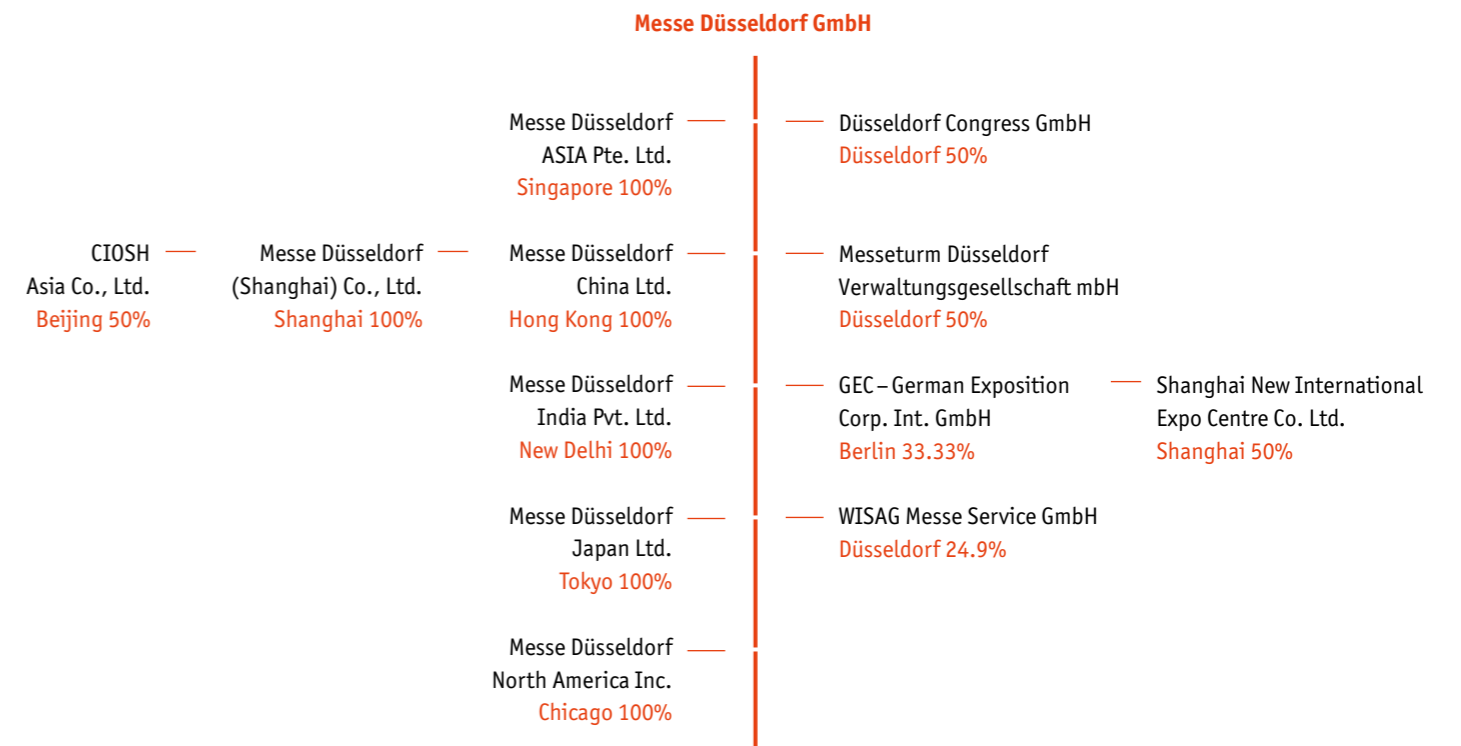
Wolfram Nikolaus Diener

Bernhard Johannes Stempfle

Erhard Wienkamp

Messe Düsseldorf GmbH Group

Messe Düsseldorf GmbH (Date: 12/31/2023)



Consolidated Balance Sheet

of Messe Düsseldorf GmbH as at December 31, 2023

Assets	12/31/2023	12/31/2022
	€	€
Fixed assets		
Intangible assets		
Concessions acquired for valuable consideration, industrial property rights purchased and similar rights and assets purchased, plus licenses in such rights and assets	26,397,262.22	22,701,524.45
Advance payments made	673,400.00	3,562,509.51
	27,070,662.22	26,264,033.96
Tangible assets		
Land, land rights, and buildings, including buildings on third-party land	405,787,189.73	427,192,579.56
Other equipment, factory and office equipment	6,126,440.08	6,836,121.73
Advance payments made and assets under construction	20,470,331.55	19,200,960.17
	432,383,961.36	453,229,661.46
Financial assets		
Shares in affiliated enterprises	1,500,000.00	778,350.60
Shares in associated enterprises	10,397,919.26	10,291,006.99
Participations	11,893,108.78	11,889,175.85
Advance payments on financial assets	12,620,312.67	0.00
	36,411,340.71	22,958,533.44
	495,865,964.29	502,452,228.86
Current assets		
Inventories		
Raw materials, auxiliary materials and supplies	70,208.09	62,279.70
Receivables and other assets		
Trade receivables	8,602,409.50	12,323,808.27
Receivables from affiliated enterprises	36,776.97	64,241.98
Receivables from associated enterprises	1,764,152.83	715,379.50
Other assets	5,846,748.77	10,455,087.63
	16,250,088.07	23,558,517.38
Cash-in-hand, bank balances	247,168,692.75	246,061,954.88
	263,488,988.91	269,682,751.96
Expenses prepaid and receivables deferred	5,456,356.32	5,485,172.93
Deferred tax assets	1,154,067.56	245,684.85
Sum total	765,965,377.08	777,865,838.60

