

# 2020 Management Report

Messe Düsseldorf Group



Messe  
Düsseldorf



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# Shareholders and Board of Management

of Messe Düsseldorf GmbH

## Shareholders

	€'000	Proportion of capital held
The City of Düsseldorf	8,829	56.50 %
Industrieterrains Düsseldorf-Reisholz AG, Düsseldorf	3,125	20.00 %
The Land of North Rhine-Westphalia via its holding company Beteiligungsverwaltungsgesellschaft des Landes Nordrhein-Westfalen mbH, Düsseldorf	3,125	20.00 %
The Düsseldorf Chamber of Industry and Commerce	273	1.75 %
The Düsseldorf Chamber of Handicrafts	273	1.75 %
<b>Nominal capital</b>	<b>15,625</b>	<b>100.00 %</b>

## The Management

Dipl.-Betriebswirt Wolfram Nikolaus Diener	CEO, Chairman of the Managing Board	as from 1 July 2020	Düsseldorf
Dipl.-Betriebswirt Werner Matthias Dornscheidt	CEO, Chairman of the Managing Board	up to 30 June 2020	Düsseldorf
Dipl.-Kaufmann Bernhard Johannes Stempfle			Düsseldorf
Dipl.-Volkswirt Erhard Wienkamp			Düsseldorf



# Supervisory Board

of Messe Düsseldorf GmbH

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## Supervisory Board of Messe Düsseldorf GmbH in 2020

In the business year under review, the Company's Supervisory Board was made up as follows:

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### Chairman

Thomas Geisel, Mayor of Düsseldorf, capital of North Rhine-Westphalia – up to September 2020

Dr. Stephan Keller, Mayor of Düsseldorf, capital of North Rhine-Westphalia – as from November 2020

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### Vice-Chairpersons

Dr.-Ing. h. c. Wolfgang R. Bays, Vice-President of Düsseldorf Chamber of Industry and Commerce

Andreas Hartnigk, Lawyer, Member of Düsseldorf City Council

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

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### Members

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

Peter Blumenrath, Member of Düsseldorf City Council – as from November 2020

Karl-Uwe Bütof, Chief of Division in the Land of North Rhine-Westphalia's Ministry of Economic Affairs, Innovation, Digitization and Energy

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

Friedrich G. Conzen, Businessman, Deputy Mayor of Düsseldorf – up to October 2020

Christoph Dammermann, Undersecretary in the Land of North Rhine-Westphalia's Ministry of Economic Affairs, Innovation, Digitization and Energy

Andreas Ehlert, President of the Düsseldorf Chamber of Handicrafts

Jürgen Fischer, Member of Düsseldorf City Council – as from November 2020

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

Dipl.-Sozialarbeiter Günter Karen-Jungen, former Deputy Mayor of Düsseldorf and Member of Düsseldorf City Council – up to October 2020

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

Manfred Kornfeld, Commercial Director of Industrieterrains Düsseldorf-Reisholz AG – up to October 2020

Dr. Gert Leis, Chief of Division in the Land of North Rhine-Westphalia's Ministry of Finance – as from May 2020

Dipl.-Volkswirt Manfred Neuenhaus, Member of Düsseldorf City Council – up to October 2020

Dr. Steffen Neumann, Chief of Division in the Land's Ministry of Finance – up to April 2020

Saliha Ouammar, Member of Düsseldorf City Council – as from November 2020

Angelika Penack-Bielor, Member of Düsseldorf City Council

Mirko Rohloff, Member of Düsseldorf City Council – as from November 2020

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

Frank Spielmann, Member of Düsseldorf City Council – up to October 2020

Marina Spillner, Member of Düsseldorf City Council – as from November 2020

# Facts and Figures on the Performance

of Messe Düsseldorf GmbH

		2016	2017	2018	2019	2020*
Total capacity**	m <sup>2</sup>	304,800	291,580	291,580	305,727	305,727
Available hall space	m <sup>2</sup>	261,800	248,580	248,580	262,727	262,727
Available open-air space	m <sup>2</sup>	43,000	43,000	43,000	43,000	43,000
Area utilized**	m <sup>2</sup> (gross)	2,247,486	1,858,831	1,618,357	1,701,618	700,489
Space rented out**	m <sup>2</sup> (net)	1,308,304	1,162,415	948,782	1,014,145	362,707
Fairs and exhibitions**	total	31	31	26	29	7
Self-organized events**		19	18	15	18	4
Partner / guest events**		12	13	11	11	3
Total consolidated sales	(€ million)	442.8	366.9	294.0	378.5	136.8
Consolidated sales (Germany)	(€ million)	369.7	297.1	222.6	308.4	114.1
Consolidated sales (foreign)	(€ million)	73.1	64.8	71.4	70.1	14.8
Consolidated net profit/ loss for the year	(€ million)	58.8	55.0	24.3	56.6	-53.5
Group workforce		932	831	831	860	839
Exhibitors**	total	32,383	29,210	26,827	29,222	5,422
Exhibitors (German-based)		10,796	9,579	8,462	8,940	2,077
Exhibitors (foreign-based)		21,587	19,631	18,401	20,282	3,345
Visitors**	total	1,591,424	1,344,548	1,125,187	1,373,780	493,472
Visitors from Germany		899,322	857,739	782,119	869,458	352,056
Visitors from abroad		692,102	486,809	342,878	504,322	141,416
<b>Düsseldorf Congress GmbH</b>						
Event days		308	303	277	240	127
Events		3,695	3,461	2,197	1,277	322
Participants		2,269,494	2,508,083	1,632,448	373,490	118,058

\* Due to the Corona 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 calculation, rounding differences amounting to +/- one unit (€, %, etc.) may occur in the tables.



# Events 2020\*

Organized by Messe Düsseldorf GmbH

	Exhibitors (German-based)	Exhibitors (foreign-based)	Exhibitors Total	Exhibition area Net m <sup>2</sup>	Visitors Total	Visitors Of which foreign visitors (in %)
boot Düsseldorf	755	1.156	1.911	108,759	252,474	20
CARAVAN SALON DÜSSELDORF**	209	128	337	70,797	106,741	8
EuroShop	694	1,593	2,287	121,536	94,339	69
TourNatur***	73	26	99	1,322		
Sonstige Veranstaltungen	346	442	788	60,293	39,918	43
<b>Summe</b>	<b>2,077</b>	<b>3,345</b>	<b>5,422</b>	<b>362,707</b>	<b>493,472</b>	<b>29</b>

\* Due to the Corona pandemic, 21 trade fair events were unable to take place in Düsseldorf.