Equity and liabilities	12/31/2023	12/31/2022
	€	€
Equity		
Subscribed capital	15,625,000.00	15,625,000.00
Capital reserves	78,269,191.41	78,269,191.41
Revenue reserves	119,773,458.00	119,773,458.00
Difference in equity due to currency translation	678,787.45	1,651,800.52
Retained profits brought forward	237,142,391.19	207,198,227.48
Consolidated net profit for the year	94,027,510.75	59,944,163.12
Adjusting item for minority interests	792,451.39	846,290.02
	546,308,790.19	483,308,130.55
Accruals		
Accruals for pensions and similar obligations	22,051,255.00	22,241,916.00
Tax accruals	13,637,822.46	8,370,201.89
Other accruals	41,210,701.08	38,229,672.17
	76,899,778.54	68,841,790.06
Liabilities		
Liabilities to banks	55,000,000.00	80,500,000.00
Advance payments received in respect of orders	60,094,521.10	109,834,632.55
Trade payables	15,280,337.78	22,568,046.69
Payables to affiliated enterprises	88,634.06	12,568.59
Payables to enterprises in which participations are held	590,143.25	0.00
Payables to shareholders	207,274.60	1,500.00
Other liabilities	11,495,897.56	12,799,170.16
(of which taxes €1,027,156.69; previous year €719,032.05)		
Total	142,756,808.35	225,715,917.99

Consolidated Income Statement

of Messe Düsseldorf GmbH for the Period from January 1 to December 31, 2023

	12/31/2023	12/31/2022
	€	€
Sales	422,474,640.51	310,939,391.83
Own work capitalized	0.00	29,087.56
Other operating income	12,755,403.01	19,147,839.29
(of which due to currency conversion EUR 35,939.97; previous year: EUR 2,564,770.80)		
Event-related expenditure		
a) Cost of raw materials, auxiliary materials and supplies, and of purchased merchandise	19,137,984.62	6,983,340.88
b) Cost of purchased services	159,750,397.12	115,358,389.89
	178,888,381.74	122,341,730.77
Human resources expenses		
a) Wages and salaries	52,076,851.36	51,159,350.07
b) Social security charges and costs of retirement pensions and other welfare benefits	13,756,450.88	15,122,012.15
(of which for pensions EUR 4,161,527.64; previous year: EUR 5,796,452.44)	65,833,302.24	66,281,362.22
Depreciation on intangible and tangible fixed assets	26,849,658.49	27,371,139.93
Other operating income	44,239,066.46	38,889,557.21
(of which due to currency conversion EUR 206,452.12; previous year: EUR 160,314.18)		
Result from shareholdings in associated enterprises	774,353.27	-988,751.45
Other interest and similar income	2,294,056.34	232,499.36
Interest and similar expenses	1,551,017.59	4,510,759.21
Taxes on income and profits	26,377,064.52	9,436,786.56
Net profit for the year	94,559,962.09	60,528,730.69
Profit attributable to minority interests	-532,451.34	-584,567.57
Consolidated net profit for the year	94,027,510.75	59,944,163.12

Movements in the Consolidated Fixed Assets

of Messe Düsseldorf GmbH in the 2023 Business Year

	Cost of acquisition/manufacture							Depreciation						Book values		
	Status at 1/1/2023	Currency translation	Changes in the scope of consolidation	Additions	Reclassifications	Disposals	Status at 12/31/2023	Status at 1/1/2023	Currency translation	Changes due to the scope of consolidation	Additions	Write-ups	Disposals	Status at 12/31/2023	Status at 12/31/2022	
	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	
Intangible assets																
Concessions acquired for valuable consideration, industrial property rights and similar rights and assets, and licenses in such rights																
Rights and assets	83,433,582.71	-617,517.31	0.00	4,768,161.34	3,331,504.13	503,399.55	90,412,331.32	60,732,058.26	-49,940.58	0.00	3,394,917.49	0.00	61,966.07	64,015,069.10	26,397,262.22	22,701,524.45
Goodwill	2,400,420.12	0.00	-3,284.96	0.00	0.00	0.00	2,397,135.16	2,400,420.12	0.00	-3,284.96	0.00	0.00	0.00	2,397,135.16	0.00	0.00
Advance payments made	3,562,509.51	0.00	0.00	818,962.50	3,331,504.13	376,567.88	673,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	673,400.00	3,562,509.51
Total intangible assets	89,396,512.34	-617,517.31	-3,284.96	5,587,123.84	0.00	879,967.43	93,482,866.48	63,132,478.38	-49,940.58	-3,284.96	3,394,917.49	0.00	61,966.07	66,412,204.26	27,070,662.22	26,264,033.96
Tangible assets																
Land, leasehold rights, and buildings, including buildings on third-party land	1,078,325,925.93	0.00	0.00	198,292.24	0.00	959,189.80	1,077,565,028.37	651,133,346.37	0.00	0.00	21,589,140.49	0.00	944,648.22	671,777,838.64	405,787,189.73	427,192,579.56
Other equipment, factory and office equipment	54,730,311.42	-34,763.51	0.00	2,317,937.66	0.00	9,828,437.47	47,185,048.10	47,894,189.69	-32,555.98	0.00	1,865,600.51	0.00	8,668,626.20	41,058,608.02	6,126,440.08	6,836,121.73
Advance payments made and assets under construction	19,200,960.17	0.00	0.00	1,269,371.38	0.00	0.00	20,470,331.55	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20,470,331.55	19,200,960.17
Total tangible fixed assets	1,152,257,197.52	-34,763.51	0.00	3,785,601.28	0.00	10,787,627.27	1,145,220,408.02	669,027,536.06	-32,555.98	0.00	23,454,741.00	721,649.40	9,613,274.42	712,836,446.66	432,383,961.36	453,229,661.46
Financial assets																
Shares in affiliated enterprises	5,768,128.17	0.00	0.00	0.00	0.00	0.00	5,768,128.17	4,989,777.57	0.00	0.00	0.00	0.00	0.00	4,268,128.17	1,500,000.00	778,350.60
Shares in associated enterprises	11,265,470.57	-667,441.00	0.00	1,748,816.85	0.00	0.00	12,346,846.42	974,463.58	0.00	0.00	974,463.58	0.00	0.00	1,948,927.16	10,397,919.26	10,291,006.99
Participations	11,889,175.85	0.00	0.00	3,392.93	0.00	0.00	11,893,108.78	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,893,108.78	11,889,175.85
Advance payments made on financial assets	0.00	0.00	0.00	12,620,312.67	0.00	0.00	12,620,312.67	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12,620,312.67	0.00
Total financial assets	28,922,774.59	-667,441.00	0.00	14,373,062.45	0.00	0.00	42,628,396.04	5,964,241.15	0.00	0.00	974,463.58	721,649.40	0.00	6,217,055.33	36,411,340.71	22,958,533.44
Sum total	1,270,576,484.45	-1,319,721.82	-3,284.96	23,745,787.57	0.00	11,667,594.70	1,281,331,670.54	768,124,255.59	-82,496.56	-3,284.96	27,824,122.07	721,649.40	9,675,240.49	785,465,706.25	495,865,964.39	502,452,228.86