\*\* Including visitors to TourNatur

\*\*\* Number of visitors included in CARAVAN SALON visitor total

# Balance Sheet

of Messe Düsseldorf GmbH at 31 December 2020

Assets	31.12.2020	31.12.2019
	€'000	€'000
<b>Fixed assets</b>		
<b>Intangible assets</b>		
Concessions, industrial property rights purchased and similar rights and assets, including licences	6,497	7,475
Advance payments made	657	615
	<b>7,154</b>	<b>8,090</b>
<b>Tangible assets</b>		
Land, land rights and buildings, including buildings on third-party land	423,199	412,799
Other equipment, factory and office equipment	9,291	10,121
Advance payments made and assets under construction	20,169	21,685
	<b>452,659</b>	<b>444,605</b>
<b>Financial assets</b>		
Shares in affiliated enterprises	5,005	9,316
Participations	12,169	12,169
Other loans	0	2
	<b>17,174</b>	<b>21,487</b>
	<b>476,987</b>	<b>474,182</b>
<b>Current assets</b>		
<b>Inventories</b>		
Raw materials, auxiliary materials and supplies	87	81
<b>Receivables and other assets</b>		
Trade receivables	2,452	10,218
Receivables from shareholders	108	2
Receivables from affiliated enterprises	3,195	2,606
Receivables from enterprises in which participations are held	434	1,237
Other assets	19,272	23,316
	<b>25,461</b>	<b>37,379</b>
<b>Cash-in-hand, bank balances and cheques</b>	<b>136,671</b>	<b>179,649</b>
	<b>162,219</b>	<b>217,108</b>
<b>Prepaid expenses</b>	<b>2,867</b>	<b>8,159</b>
<b>Sum total</b>	<b>642,073</b>	<b>699,449</b>

<b>Equity and liabilities</b>	<b>31.12.2020</b>	<b>31.12.2019</b>
	€'000	€'000
<b>Equity</b>		
Subscribed capital	15,625	15,625
Capital reserves	111,398	111,398
Other revenue reserves	120,000	120,000
Distributable profit	138,550	200,936
	<b>385,573</b>	<b>447,959</b>
<b>Accruals</b>		
Accruals for pensions and similar obligations	19,917	19,852
Tax accruals	2,754	9,277
Other accruals	36,131	52,665
	<b>58,802</b>	<b>81,794</b>
<b>Liabilities</b>		
Liabilities to banks	50,000	0
Advance payments received in respect of orders	2,117	125,359
Trade payables	3,355	15,815
Payables to shareholders	0	12
Payables to affiliated enterprises	14,033	20,840
Other liabilities	128,193	7,670
(of which taxes: € 538k; previous year: € 915k)		
(of which relating to social security and similar obligations: €0k; previous year: €0k)		
	<b>197,698</b>	<b>169,696</b>
<b>Sum total</b>	<b>642,073</b>	<b>699,449</b>



# Income Statement

of Messe Düsseldorf GmbH for the Period from 1 January to 31 December 2020

	31.12.2020	31.12.2019
	€'000	€'000
Sales	125,959	344,047
Own work capitalized	23	258
Other operating income	6,063	9,756
(including € 561k due to currency conversion; previous year: € 118k)		
Event-related expenses		
a) Cost of raw materials, auxiliary materials and supplies, and of purchased merchandise	6,282	9,716
b) Cost of purchased services	75,180	150,377
	81,462	160,093
Human resources expenses		
a) Wages and salaries	39,110	48,693
b) Social security charges and costs of retirement pensions and other welfare benefits	9,968	12,775
(including € 3,749k for retirement pensions; previous year: € 4,725k)		
	49,078	61,468
Depreciation on intangible and tangible fixed assets	22,790	20,230
Other operating expenses	36,878	48,265
(including € 1,722k in the form of miscellaneous taxes; previous year: € 2,237k)		
(including € 371k due to currency conversion; previous year: € 34k)		
Income from participations	18,892	8,438
(including € 10,299k from affiliated enterprises; previous year: € 821k)		
Income from long-term loans	0	0
Interest and similar income	135	102
Write-downs on financial assets	4,311	0
Interest and similar expenditure	2,570	1,938
(including € 120k from affiliated enterprises; previous year: € 215k)		
(including € 575k impact on interest due to the valuation of accruals; previous year: € 666k)		
Taxes on income and profits	-2,526	19,782
<b>Net income for the year</b>	<b>-43,491</b>	<b>50,824</b>
Profit brought forward from the previous year	182,041	150,111
<b>Distributable profit</b>	<b>138,550</b>	<b>200,936</b>

# Movements in the Fixed Assets

of Messe Düsseldorf GmbH in the 2020 Business Year

	Cost of acquisition/manufacture				Status at 31.12.2020 €'000
	Status at 1.1.2020 €'000	Additions €'000	Reclassifi- cations €'000	Retire- ments €'000	
<b>Intangible assets</b>					
Concessions, industrial property rights and similar rights and assets, including licences in such rights and assets	50,156	850	557	3	51,560
	615	599	-557	0	657
	<b>50,771</b>	<b>1,449</b>	<b>0</b>	<b>3</b>	<b>52,217</b>
<b>Tangible assets</b>					
Land, land rights and buildings, including buildings on third-party land	920,342	14,538	12,946	55	947,772
Other equipment, factory and office equipment	45,470	2,000	531	862	47,139
Advance payments made and assets under construction	21,685	11,961	-13,477	0	20,169
	<b>987,497</b>	<b>28,499</b>	<b>0</b>	<b>917</b>	<b>1,015,080</b>
<b>Financial assets</b>					
Shares in affiliated enterprises	14,316	0	0	0	14,316
Loans to affiliated enterprises	0	0	0	0	0
Participations	12,169	0	0	0	12,169
Loans to enterprises in which participations are held	0	0	0	0	0
Other loans	2	0	0	2	0
	<b>26,487</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>26,485</b>
<b>Sum total</b>	<b>1,064,755</b>	<b>29,948</b>	<b>0</b>	<b>922</b>	<b>1,093,782</b>