Explanatory Notes

on the Consolidated Balance Sheet and Income Statement of Messe Düsseldorf GmbH

I. General principles

The annual financial statements of Messe Düsseldorf GmbH, Düsseldorf (entered in the Commercial Register of the Düsseldorf District Court/Amtsgericht under HRB No. 63) have been prepared in compliance with the mercantile law provisions relating to large joint-stock companies. Pursuant to Section 290 HGB (Commercial Code), the Company is obligated to prepare consolidated financial statements. The consolidated financial statements of Messe Düsseldorf GmbH have been prepared in compliance with the provisions of the GmbH Act (Act concerning limited-liability companies).

For the Messe Düsseldorf GmbH Income Statement, the total costs (type of expenditure) method has been opted for. The peculiarities of trade fair business are taken into consideration.

II. Scope and principles of consolidation

In addition to Messe Düsseldorf GmbH, the consolidated financial statements also fully include the following subsidiaries in which Messe Düsseldorf GmbH has a direct or indirect majority holding:

- Messe Düsseldorf North America Inc., Chicago/USA
- Messe Düsseldorf ASIA Pte. Ltd., Singapore
- Messe Düsseldorf China Ltd., Hong Kong/China
- Messe Düsseldorf (Shanghai) Co., Ltd. Shanghai/China
- Messeturm Düsseldorf Verwaltungsgesellschaft mbH, Düsseldorf
- FIXXUS Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Rheinhalle Düsseldorf KG, Pullach i. Isartal (The company was deconsolidated at the end of December 30, 2023.)

Pursuant to Section 296 subsection 2 HGB (Commercial Code), the inclusion in the consolidated financial statements of Messe Düsseldorf Japan Ltd., Tokyo/Japan, Messe Düsseldorf India Pvt. Ltd., Bangalore/India, has been waived.

Pursuant to Section 312 HGB, the shareholding in Düsseldorf Congress GmbH, Düsseldorf, has been included in the consolidated financial statements at equity. As at December 31, 2023, the equity of Düsseldorf Congress GmbH

totalled EUR 2,389k (previous year: EUR 2,141k), the company's reported carrying amount being EUR 1,487k (previous year: EUR 1,195k).

In a contract dated March 18, 2020, Messe Düsseldorf (Shanghai) Co., Ltd. purchased a 50 percent share in CIOOSH Asia Co., Ltd., Beijing, from China Textile Commerce Association, Beijing. The company's sole purpose is to carry out the China International Occupational Safety & Health Goods Expo event, which takes place in spring. Pursuant to Section 312 HGB, the shareholding in CIOOSH Asia Co., Ltd. has been included in the consolidated financial statements at equity. The first application of the equity valuation at December 31, 2020 resulted in a positive difference of EUR 8,091k. In 2022, this positive difference was increased by the subsequent purchasing costs of EUR 680k. As at December 31, 2023, the positive difference, reduced by the write-downs, came to EUR 6,821k. As at December 31, 2023, the equity of CIOOSH Asia Co., Ltd. amounted to EUR 2,975k, the reported carrying amount being EUR 8,911k.

Messe Düsseldorf GmbH holds 33.33 percent of the shares in German Exposition Corporation International GmbH, Berlin. Pursuant to Section 311 subsection 2 HGB, the inclusion of GEC as an associated company has been waived.

Messeturm Düsseldorf Verwaltungsgesellschaft mbH, Düsseldorf and FIXXUS Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Rheinhalle Düsseldorf KG, Pullach i. Isartal, have been included in the consolidated financial statements pursuant to Section 290 subsection 2, item 4 HGB (special-purpose entities). With a 94 percent stake in the company, Messe Düsseldorf was a limited partner of FIXXUS Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Rheinhalle Düsseldorf KG until the end of December 29, 2023. Messe Düsseldorf made use of its right to purchase both leasing properties with a contract dated September 19, 2022 (Hall 6) and one dated December 19, 2023 (Tower B). FIXXUS Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Rheinhalle Düsseldorf KG ceased trading due to its merger into FIXXUS Grundstücks-Vermietungsgesellschaft mbH at the end of December 29, 2023. The deconsolidation of the company as at December 31, 2023 resulted in a deconsolidation loss of EUR 24k.

The capital consolidation of the companies included in the consolidated financial statements was based on book values in the case of first-time consolidation up to December 31, 2008. Pursuant to Section 301 subsection 1 item 2 HGB, the revaluation method has been applied for consolidation since January 1, 2009.

The positive differences arising from capital consolidation are partly allocated to the assets of the subsidiary concerned and depreciated on the basis of their useful life. Any positive differences remaining have been posted as goodwill and depreciated over a four-year period in all cases. Unscheduled write-downs are applied whenever necessary. As at December 31, 2023, all items of goodwill had been written off completely.

Pursuant to Section 309 HGB, the amounts of negative goodwill arising from the capital consolidation of Messeturm Düsseldorf Verwaltungsgesellschaft mbH (EUR 3,987k) have been posted to capital reserves.

The negative goodwill arising from the initial consolidation of Messe Düsseldorf China Ltd. is shown in the adjusting item set up during capital consolidation. In 2014, the adjusting item was added to the consolidated distributable profit for the year. In a contract dated October 29, 2012, Messe Düsseldorf acquired the remaining shares in Messe Düsseldorf China Ltd., amounting to 20 percent of the total, for a purchase price of EUR 3,500k. As part of the initial consolidation of the shares acquired, the Group acquired an intangible right to a trade fair for a sum of EUR 3,138k, which was to be written off over a five-year period. Furthermore, deferred tax liabilities amounting to EUR 549k were to be taken into account.