Depreciation				Book values	
Status at 1.1.2020	Additions	Retirements	Status at 31.12.2020	Status at 31.12.2020	Status at 31.12.2019
€'000	€'000	€'000	€'000	€'000	€'000
42,681	2,383	2	45,063	6,497	7,475
0	0	0	0	657	615
<b>42,681</b>	<b>2,383</b>	<b>2</b>	<b>45,063</b>	<b>7,154</b>	<b>8,090</b>
507,543	17,056	26	524,573	423,199	412,799
35,349	3,351	852	37,848	9,291	10,121
0	0	0	0	20,169	21,685
<b>542,892</b>	<b>20,407</b>	<b>878</b>	<b>562.421</b>	<b>452,659</b>	<b>444,605</b>
5,000	4,311	0	9,311	5,005	9,316
0	0	0	0	0	0
0	0	0	0	12,169	12,169
0	0	0	0	0	0
0	0	0	0	0	2
<b>5,000</b>	<b>4,311</b>	<b>0</b>	<b>9,311</b>	<b>17,174</b>	<b>21,487</b>
<b>590,573</b>	<b>27,101</b>	<b>880</b>	<b>616,795</b>	<b>476,987</b>	<b>474,182</b>

# Explanatory Notes

to the Balance Sheet and Income Statement of Messe Düsseldorf GmbH

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## 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 trade fair business are taken into consideration.

Shares in foreign subsidiaries are valued on the basis of a currency conversion at the appropriate historical rates of exchange or at such lower values as may be appropriate. Loans are shown at their nominal value less any principal repaid. Appropriate individual write-downs are made to cover any risks that are identifiable. The values of inventories are assessed at the reporting date on the basis of the lower of acquisition or manufacturing cost.

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## II. Accounting and valuation principles

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

Since 2014, buildings have been depreciated solely 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 a retirement 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.

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 Company's General Meeting held on 22 May 2020, the shareholders passed a resolution to the effect that an amount of EUR 18,895k from the net income for 2019, totalling EUR 50,825k, be distributed with effect from September 2020. The remaining net income for the year, amounting to EUR 31,930k, was carried forward to new account. The distributable profit figure at 31 December 2020 includes an amount totalling EUR 182,841k 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 2020. For 2020, this interest rate was assumed to be 2.30 (previous year 2.71) percent.



The calculation following the PUC method is based on the following assumptions regarding trends:

- Trend in wages and salaries:  
2.7 percent (previous year: 2.7 percent)
- Trend in the income ceiling for social security contributions:  
2.7 percent (previous year: 2.7 percent)
- Trend in pensions:  
2.2 percent (previous year: 2.2 percent)
- Fluctuation:  
1.0 percent (previous year: 1.0 percent)

In actuarial terms, accruals for anniversary obligations and death grants are determined on the basis of biometrical probabilities (2018 G Heubeck mortality tables). Commitments are calculated using the projected unit credit method. A matching average market interest rate 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 came to 1.60 percent (previous year: 1.97 percent) on 31 December 2020.

All other accruals have been set up at a required payment level that takes account of all 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.

When deferred taxes are calculated, deferred tax assets exceed liabilities, resulting in particular from the impact of the EUR 17,631k tax-deductible loss carried forward.

Moreover, further deferred tax assets are due in particular to differences between tax-law and commercial-law valuations of shares in affiliated enterprises, participations and accruals, based on a tax rate of 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 23,974k (previous year: EUR 10,502k) was waived.

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### III. Explanatory notes and disclosures concerning the Balance Sheet

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#### Fixed assets

Apart from purchased software, the intangible assets mainly consist of usufructuary rights. The additions are mainly due to the extension of digital visitor passes, of the analytical platform for evaluation of the data pool, and of the conceptualization of the new stand construction configurator. The payments made in advance mainly relate to additional functions of the digital visitor pass, of the ticketing system and of the online order system.

The additions to tangible assets are predominantly attributable to additions to buildings and facilities under construction. The buildings concerned here are the construction of the Hall 1 canopy roof, the partial construction of the Stockumer Höfe warehouse facility, and the construction of the new Hall 10 power supply unit. The purchases of factory and office equipment relate to computer hardware, kitchen and restaurant equipment, signposting, and two outdoor containers. The additions to facilities under construction are mainly due to various alterations to halls, the clearance of the northern area of the trade fair construction site, and the purchase of a new diving tower. The retirements in the rest of the sphere of tangible assets mainly result from retirements of plant and office equipment and of computer hardware.

The unscheduled depreciation of the carrying amount of the Company's investments in Messe Düsseldorf ASIA Pte., Ltd., Singapore, and in Messe Düsseldorf India Pvt. Ltd., New Delhi/India, contributed to reducing its financial assets. Due

to the worldwide pandemic and the various companies' problematic business prospects associated therewith, the carrying amount of the Company's investments has been subjected to an unscheduled depreciation totalling EUR 4,311k.

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.

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#### 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 21k (previous year: EUR 41k). Furthermore, the receivables from affiliated enterprises include other assets amounting to EUR 2,935k (previous year: EUR 2,526k).

The other assets include claims relating to value-added tax refunds amounting to EUR 8,715k (previous year: EUR 2,725k). Furthermore, there are also claims relating to refunds of trade tax (EUR 42k), corporation tax (EUR 1,952k), and capital yield tax (EUR 2,232k) and claims based on foreign taxes (EUR 117k) and the solidarity surcharge (EUR 123k). These claims for refunds will not legally arise until the Company submits its advance VAT return and tax returns proper. In addition, the other assets include advance payments to the amounts of EUR 2,563k and EUR 2,047k, deriving from a short-term investment with Bayerischen Beamten-Lebensversicherung a.G.

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#### Accruals

The Company's pension obligations to former managerial staff and one current manager are fully covered by pension accruals. In the year under review, these obligations led to changes in pension accruals amounting to EUR 66k (previous

year: EUR 520k), 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 1,570k (previous year: EUR 1,667k) reduction in accruals for pensions.

The tax accruals relate to taxes for past years.

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:

	1.1.2020	Amount utilized	Write-backs	Additions	31.12.2020
	€'000	€'000	€'000	€'000	€'000
<b>1. Accruals for pensions and similar obligations</b>	<b>19,852</b>	<b>1,187</b>	<b>0</b>	<b>1,252</b>	<b>19,917</b>
<b>2. Tax accruals</b>	<b>9,277</b>	<b>6,043</b>	<b>480</b>	<b>0</b>	<b>2,754</b>
<b>3. Other accruals</b>					
<b>Risks associated with order processing</b>					
Outstanding invoices	24,189	22,035	863	9,333	10,624
<b>Human resources and the social sphere</b>					
Accruals for staff bonuses	1,293	1,293	0	0	0
Accruals for vacations	2,302	2,302	0	572	572
Accruals for anniversaries	2,997	210	0	251	3,038
Accruals for management bonuses	688	688	0	431	431
Miscellaneous accruals	587	483	5	426	525
	<b>7,867</b>	<b>4,976</b>	<b>5</b>	<b>1,680</b>	<b>4,566</b>
<b>Other accruals</b>					
Impending losses	7,333	0	92	1,754	8,995
Risks associated with order processing	0	0	0	1,538	1,538
Fiscal risks in foreign countries	12,500	0	2,850	0	9,650
Annual financial statements costs	300	271	29	282	282
Miscellaneous accruals	476	0	0	0	476
	<b>20,609</b>	<b>271</b>	<b>2,971</b>	<b>3,574</b>	<b>20,941</b>
	<b>52,665</b>	<b>27,282</b>	<b>3,839</b>	<b>14,587</b>	<b>36,131</b>
	<b>81,794</b>	<b>34,512</b>	<b>4,319</b>	<b>15,839</b>	<b>58,802</b>

## Liabilities

The Company's liabilities at 31 December 2020 were classified as follows on the basis of their remaining terms:

	Total amount	With a remaining term of		
		up to 1 year	more than 1 year	more than 5 years
	€'000	€'000	€'000	€'000
Liabilities to banks	50,000	0	50,000	0
Payments received on account	2,117	2,117	0	0
Trade payables	3,355	3,355	0	0
Payables to shareholders	0	0		
Payables to affiliated enterprises	14,033	14,033	0	0
Other liabilities	128,193	125,856	1,839	498
	<b>197,698</b>	<b>145,361</b>	<b>51,839</b>	<b>498</b>

The Company's liabilities at 31 December 2019 were classified as follows on the basis of their remaining terms:

	Total amount	With a remaining term of		
		up to 1 year	more than 1 year	more than 5 years
	€'000	€'000	€'000	€'000
Liabilities to banks	0	0	0	0
Payments received on account	125,359	125,359	0	0
Trade payables	15,815	15,815	0	0
Payables to shareholders	12	12	0	0
Payables to affiliated enterprises	20,840	20,840	0	0
Other liabilities	7,670	5,363	1,801	506
	<b>169,696</b>	<b>167,389</b>	<b>1,801</b>	<b>506</b>

In the year under review, 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 instalments amounting to EUR 2,083k. Repayment will commence with the first instalments 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 15 January 2021. The loans are to be repaid in one sum on 31

December 2025/15 January 2026. Furthermore, in the year under review, the Company concluded contracts regarding a total of 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 totalling EUR 13,333k and one overdraft amounting to EUR 23,333k.

Of the Company's total liabilities to banks, liabilities consisting of loans to 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 have been set off against trade payables, the latter amounting to EUR 58k (previous year: EUR 1,417k). Furthermore, the payables to affiliated enterprises include other payables amounting to EUR 7,004k (previous year: EUR 15,004k) deriving from short-term loans involving Messe Düsseldorf China and payables amounting to EUR 4,075k (previous year: EUR 4,626k) involving Messe Düsseldorf North America Inc.

#### IV. Explanatory notes on the Income Statement

##### Sales

Business segment	2020 €'000	2019 €'000
Events in Germany	100,202	296,552
Foreign events	9,000	29,087
Other revenues	16,757	18,408
	<b>125,959</b>	<b>344,047</b>

The sales revenue from abroad stems mainly from events in Russia, the People's Republic of China, and India. EUR 777k of sales (previous year: EUR 369k) is related to events of previous years.

##### Other operating income

Income not relating to the accounting period mainly consists of EUR 3,839k in the form of income deriving from write-backs of accruals (previous year: 717k). The non-operating income mainly consists of the Stockumer Höfe insurance refunds amounting to EUR 1,191k, income of EUR 561k (previous year: EUR 118k) resulting from currency conversion, and an amount of EUR 123k (previous year: EUR 164k) due to cost reimbursements. The EUR 41k income from the retirement of assets is mainly attributable to retirements of tangible fixed assets.

##### 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". 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, whereas the "cost of purchased services" item mainly covers expenditure on commissions, stand construction services purchased, rental charges, and advertising expenditure.

The expenses that are attributable to other periods, totalling EUR 2,320k (previous year: EUR 4,396k) are mainly due, to the amount of EUR 1,754k, to allocations to the accrual for impending losses and, to the amount of EUR 371k, to price losses. The retirements in the sphere of tangible assets mainly result from retirements of plant and office equipment. The other taxes incurred in the business year concerned and shown as part of other operating expenses amounted to EUR 1,722k (previous year: EUR 2,237k).

##### Income from participations

	2020 €'000	2019 €'000
GEC - German Exposition Corporation International GmbH	8.300	8.000
Messe Düsseldorf China Ltd.	8.000	0
000 Messe Düsseldorf Moscow	2.025	0
Messturm Düsseldorf Verwaltungsgesellschaft mbH	376	438
Düsseldorf Congress GmbH	191	0
	<b>18.892</b>	<b>8.438</b>

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#### Write-downs on financial assets

The write-downs on financial assets relate to Messe Düsseldorf ASIA Pte. Ltd., Singapore, and Messe Düsseldorf India Pvt. Ltd., New Delhi/India to the amounts of EUR 2,159k and EUR 2,152k, respectively.

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#### Interest and similar expenditure

In addition to interest on interest rate swap transactions amounting to EUR 1,195k (previous year: EUR 970k), the item also covers expenditure deriving from the discounting of accruals in the amount of EUR 575k (previous year: EUR 666k). Expenditure on interest arising from short-term loans involving affiliated companies amounts to EUR 202k (previous year: EUR 215). The safe custody fees charged for bank deposits have increased to EUR 544k (previous year: EUR 51k).

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#### Taxes on income and profits

Due to the loss carry-back, the item mainly shows corporation tax and solidarity surcharge refunds from 2019 (EUR 891k) and also positive repercussions from the tax audit amounting to EUR 1,734k.

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#### Appropriation of profits

The management proposes that the net loss for the year, totalling EUR 43,491k, should be carried forward to new account.