The EUR 21k negative goodwill arising from the initial consolidation of Messe Düsseldorf (Shanghai) Co., Ltd., Shanghai, was set off against consolidated profit brought forward. The inclusion process was carried out via the financial statements of the Messe Düsseldorf China Ltd., Hong Kong/China, sub-group as the latter company is the sole shareholder of Messe Düsseldorf Shanghai.

Any reciprocal receivables and liabilities between the fully-consolidated companies are set off against each other. In the

Consolidated Income Statement, intragroup sales revenues and other intragroup income items are set off against the corresponding expenditure. Intragroup interim profits were eliminated in the year under review.

Pursuant to Section 308a HGB, foreign currency amounts on the balance sheets of the foreign subsidiaries included in the consolidation are translated on the basis of the spot exchange middle rates applicable on the balance sheet date. The income statements have been translated at the average rates applicable to the accounting period. Any currency translation differences ensuing have been posted to the adjusting items set up for this purpose and, therefore, they have no effect on earnings.

The Company will be included in the consolidated financial statements for Düsseldorf, capital of North-Rhine Westphalia. This entry will not be disclosed.

III. Accounting and valuation principles

The individual companies' financial statements on which full consolidation is based are uniformly prepared in accordance with the accounting and valuation guidelines laid down by the parent company. Uniform valuation policies have not been applied to the associated enterprises.

Purchased intangible assets are reported at their acquisition cost less the scheduled depreciation charge. Depreciation is based on the straight-line method, taking the normally-applicable useful life of the asset into account.

Tangible fixed assets are valued at acquisition or manufacturing costs and, provided that their useful life is limited in time, scheduled depreciation is deducted. If necessary, additional depreciation is applied based on the value appropriate for the assets on the balance sheet date.

As a matter of principle, buildings are always depreciated on a straight-line basis. Investments in extensions to buildings are depreciated so as to match the whole building's remaining useful life.

The straight-line method is used for depreciation on additions to movable assets. Straight-line depreciation is calculated pro rata temporis.

Low-value assets with a value of between EUR 52 and EUR 800 are written off fully in the year of acquisition and are simultaneously reported as disposals in the fixed assets movements schedule. In line with the increase in the tax threshold for low-value items, in 2018 the ceiling for low-value assets was increased from EUR 410 to EUR 800.

Shares in affiliated companies and participations are carried at cost of acquisition or at such lower value as may be appropriate. The values of any participations in associated enterprises that are reported are stated with due consideration to the adjustments made as part of the "at equity" valuation procedure.

The values of inventories are assessed at the reporting date on the basis of the lower of acquisition or manufacturing cost or on that of the lower of stock exchange or market price.

Receivables and other assets are shown at their nominal value. Appropriate individual write-downs are made to cover any risks that are identifiable. Interest-free receivables and other assets with a remaining term of more than one year are discounted as of the balance sheet date.

The asset-value of direct accruals for pensions is established on the basis of actuarial principles following the projected unit credit method (PUC method), and also applying the 2018 G standard tables of Dr. Klaus Heubeck. Accruals for pensions are discounted at a flat rate, this being the average market interest rate of the last ten years, applicable to an assumed remaining term of 15 years, as published by the Deutsche Bundesbank (German Federal Bank) for the month of December 2023. This interest rate was assumed to be 1.82 percent (previous year: 1.78 percent). The calculation following the PUC method is based on the following assumptions regarding trends:

- Trend in wages and salaries: 2.7% (previous year: 2.7%)
- Trend in the income ceiling for social security contributions: 2.7% (previous year: 2.7%)
- Trend in pensions 2.6% (previous year: 2.6%)

In actuarial terms, accruals for anniversary obligations and death grants are determined on the basis of biometrical probabilities (2018G Heubeck standard mortality tables). Commitments are calculated using the projected unit credit method. An average market interest rate with matching time limits, applicable to the last seven years, and published on a monthly basis by the Deutsche Bundesbank (German Federal Bank), is used to calculate obligations. The actuarial interest rate as at December 31, 2023 amounts to 1.74 percent (previous year: 1.44 percent).

In the 2021 financial year, a partial retirement program was launched. Part-time work for the elderly is offered in the so-called block model for a total of 3 years. The offer expires on December 31, 2023. During the entire term of the partial retirement contract, employees receive 50 percent of their previous monthly salaries. In addition, the employee concerned receives a top-up amount exempt from tax and social security payments by way of compensation. In addition, the Company pays additional contributions to the statutory pension insurance scheme on the employee's behalf. The partial retirement accruals are discounted at a flat rate based on the average market interest rate published by the Bundesbank over the last seven years. This market interest rate corresponds to the remaining term and amounted to 1.03 percent (previous year: 0.52 percent) as at December 31, 2022. As at December 31, 2023, the settlement amount of the regulated pension entitlements came to EUR 3,093k (previous year EUR 1,972k). Messe Düsseldorf has taken out insurance cover for the pension commitments with Allianz-Lebensversicherungs AG, the payments made to the asset value in the business year amounted to EUR 825k (previous year: EUR 709k). The asset value of this reinsurance policy, now totaling EUR 1,193k (previous year: EUR 677k), has been offset against the Company's partial retirement commitments.

All other accruals have been set up at a required payment level that takes account of all the risks identified as such up to the reporting date on the basis of a prudent business assessment. Accruals with a remaining term of more than one year are discounted on the basis of the actuarial interest rates published by the Deutsche Bundesbank.

Liabilities are stated at the amounts repayable. The payments received on account mainly relate to trade fairs and events scheduled for subsequent years.

Receivables and liabilities in foreign currencies are entered in the accounts at the rate of exchange applicable at the time, and are then valued at year-end at the rate applicable on the closing date. As regards receivables and liabilities with a remaining term of more than one year, the principle of lowest value or highest value is applied, as the case may be.

As part of Messe Düsseldorf's SAP migration from SAP R3 to SAP S4/Hana, the expenditure and revenue accounts were checked with regard to their accounting content and the associated allocation to the profit and loss items in accordance with Section 275 subsection 2 HGB. Compared with the previous year, there is a shift of EUR 812k from event-related expenditure to other operating expenses. The change in presentation mainly concerns cafeteria and catering expenses.

IV. Explanatory Notes and Disclosures concerning the Consolidated Balance Sheet

Fixed assets

Apart from purchased software, the intangible assets mainly consist of usufructuary rights plus the software purchased. The additions are essentially the second installment of the usufructuary rights concerning "Flotte! Der Branchentreff", the first part of the SAP migration as well as shares acquired in the Plastics & Rubber Indonesia and Plastics & Rubber Thailand events as part of a cooperation. The advance payments made mainly relate to the stand construction configurator as well as the extension of the online order system.

The purchases of plant and office equipment mainly relate to purchases of IT hardware, perimeter surveillance systems as well as audio-visual technology. The operating and office equipment disposals mainly result from the asset deal with WISAG Messe Service GmbH, Düsseldorf.

The changes in shareholdings in the associated companies relate to CIOASH Asia Co., Ltd., Beijing/China and Düsseldorf Congress GmbH, Düsseldorf, and were predominantly brought about by the equity valuation of the shares. Taking the results, the positive difference and currency adjustments into account, the shares in associated enterprises increased by EUR 107k.

The additions to the advance payments on financial assets concern the acquisition of shares in Hannover Messe Ankiros Fuarcilik Anonim Sirketi A.S., Ankara as well as the purchase of further shares in Messeturm Düsseldorf Verwaltungsgesellschaft mbH, Düsseldorf.

Messe Düsseldorf acquired 44.5 percent of the shares in Hannover Messe Ankiros Fuarcilik Anonim Sirketi A.S. in a contract dated December 21, 2023. The maximum purchase price of EUR 3,900k is divided into four installments. The first installment of EUR 1,000k was due on the day the contract was signed. A second installment of EUR 1,000k is due after all the contractual conditions have been fulfilled. The third and fourth installments are linked to the achievement of operational corporate objectives (earn-outs). Messe Düsseldorf also acquired a further 5.5 percent of the shares in Hannover Messe Ankiros Fuarcilik Anonim Sirketi A.S. from Hannover Fairs Turkey Fuarcilik A.S., Ankara in a contract dated January 19, 2024.

Messe Düsseldorf acquired a further 39.9 percent of the shares in Messeturm Düsseldorf Verwaltungsgesellschaft in a contract dated December 19, 2023. The sale and assignment of the shares took place on January 1, 2024. The payment of the purchase price of EUR 11,571k is dated December 21, 2023.

For further details, the reader is referred to the fixed assets movements schedule attached to the Notes to the Financial Statements as Annex I.

The list of subsidiaries and other holdings is attached to the Notes as Annex 2.

Receivables and other assets

The trade receivables item contains, as in the previous year, no receivables with a remaining term exceeding one year.

As in the previous year, the other assets item contains no receivables with a remaining term exceeding one year. A portion of other assets consists of tax receivables. These claims for refunds will not legally arise until the Company submits its advance VAT and tax returns.

As in the previous year, the receivables from affiliated enterprises relate to trade receivables from the subsidiaries

that, pursuant to Section 296 subsection 2 HGB (Commercial Code), have not been included in the consolidated financial statements. As in the previous year, the receivables concerned have a remaining term amounting to less than one year. As in the previous year, no trade receivables have been offset against trade payables.

As in the previous year, the receivables from associated enterprises relate to trade receivables from the subsidiaries that are included in the consolidated financial statements at equity. As in the previous year, the receivables concerned have a remaining term amounting to less than one year.

The accruals underwent the following movements:

	1/1/2023	Utilization	Currency translation	Write-backs	Additions	12/31/2023
	€	€	€	€	€	€
1. Accruals for pensions and similar commitments	22,241,916.00	574,399.00	0.00	0.00	383,738.00	22,051,255.00
2. Tax accruals	8,370,201.89	269,001.89	0.00	570,000.00	6,106,622.46	13,637,822.46
3. Other accruals						
Risks related to order processing						
Outstanding invoices	5,743,381.13	2,567,687.39	-3,383.08	1,144,357.39	6,244,269.47	8,272,222.74
Human resources and social sphere						
Accruals for vacations	149,000.00	149,000.00	0.00	902,501.09	902,501.09	
Accruals for anniversaries	2,855,138.00	170,277.45	0.00	33,425.55	115,543.00	2,766,978.00
Bonuses	797,717.37	734,831.90	-2,000.57	60,884.90	788,466.80	788,466.80
Partial retirement	3,067,984.00	150,477.04	0.00	1,389,586.96	371,844.00	1,899,764.00
Miscellaneous	3,775,689.80	2,487,080.42	-2,644.38	0.00	1,872,965.15	3,158,930.15
	10,645,529.17	3,691,666.81	-4,644.95	1,483,897.41	4,051,320.04	9,516,640.04
Risks associated with benefits and taxes						
Fiscal risks in foreign countries	2,500,000.00	0.00	0.00	5,000,000.00	0.00	2,000,000.00
Benefits	17,500,000.00	0.00	0.00	0.00	0.00	17,500,000.00
	20,000,000.00	0.00	0.00	5,000,000.00	0.00	20,000,000.00
Miscellaneous						
Impending losses	0.00	0.00	0.00	0.00	1,913,585.00	1,913,585.00
Annual financial statements costs	392,054.64	243,292.81	-1,819.43	7,942.40	333,478.84	472,478.84
Miscellaneous	1,448,707.23	1,156,894.24	2,862.99	0.00	1,246,824.46	1,535,774.46
	1,840,761.87	1,400,187.05	-4,682.42	7,942.40	3,493,888.30	3,921,838.30
	38,229,672.17	7,659,541.25	-12,710.45	3,136,197.20	13,789,477.81	41,210,701.08
	68,841,790.06	8,502,942.14	-12,710.45	3,706,197.20	20,279,838.27	76,899,778.54

Deferred tax assets

The deferred tax assets shown in the amount of EUR 1,154k (previous year: EUR 246k) are due to consolidation measures relating to Messe Düsseldorf GmbH in compliance with Section 304 HGB. Deferred tax assets were calculated at a tax rate of 31.23 percent. The capitalization of deferred tax asset differences between the commercial law and fiscal balance sheet valuations in the amount of EUR 6,242k was waived after said assets had been set off against the existing deferred tax liabilities.