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#### Report on post-balance sheet events

Due to the ongoing pandemic, and the worldwide lockdown measures it entails, in addition to events such as drupa, interpack and ProWein that were already cancelled in December 2020, the first quarter of 2021 also saw the cancellation of the boot, TOP HAIR – DIE MESSE and BEAUTY DÜSSELDORF events and, on top of that, the glasstec event.

The cancellations of events in 2021 will have a relevant negative impact on the net worth, financial position and profitability of Messe Düsseldorf GmbH.

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#### V. Other disclosures

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##### 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:

- 000 Messe Düsseldorf Moscow, Moscow/Russia
- 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

Furthermore, the Company's shareholdings in Düsseldorf Congress GmbH, Düsseldorf, and, for the first time, its shareholding in CIOASH Asia Co., Ltd., Beijing/China, will be included in the Company's consolidated financial statements as associated companies.

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

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##### Human resources

In addition to the four members of the management, at Messe Düsseldorf on average 688 (previous year: 692) staff members were employed during the business year.

The workforce is subdivided into 557 full-time employees (previous year: 562) and 131 part-time employees (previous year: 130). These numbers correspond to a staff of 618 (previous year: 617) calculated on a full-time basis. In addition, the casual staff and apprentices employed numbered on average 24 (previous year: 58) and 17 (previous year: 18), 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, Pullach (abbreviated to FIXXUS), regarding real estate items hitherto owned by Messe Düsseldorf GmbH.

In 1999, Exhibition Hall 6 (multi-purpose hall) was sold to FIXXUS for a purchase price of EUR 87,520k and leased back for an annual leasing rate of, at present, EUR 5,864k. The leasing agreement runs till 30 September 2022. Furthermore, a right of purchase agreement was concluded with FIXXUS. In accordance with the latter, the right of purchase can be exercised by Messe Düsseldorf GmbH when the 22.5th rental year has elapsed since the beginning of the term of the leasing agreement. The agreement states that, if the right of purchase is exercised, an appropriate purchase price is to be paid, but at least the fiscal residual book value amounting to EUR 8,779k, at the end of the 22.5th rental year.

In a contract dated 15 December 2003, Messe Düsseldorf GmbH sold FIXXUS part ownership rights relating to Meseturm B for a purchase price of EUR 12,000k. At 31 December 2020, the annual rental payments amounted to EUR 836k. The leasing agreement runs till 29 December 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.

The leasing rates payable in future under the above leasing agreements amount to EUR 16,282k (previous year: EUR 22,162k).

Further obligations amounting to EUR 130k (previous year: EUR 436k) stem from the leasing rates payable in future under other leasing agreements and, in the previous year, from contractually-agreed minimum quantities purchased; in addition, there are commitments totalling EUR 16,151k (previous year: EUR 19,749k) based on rental agreements and leases.

Accordingly, on the balance-sheet date the other financial obligations totalled EUR 28,215k (previous year: EUR 42,347k), EUR 23,400k (EUR 37,839k) of these being obligations vis-a-vis affiliated enterprises.

On the balance-sheet date, the Company's purchase commitments totalled EUR 22,269k (previous year: EUR 36,116k).

On the balance-sheet date, guarantees amounting to EUR 553k had been issued in favour of employees to cover employees' investment loans. In addition, there were guarantees amounting to EUR 16k 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 (RZVK), 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 future.

By way of exercising the option, 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 in the Messe Düsseldorf GmbH Income Statement under Human resources expenses amounts to EUR 2,693k for the year under review (previous year: EUR 3,291k). The contribution levied amounts to 4.25 percent of the remuneration on which contributions are payable - EUR 35,317 (previous year: EUR

40,661). 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. At 31 December 2020, the possibility of a claim arising from the above contingent liabilities cannot be ruled out.

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#### Hedging policy and financial derivatives

Due to its 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.

At 31 December 2020, Messe Düsseldorf GmbH had concluded a total of three (previous year: 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 provide a hedge for future loans with a total volume of EUR 60,000k; the latter are to be anticipated with a high degree of probability.

As regards these interest rate swaps covering future loan transactions, no valuation unit can be set up at the moment. For this reason, a EUR 8,115k (previous year: EUR 6,926k) accrual has been created in respect of the market value to be covered.

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#### Auditors' fees

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

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#### Transactions contrary to market principles

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

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#### Disclosures regarding the Company's bodies

The remuneration paid to the Managing Board of Messe Düsseldorf GmbH in the business year totalled EUR 1,472k (previous year: EUR 1,751k). The remuneration paid to former members of the Managing Board and their surviving dependants amounted to EUR 1,190k (previous year: EUR 1,073k).

Under occupational pension schemes, in the business year under review, direct insurance contributions were incurred for Mr Diener, for Mr Stempfle and for Mr Wienkamp, these amounting to EUR 141k, EUR 120k and EUR 101k, respectively. In addition to this, expenditure was incurred for Mr Dornscheidt in the form of allocations to pension accruals amounting to EUR 147k.

An accrual amounting to EUR 19,917k (previous year: EUR 15,212k) 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 89k (previous year: EUR 81k).





# Combined Group and Company Management Report

of Messe Düsseldorf GmbH for the 2020 business year

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## Explanations regarding the Report

Pursuant to Section 315 subsection 5 HGB (Commercial Code), the present Report combines both 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.

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## Foundations

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### Business model

The present-day Messe Düsseldorf GmbH was founded on 7 January 1947 under the name of Nordwestdeutsche Ausstellungensgesellschaft mbH – NOWEA. Today, the Messe Düsseldorf Group's product portfolio includes roughly 120 events encompassing a wide variety of sectors both at home and abroad and it employs worldwide a workforce of 840 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. At 31 December 2020, 14 companies in 7 countries belonged to the Messe Düsseldorf Group. The Group currently generates its highest foreign sales in Russia and China.

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## Economic survey

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### Macroeconomic and sector-specific boundary conditions

In this year, world economic development was under the sway of the worldwide Corona pandemic and the accompanying measures aimed at combating it. The pandemic brought upon the world economy a decline of roughly 3.5 per cent, and hence the most disastrous recession for decades. Against this backdrop the US elections and Brexit remained factors of rather minor significance as regards world economic development.

In the first half of 2020, the US economy saw a severe downturn accompanied by an increase in unemployment. The economy has been supported by numerous monetary and fiscal measures. Nevertheless, the economic performance of the USA has fallen by 3.5 per cent.

As the first industrial country to be affected by the Corona pandemic, China was also the first country that succeeded in containing the proliferation of the pandemic. China was the only major economy that was able to register positive economic growth in 2020. The other Asian economies benefited from China's rapid recovery. Due to the fall in infection figures in many Asian countries, the staging of trade fairs is again becoming feasible.

The region of Central and Eastern Europe has also suffered from the high infection figures and its dependence on the euro zone. The countries of the Near and Middle East have also suffered additionally from the low oil price. On the whole, the economic performance of the emerging countries declined by 2 percent.

The Covid-19 pandemic has also had a severe impact on the countries of the euro zone. Countries that are highly dependent on the tourism and hospitality sectors have been affected more severely by the pandemic. The positive effects of the first easing of restrictions were eliminated by the second wave of infections in autumn.

In the 2020 business year, the economic performance of Germany declined as a result of the pandemic. Due to the lockdown in spring and winter, the sectors with the necessary audiences, participants, and persons interested in travel, such as tourism, concerts or trade fairs, were severely affected.

Only 114 of the 355 trade fairs scheduled in Germany were able to be carried out in 2020. In 2020, the German trade fair companies and their service providers lost roughly 70 per cent of their scheduled sales.

Despite the repercussions of the Covid-19 pandemic, Messe Düsseldorf will be closing its 2020 business year with an equity ratio that still remains strong. In the past, the Group has created for itself a degree of financial scope that has a stabilizing effect in the current situation.

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## The Messe Düsseldorf Group's business performance

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### Sales and profitability situation

In the 2020 business year, Group sales revenues dropped from EUR 378,471k to EUR 136,759k. A crucial reason for the significant reduction in sales revenues, which adds up to EUR 241,712k, was the fact that the interpack, drupa, ProWein, wire and Tube events were not staged.

89.9 percent of consolidated sales were generated by Messe Düsseldorf. The portion of consolidated sales attributable to the foreign subsidiaries amounted to EUR 14,257k, with the bulk of these being generated in Russia and China.

Major items of other operating revenues ensued from the write-back of other accruals amounting to EUR 4,204k and from price increases amounting to EUR 2,903k. Due to trade fairs being postponed or cancelled, event-related expenditure fell by EUR 86,680k. Expenditure on human resources was reduced by some initial economies and by the introduction of short-time working arrangements.

The consolidated net loss after tax amounted to EUR 53,507k (in the previous year: the Group's net earnings for the year: EUR 56,544k). This poor result is attributable to the worldwide Covid-19 pandemic and the accompanying measures designed to combat the pandemic.

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### Net asset position and financial situation

Compared with the previous year, the Messe Düsseldorf Group's total assets decreased by 9.3 percent to EUR 713,173k (previous year: EUR 785,638k). As in the past, the Group's net asset position is greatly influenced by the fixed assets figure (73.5 percent) and by the level of liquid assets (22.2 percent). The increase in tangible fixed assets was predominantly due to the construction of the canopy roof of Exhibition Hall 1. In 2020, cash and cash equivalents registered a 28.0 percent decline, to EUR 158,395k.

On the equity and liabilities side, Group equity decreased from EUR 518,811k to EUR 443,291k. This corresponds to a

62.2 percent equity ratio (previous year: 66.0 percent). Short-term accruals declined largely as a result of the reduction in accruals for outstanding purchase invoices. In the year under review, Messe Düsseldorf took out three loans for an amount totalling EUR 50,000k. On account of the obligation to refund advance payments pertaining to the trade fair events cancelled, the latter are shown under other commitments at 31 December 2020 in the amount of EUR 123,735k.

The Group's financial situation was mainly affected by the taking out of the loans, by the dividend distribution in 2020, and by the 2020 annual result. In total, the Group's cash and cash equivalents at December 2020 declined by EUR 61,721k to a figure of EUR 158,395k.

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### Liquidity

Messe Düsseldorf can draw on a credit line of EUR 57,500k, EUR 569k of which was being used as collateral at 31 December 2020. On the whole, the Company was in a position to settle its liabilities at all times.

Apart from that, the reader's attention is drawn to the Consolidated Cash Flow Statement attached to the Consolidated Financial Statements as Annex 1.3.

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

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## Messe Düsseldorf GmbH's business performance

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### Sales and profitability situation

Due to the worldwide Covid-19 pandemic and the accompanying measures designed to combat the pandemic, the 2020 trade fair year was characterized by trade fair cancellations and postponements. Out of a total of 39 events scheduled only 7 were able to be held in 2020. Consequently, a comparison with the performance indicators of the previous year

is possible only to a limited degree. In the 4 self-organized and 3 guest events, more than 500,000 m<sup>2</sup> of net hall space rented out was successfully achieved, the numbers of exhibitors and visitors being 5,422 and 0.5 million, respectively.

In the 2020 trade fair year, the self-organized events boot, EuroShop, CARAVAN SALON DÜSSELDORF and TourNatur and the guest events PSI, PromoTexExpo and viscom were all staged.

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

	2020	2019
Fairs and exhibitions:		
Own events	4	18
Guest events	3	11
Net hall space rented out	362,707 m <sup>2</sup>	1,014,145 m <sup>2</sup>
Number of exhibitors	5,422	29,222
Number of visitors	493,472	1,373,780

As regards self-organized events, the boot event was actually above the previous year's level both in terms of space and visitors. EuroShop, which was held in February, already showed a slightly negative trend, due to the pandemic, with regard to numbers of exhibitors (-3.5%), matters of space (-4.7%), and numbers of visitors (-17.2%). In the form of CARAVAN SALON DÜSSELDORF, Messe Düsseldorf launched the first major German trade fair after the spring lockdown. The hygiene and infection prevention arrangements carried conviction. Despite the fact that numbers of exhibitors and visitors were below the previous year's level, they were nevertheless perceived as a positive sign by the trade fair sector. Due to the deterioration of the situation in the autumn, the events scheduled downstream of the Caravan Salon could not be staged on account of the Corona situation. As regards the Guest events, a similar picture became visible.

In the self-organized events, the percentage of foreign exhibitors fell by 3.3 percent. The percentage of foreign visitors even dropped by as much as 17.8 percent. The largest percentage of foreign visitors was registered by the EuroShop

event at a figure of 69.0 percent. The event's share of foreign exhibitors stood at 69.7 percent.

For the first time in the history of these events, both MEDICA, COMPAMED and glasstec were staged on a solely virtual basis. At MEDICA and COMPAMED, more than 1,500 exhibitors from 63 nations presented themselves in their on-line showrooms. In the case of 405,000 page accesses generated, the share of the international on-line visitors was 78.0 percent.