Liabilities

The Group's liabilities as at 12/31/2023 were classified as follows on the basis of their remaining terms:

	Total amount	With a remaining term		
		of up to 1 year	from 1 to 5 years	of more than 5 years
	€'000	€'000	€'000	€'000
Liabilities to banks	55,000	25,000	30,000	0
Payments received on account	60,095	60,095	0	0
Trade payables	15,280	15,280	0	0
Payables to affiliated enterprises	89	89	0	0
Payables to affiliated enterprises in which participations are held	590	590	0	0
Payables to shareholders	207	207	0	0
Other liabilities	11,496	10,197	1,173	126
	142,757	111,458	31,173	126

The Group's liabilities as at 12/31/2022 were classified as follows on the basis of their remaining terms:

	Total amount	With a remaining term		
		of up to 1 year	from 1 to 5 years	of more than 5 years
	€'000	€'000	€'000	€'000
Liabilities to banks	80,500	25,500	55,000	0
Payments received on account	109,835	109,835	0	0
Trade payables	22,568	17,635	4,933	0
Payables to affiliated enterprises	12	12	0	0
Payables to affiliated enterprises in which participations are held	0	0	0	0
Payables to shareholders	2	2	0	0
Other liabilities	12,799	11,473	1,191	135
	225,716	164,457	61,124	135

Accruals

The Company's pension obligations to former managerial staff are fully covered by pension accruals. In the year under review, these obligations led to changes in pension accruals amounting to EUR 191k (previous year: EUR 1,625k), with a net impact on results. The difference ensuing from the application of the 10-year average interest rate compared to the 7-year rate results in a EUR 181k (previous year: EUR 824k) reduction in accruals for pensions.

The tax accruals mainly cover national and foreign taxes on business profits relating to the year under review and for the previous year. The tax-related risks from previous years that have not yet been audited are taken into account based on the empirical values.

The other accruals cover all identifiable risks and have been calculated on the basis of prudent commercial principles.

In 2020, Messe Düsseldorf took out three loans amounting, in each case, to EUR 16,667k. The loans are to be repaid, in each case, in eight identical, consecutive installments each amounting to EUR 2,083k. Repayment will commence with the first installments in March 2023 and will terminate in December 2024.

Furthermore, Messe Düsseldorf has taken out another three loans, each amounting to EUR 10,000k, for the purpose of financing its business operations. The payment date was January 15, 2021. The loans are to be repaid in one sum on December 31, 2025 and on January 15, 2026.

Furthermore, in 2020, Messe Düsseldorf concluded contracts regarding three overdraft facilities with various banks. These three contracts provide for a total overdraft facility of EUR 50,000k, broken down into two overdrafts each totaling EUR 13,333k and one overdraft amounting to EUR 23,333k. As at December 31, 2023, the overdraft facilities were not being used.

Of the Company's total liabilities to banks, liabilities consisting of loans to the amount of EUR 130,000k were secured by mortgages.

The payables to affiliated companies mainly relate to trade payables.

Deferred tax liabilities

There were deferred tax liabilities totaling EUR 5,312k (previous year: EUR 5,589k) based on consolidation entries pursuant to Section 306 HGB, having an impact on the result and concerning the parent company. In accordance with Section 274 HGB, this sum was set off against deferred tax assets for the same amount. The latter ensue from the differences between the commercial law and fiscal balance sheet valuations of accruals. A tax rate of 31.23 percent was applied, this being identical to the rate applied in the previous year.

V. Explanatory Notes on the Income Statement

Sales

Consolidated sales in the business year under review can be broken down according to the following business segments and regions:

Business segment	2023	2022
	€'000	€'000
Own events	401,001	260,146
Guest events	15,129	8,591
Miscellaneous accruals	6,345	42,202
	422,475	310,939
Region	2023	2022
	€'000	€'000
Germany	366,045	278,704
China	27,454	6,518
Singapore	9,773	5,746
US	9,450	4,348
India	3,089	128
United Arab Emirates	1,999	0
Turkey	929	151
Russia	0	12,000
Other countries	3,736	3,344
Total foreign sales	56,430	32,235
	422,475	310,939

EUR 1,010k of sales (previous year: EUR 526k) are related to events of previous years.

Other operating income

Income not relating to the accounting period mainly consists of EUR 3,136k (previous year: EUR 11,976k) in the form of income deriving from write-backs of accruals. The non-operating income mainly consists of income from the sale of interest rate swaps amounting to EUR 4,530k and refunds amounting to EUR 1,999k as a result of the German act to introduce an energy price cap. Income from currency translation amounted to EUR 36k in the financial year under review (previous year: EUR 2,565k). Disposals of assets classified as tangible fixed assets resulted in income amounting to EUR 1,335k (previous year: EUR 15k).

Event-related expenditure

The differentiation between event-related expenditure and other operating expenses was effectuated via an assessment of the individual costs. The event-related expenditure consists of costs that are directly allocable to a cost unit. Deliveries of fabricated goods are recorded under "cost of raw materials, auxiliary materials and supplies, and of purchased merchandise". Construction work and other services are included in "cost of purchased services".

It is mainly energy costs, auxiliary materials and supplies, and expenditure on advertising materials that are shown under "cost of raw materials, auxiliary materials and supplies, and of purchased merchandise", whereas the "cost of purchased services" item mainly covers expenditure on commissions, stand construction services purchased, rental charges, and advertising expenditure.

Other operating expenses

In addition to exhibition site maintenance costs, the other operating expenses mainly consist of rental charges for premises, legal and consultancy expenses, expenditure on advertising and IT expenses, insurance policies, site security and cleaning services, and additions to accruals. Expenses not relating to the accounting period and totaling EUR 313k (previous year: EUR 176k) mainly result from exchange rate losses amounting to EUR 206k (previous year: EUR 160k). In addition, other operating expenses consists of miscellaneous taxes relating to the business year under review and amounting to EUR 2,094k (previous year: EUR 2,086k).