In international trade fair business too, the bulk of the events was cancelled or postponed. In total, Messe Düsseldorf GmbH was able to carry out 6 events commissioned by clients and 5 self-organized events and participations. The bulk of the events were carried out in Russia and China.

In the year under review, sales totalling EUR 125,959k were generated. Compared to the previous year, this adds up to a EUR 218,088k (-63.4%) drop in sales. The other operating income was mainly characterized by write-backs of accruals and the insurance refunds relating to the Stockumer Höfe. Expenditure on human resources was reduced by economies and short-time working arrangements. The workforce's waiver of a pay rise based on collective bargaining also had a positive effect on human resources expenditure. On a par with the decrease in sales revenue, event-related expenditure also exhibited a EUR 78,631k drop.

The Group's net loss for the year after tax amounted to EUR 43,491k (previous year: net income for the year: EUR 50,825k). The collapse in earnings is attributable to the Covid-19 pandemic and the accompanying measures designed to combat it.

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#### Net asset position and financial situation

Compared with the previous year, Messe Düsseldorf's total assets fell by 8.2 percent to EUR 642,073k (previous year: EUR 699,449k). The fixed assets item is dominated by real estate and buildings. The increase in tangible fixed assets was predominantly due to the construction of the canopy roof of the new Exhibition Hall 1. Despite loans being taken

out, cash and cash equivalents fell by EUR 42,978k to the level of EUR 136,671k.

On the equity and liabilities side, Group equity declined by 13.9 percent due to a net loss for the year of EUR 43,491k and the dividend payout of EUR 18,895k. Hence, the equity ratio declined by 3.9 percent to 60.1 percent (previous year: 64.0 percent). To honour its short-term repayment commitments resulting from the cancelled trade fair events, at the end of the year the Company took out three loans for a total sum of EUR 50,000k. Furthermore, Messe Düsseldorf extended its credit line to EUR 57,500k, this being utilized with collateral amounting to EUR 569k. In addition to accruals for pensions and tax accruals, the accruals - totalling EUR 58,802k - mainly comprise accruals for outstanding invoices, other human resources costs, and tax risks relating to foreign business.

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#### Liquidity

The Group's liquidity situation was mainly affected by the taking out of the loans, by the 2020 dividend distribution, and by the 2020 annual result. Messe Düsseldorf GmbH's cash and cash equivalents decreased by EUR 42,978k, from EUR 179,649k to a level of EUR 136,671k.

The Company's net worth, financial situation and profitability give an accurate picture corresponding to the Company's actual circumstances, thus reflecting the overall difficult nature of Messe Düsseldorf's business year.

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#### Business performance of the Group's international subsidiaries

The worldwide Covid-19 pandemic has also had a severe impact on the results of the Messe Düsseldorf Group's international subsidiaries.

Messe Düsseldorf North America Inc. is a 100-percent subsidiary of Messe Düsseldorf. The company's main task is to obtain business in terms of exhibitors and visitors from the USA, for trade fairs at the Düsseldorf site, and also to or-

ganize and stage trade fairs, exhibitions and similar events in the American region. In 2017, together with a partner, the company founded ESNA Expo LLC., Delaware/USA, in which at 31 December 2020 it held a 55.0 percent interest. At 31 December 2020, the company had no business in operation, and was in the process of liquidation. Under US-GAAP rules, subgroup consolidated financial statements have to be drawn up. The group's considerably reduced sales revenue amounts to EUR 288k (previous year: EUR 6,465k). The group's net loss for the year amounting to EUR 509k (previous year: net annual profit EUR 811k) is affected by income deriving from the sale of trademark rights and amounting to EUR 682k.

The Singapore-based Messe Düsseldorf ASIA Pte. Ltd., a 100-percent 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. The 2020 business year saw a reduction in sales revenue to EUR 5,066k (previous year: EUR 8,155).

The purpose of 000 Messe Düsseldorf Moscow is to organize and stage trade fairs, exhibitions and similar events in Russia. In the year under review, the sales revenue of 000 Messe Düsseldorf Moscow decreased to EUR 8,570k (previous year: EUR 16,494k). Simultaneously, the company returned an improved profit for the year, amounting to EUR 2,281k (previous year: EUR 2,131k). If the company's result is adjusted to eliminate the capital gains, amounting to EUR 2,251k, an annual result of EUR 30k remains.

Messe Düsseldorf China Ltd., in which Messe Düsseldorf has a 100% stake, and China Ltd.'s 100% subsidiary Messe Düsseldorf Shanghai Co., Ltd., are responsible for obtaining business in the form of exhibitors and visitors for events in Düsseldorf as well as organizing these companies' own events in China.

Although China was one of the first countries that was able to curtail the pandemic, the group's sales decreased from EUR 12,487k to EUR 6,671k. The reduced sales revenues resulted in a net loss for the year amounting to EUR 522k (previous year: net profit for the year: EUR 5,974k).

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### Business performance of the Group's national subsidiaries

The Company's 50-percent subsidiary Düsseldorf Congress GmbH, Düsseldorf, provides services for congresses and other events, inter alia in the CCD Congress Center, Düsseldorf, in the CCD Ost and in HORISUM (exhibition halls belonging to Messe Düsseldorf). As of 1 August 2018, the Company divisions comprising live-entertainment/sports events, and including the Mitsubishi Electric HALLE, the MERKUR SPIEL-ARENA, the ISS DOME and CASTELLO, Düsseldorf, were outsourced to D.LIVE GmbH & Co. KG, Düsseldorf. Sales amounted to EUR 7,177k (previous year: EUR 15,048k), while the company returned a loss of EUR -40k for the year (previous year: EUR 383k). The Congress sector, too, came almost to a standstill as a result of the pandemic.

Messeturm Düsseldorf Verwaltungsgesellschaft mbH is a 50-percent subsidiary of Messe Düsseldorf. The company rents out Messeturm A, of which it is the owner. It recorded revenues from rental income amounting to EUR 2,996k, with the result for the year amounting to EUR 461k (previous year: EUR 301k).

With a 94 percent stake in the company, Messe Düsseldorf is a limited partner of FIXXUS Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Rheinhalle Düsseldorf KG. Under a sale-and-lease-back scheme, the company has purchased Exhibition Hall 6 together with part ownership of Messeturm (Tower) B from Messe Düsseldorf GmbH and leases these buildings back to the latter on a long-term basis. In the business year under review, FIXXUS returned a net loss for the year of EUR 1k (previous year: EUR 2k), while generating sales of EUR 4,336k (previous year: EUR 4,676k).