Result from shareholdings in associated enterprises

As in the previous year, the result from associated companies relates to CIO SH Asia Co., Ltd. and Düsseldorf Congress GmbH.

Interest and similar income

This mainly consists of interest income from overnight and fixed-term deposit assets of EUR 1,967k (previous year: EUR 96k).

Interest and similar expenditure

In addition to interest paid on long-term loans amounting to EUR 1,108k (previous year: EUR 2,845k), the item also covers expenditure from the discounting of accruals in the amount of EUR 437k (previous year: EUR 422k).

Taxes on income and profits

To the amount of EUR 26,381k, the taxes on income and profits consist of German taxes on business profits, and to that of EUR 1,084k, foreign taxes on business profits. The provisions for tax risks from previous years were also reduced by EUR 180k. The changes in deferred taxation have given rise to revenue amounting to EUR 908k (previous year: EUR 142k).

Proposal for appropriation of the parent company's profits

The management proposes that EUR 31,490k of the net profit for the year, totaling EUR 87,326k, be distributed and the remaining amount of EUR 55,836 be carried forward to the new account.

Report on post-balance sheet events

In connection with the acquisition of 39.9 percent of the shares in Messeturm Düsseldorf Verwaltungsgesellschaft and the associated transfer of the shares on January 1, 2024, the newly acquired shares are consolidated in the 2024 consolidated financial statements.

Messe Düsseldorf acquired 44.5 percent of the shares in Hannover Messe Ankiros Fuarcilik Anonim Sirketi A.S. in a contract dated December 21, 2023. The maximum purchase price is EUR 3,900k. The first installment of EUR 1,000k will be recognized in the advance payments on financial assets as of December 31, 2023. The maximum outstanding installments of EUR 2,900k are taken into account in other financial obligations. Messe Düsseldorf also acquired a further 5.5 percent of the shares in Hannover Messe Ankiros Fuarcilik Anonim Sirketi A.S. from Hannover Fairs Turkey Fuarcilik A.S., Ankara in a contract dated January 19, 2024. The outstanding amount is taken into account in other financial obligations as of December 31, 2023. The shares are expected to be included in the consolidated financial statements using the equity method once economic ownership has been transferred to Messe Düsseldorf.

VI. Other disclosures

Human resources

In addition to the three members of the management, on average 711 (previous year: 756) staff members were employed during the business year. The workforce is subdivided into 581 full-time employees (previous year: 607), 130 part-time employees (previous year: 149), and 3 apprentices (previous year: 10). In addition, the casual staff employed numbered on average 168 (previous year: 97).

Other financial obligations and contingent liabilities

On the balance sheet date, the other financial obligations totaled EUR 46,763k (previous year: EUR 21,310k), EUR 3,194k (previous year: EUR 5,374k) of this stemming from long-term rental agreements and leases.

On the balance sheet date, guarantees amounting to EUR 618k had been issued in favor of employees to cover employees' investment loans. In addition, there were guarantees amounting to EUR 602k relating to trade-related transaction relationships.

Messe Düsseldorf GmbH grants its employees benefits under the occupational pension scheme; for this purpose, employees have been insured with the Rhenish Supplementary Pension Fund, Cologne. The Fund's pension commitment covers old-age pensions, pensions for reduction in earnings capacity, and survivors' pensions for the insured persons' widows, widowers, and orphans. To the best of our current knowledge, the institutional assets of the public supplementary pension funds and the contributions system in its existing structure do not adequately or completely cover the existing pension commitments of the employers participating in the scheme. The cover shortage thus ensuing comes to a substantial sum - a financial obligation that will hit public employers hard in the future. By way of exercising the option, as provided for under commercial law, of reporting indirect pension obligations as a liability (Art. 28 para 1 EGHGB/Introductory Act to the German Commercial Code), in the business year under review, as in previous years, no accrual was set up. The Supplementary Pension Fund (RZVK) levy shown on the Messe Düsseldorf GmbH Income Statement under human resources expenses amounts to EUR 3,056k for the year under review (previous year: EUR 2,857k). The contribution levied amounts

to 4.25 percent of the compensation on which contributions are payable - EUR 38,775 (previous year: EUR 36,275). In addition, a 3.5 percent financial reorganization charge is also imposed. The contribution rate can be regarded as remaining constant. The level of the financial reorganization charge is likely to increase even further pending the establishment of definitive capital cover for the supplementary pension system. As at December 31, 2023, the possibility of a claim arising from the above contingent liabilities cannot be ruled out.

Hedging policy and financial derivatives

Due to it being an internationally-operating Company, both the business operations and financing transactions of Messe Düsseldorf GmbH are exposed to financial risks. The risks involved may arise in particular as a result of interest rate changes and exchange rate fluctuations.

In accordance with the Company's risk management system, action is taken to limit these risks not only by identifying, analyzing, and assessing them but also by using financial derivative instruments. Pursuant to a management directive, it is not permissible to use such derivatives for speculative purposes.

Messe Düsseldorf GmbH had concluded a total of three previous interest rate swap transactions designed to hedge against interest rate-related payment flow risks relating to variable-interest liabilities to banks - entered into for the purpose of financing future capital projects. These three interest rate swap transactions had a nominal value of EUR 60,000k. Due to the positive trend in the market values of the interest rate swaps, the Company decided to sell the financial instruments. The sales revenue was EUR 4,530k.

Cash and cash equivalents

The cash and cash equivalents item shown in the Consolidated Cash Flow Statement corresponds to the "cash in hand / bank balances" item shown on the Balance Sheet.

Auditors' fees

Of the total fee calculated for the auditing of Messe Düsseldorf GmbH's annual and consolidated financial statements by the auditor appointed, a sum of EUR 153k (previous year: EUR 146k)

was recorded as an expense in the business year under review. Here, EUR 135k (previous year: EUR 120k) was accounted for by auditing services, EUR 18k (previous year: EUR 26k) being attributable to other certification services.

Transactions contrary to market principles

No transactions contrary to market principles involving companies or persons close to the Company have been performed.

Disclosures regarding the Company's bodies

The compensation paid to the Managing Board of Messe Düsseldorf GmbH in the business year concerned totaled EUR 1,510k (previous year: EUR 1,416k). The compensation paid to former members of the Managing Board and their surviving dependants amounted to EUR 1,368k (previous year: EUR 1,290k).

Under occupational pension schemes, in the business year under review, direct insurance contributions were incurred for Mr. Diener, Mr. Stempfle, and Mr. Wienkamp, these amounting to EUR 166k, EUR 134k, and EUR 100k, respectively.

An accrual amounting to EUR 22,051k (previous year: EUR 22,242k) has been set aside to cover pension obligations to former members of the Managing Board and their surviving dependants.

In the business year concerned, expenses for the Supervisory Board amounted to EUR 91k (previous year: EUR 93k).

Statement of Changes in Messe Düsseldorf GmbH Group Equity

for the 2023 business year

	Parent company				Parent company			Minority interests		Total sales	
	Subscribed Capital	Capital reserve	Retained earnings	Currency translation differences	Consolidated profit carried forward	Consolidated net income for the year	Equity	Proportion of capital held	Share of profit or loss	Equity	Consolidated equity capital
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Status at 12/31/2021	15,625	79,718	119,773	-396	230,113	-22,915	421,918	262	543	805	422,723
Carried forward to new account	-	-	-	-	-22,915	22,915	-	543	-543	-	-
Consolidated net income for the year	-	-	-	-	-	59,945	59,945	-	584	584	60,529
Distribution of dividends	-	-	-	-	-	-	-	-543	-	-543	-543
Changes in the scope of consolidation	-	-1,449	-	-	-	-	-1,449	-	-	-	-1,449
Currency translation differences	-	-	-	2,048	-	-	2,034	-	-	-	2,048
Status at 12/31/2021	15,625	78,269	119,773	1,652	207,198	59,945	482,462	262	584	846	483,308
Carried forward to new account	-	-	-	-	59,945	-59,945	-	584	-584	-	-
Consolidated net income for the year	-	-	-	-	-	94,028	94,028	-	532	532	94,560
Distribution of dividends	-	-	-	-	-30,000	-	-30,000	-583	-	-583	-30,583
Changes in the scope of consolidation	-	-	-	-	-	-	-	-3	-	-3	-3
Currency translation differences	-	-	-	-973	-	-	-973	-	-	-	-973
Status at 12/31/2023	15,625	78,269	119,773	679	237,143	94,028	545,517	260	532	792	546,309

Except for the amount posted to deferred tax assets,
the Group equity generated is fully available for distribution to the shareholders.

Consolidated Cash Flow

of Messe Düsseldorf GmbH for the 2023 business year

	2023	2022
	€'000	€'000
Consolidated net profit/loss for the year	94,028	59,945
Portions of profit/loss accruing to minority interests	532	584
Write-ups/depreciation on tangible and intangible fixed assets	26,850	27,371
on financial assets	252	974
Increase (+)/decrease (-) in accruals	8,058	-191
Other income and expenses without impact on cash flow	-656	4,019
Cash flow	129,064	92,702
Profits (-)/Losses (+) due to the disposals of fixed assets items	-1,327	-7
Expenditure on/income from interest	-743	4,278
Tax on business profits paid	26,377	9,437
Payments of tax on business profits	-23,043	-3,626
Increase (-)/decrease (+) in inventories, in trade receivables, and in other assets that are not attributable to investment or financial activities	7,300	2,846
Increase (+)/decrease (-) in payments received on account	-49,740	66,513
Increase (+)/decrease (-) in trade payables and other liabilities that are not attributable to investment or financial activities	-11,481	-16,483
Inflow of funds due to regular business operations	76,407	155,660
Inflows due to disposals of tangible and intangible assets	3,320	31
Inflows due to disposals of financial assets	0	354
Outflows due to capital expenditure on intangible assets	-5,587	-20,577
Outflows due to capital expenditure on tangible assets	-3,786	-2,497
Outflows due to capital expenditure on financial assets	-14,373	-810
Interest payments received	2,376	241
Dividends received	0	1,281
Outflow of funds due to capital investment	-18,050	-21,977
Dividend payments to parent company shareholders	-30,000	0
Dividend payments to other shareholders	-584	-543
Outflow due to the repayment of financial loans	-25,500	-10,242
Interest payments made	-1,430	-2,690
Outflow of funds due to capital investment	-57,514	-13,475
Changes in cash and cash equivalents	843	120,208
Cash and cash equivalents at the beginning of the accounting period	246,062	126,506
Changes in liquid assets due to the scope of consolidation and exchange rates	264	-652
Cash and cash equivalents at the end of the accounting period	247,169	246,062

Shareholdings

of Messe Düsseldorf GmbH at December 31, 2023

Company	Proportion of capital held in %	Equity 12/31/2023 T €	Result 2023 T €
Messe Düsseldorf North America Inc., Chicago/USA	100.00	4,536	1,126
Messe Düsseldorf Japan Ltd., Tokyo/Japan	100.00	1,875	535
Messe Düsseldorf ASIA Pte. Ltd., Singapore	100.00	6,449	2,175
Messe Düsseldorf India Pvt. Ltd., New Delhi/India*	100.00	3,166	303
Messe Düsseldorf China Ltd., Hong Kong/China	100.00	35,938	4,723
Messe Düsseldorf (Shanghai) Co., Ltd. Shanghai/China	100.00 indirectly	14,910	4,002
CIOSH Asia Co., Ltd., Beijing/China	50.00 indirectly	2,975	2,913
Messeturm Düsseldorf Verwaltungsgesellschaft mbH, Düsseldorf	50.00	1,585	1,065
Düsseldorf Congress GmbH, Düsseldorf	50.00	2,973	584
German Exposition Corporation International GmbH, Berlin	33.33	47,542	-231
WISAG Messe Service GmbH, Düsseldorf**	24,90	25	0

* Closing date 3/31/2023.

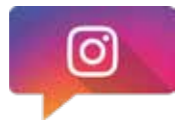
** We did not have the annual financial statements as of December 31, 2023.

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