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### Financial and non-financial performance indicators

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#### 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 results and forecasts is made in the section entitled "Forecast report".

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#### Non-financial performance indicators

The Group's business performance is not only manifested in economic performance indicators. To maintain, in an international environment, its top position among the leading trade fair companies at both the national and the international level, Messe Düsseldorf has, for years, been continually improving its standards of service and quality.

Furthermore, the Group is determinedly pursuing the strategic course that it has set for itself. The aims of this course are to secure and develop the trade fair programme at the Düsseldorf site and to expand 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 and also occupational safety. On average, throughout the 2020 business year, the Group employed a staff of 839 worldwide (previous year: 860) plus casual staff numbering 24 (previous year: 58).

To train its staff, Messe Düsseldorf offers advanced training courses in foreign languages and IT applications, as well as highly-specialized schemes in individual cases. Furthermore, employees have an opportunity to acquire experience of foreign countries with partners in Finland, Sweden, Great Britain and the USA under an international exchange scheme.

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Statement with regard to company management  
(quota for women)

2015 saw the coming into force of the “Law on Equal Participation of Women and Men in Leadership Positions in both the Private Sector and the Public Sector”. On the basis of the requirements that this law entails, both the Supervisory Board and the Company’s General Meeting are both endeavouring to take women into consideration as appropriate.

Considering the composition of the current management body and taking into account the female candidates that might be eligible, the General Meeting currently sees neither a legal possibility nor a practical necessity for implementing a quota for women. For that reason, a target quota of 0 percent has been laid down for the Management Board. As regards the Supervisory Board, the target figure for the proportion of women was set at 28 percent. For the two levels of management below the Management Board, the Board adopted a resolution laying down a 25 percent quota for women.

At 31 December 2020, the proportion of women on the Supervisory Board was at a level of 33 percent, this figure being 25 percent for the two levels of management below the Management Board.

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Reports on risks, forecasts and opportunities

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Risk report

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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 moni-

toring 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 statutes and regulations.

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

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Risks

Individual risks are assessed on the basis of the anticipated level of loss and the probability of the risk actually materializing. In the year under review, the risks affecting the parent company and those affecting the Group were identical.

At 31 December 2020, the following risks were identified:

Probability of materialization	Level of loss		
	Low	Relevant	Critical
Very high (75% – 100%)	–	–	1
High (50% – 75%)	–	4	–
Medium (25% – 50%)	–	–	–
Low (0% – 25%)	–	–	–

The risk with the highest probability of materialization and a critical level of loss has been threatening entire sectors involving audiences, participants, and persons interested in travel since March 2020. The Covid-19 pandemic was and is being accompanied by a considerable risk involving loss of sales for the entire trade fair sector. Based on the non-adapted 2020 economic plan, Messe Düsseldorf GmbH has to report sales losses of roughly EUR 350 million. In the first quarter of 2021, it was not yet permissible for trade fairs to be carried out. If, in the near future, there should be no decision on the part of political bodies regarding the readmission of trade fairs, the second half of the year will also be jeopardized owing to the planning periods, which are often long. Messe Düsseldorf is countering the negative effects both with short-term economies and with long-term strategic measures with a view to permanently remedying the current Corona-induced decline in business performance in an enduring fashion.

A risk with a high probability of materialization relates to the worldwide travel restrictions. Restrictions on freedom of travel based on border closures, tightening of quarantine rules or lockdown measures in Germany or in the other industrial nations affects, in particular, trade fairs with a high degree of international orientation. Here, Messe Düsseldorf is already supporting its exhibitors and visitors at the stage of planning their appearance at or visit to a trade fair. Furthermore, an attempt is to be made to demand, with the assistance of AUMA, German industry's exhibition and trade fair committee, that political bodies present prospects for the second half of 2021.

The digitization of trade fairs entails a risk for Messe Düsseldorf - one with a high probability of materialization and a relevant level of loss. The pandemic has expedited the digitization of trade fairs. A constant shift from trade fairs requiring presence to digital fairs would have an impact on Messe Düsseldorf's business model. Here, Messe Düsseldorf is putting its faith in a hybrid concept based on physical events as its core area of expertise plus accompanying digital services.

To assure and safeguard its liquidity, Messe Düsseldorf is reducing its scheduled capital projects and maintenance work to an acceptable level. The capital projects scheduled for 2021 are in the region of roughly EUR 10.5 million and the maintenance measures are scheduled to cost EUR 7.6 million. Technological obsolescence of the exhibition halls and plants is not to be anticipated in the short term.

One risk identified as being of a relevant size, and with high probability of materialization, relates to the situation of the Rheinische Zusatzversorgungskasse (Rhenish Supplementary Pension Fund / RZVK), Cologne. 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 (RZVK). 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. The Supplementary Pension Funds are currently threatened by two major risks: the relatively long-lasting period of low interest rates and the increasing length of the insured persons' life expectancy.

In the long run, both these factors will lead to an increase, currently not planned for, in the cost of occupational pension schemes, thus affecting the long-term net worth, financial position and profitability of Messe Düsseldorf GmbH.

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

At 31 December 2020, Messe Düsseldorf GmbH had concluded a total of three (previous year: 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.

Forecast Report

Messe Düsseldorf Group	Forecast for 2020**	Results 2020	Forecast for 2021***
Sales (EUR '000)	227,723k	136,759k	116,164k
Pretax result (EUR '000)	-59,822k	-55,508k	-93,631k
Investment in fixed assets* (EUR '000)	49,580k	39,064k	16,800k

\* Including maintenance work

\*\* Based on the situation at 31.3.2020

\*\*\* Based on the business plan dated 30.11.2020

The worldwide Corona pandemic and the accompanying measures designed to combat it made it impossible for the Messe Düsseldorf Group to attain the sales forecasts already adjusted for. In 2020, alone in Düsseldorf, all 32 self-organized and guest events had to be cancelled or postponed because of Corona.

Despite the poor course of the business year, the pre-tax result was successfully stabilized by a whole package of measures. The latter included, in particular, human resources measures such as short-time working arrangements and the postponement of new appointments and replacements. Scheduled capital projects and maintenance work also came under scrutiny and were reduced to acceptable levels. The fact that the Corona situation remains tense necessitates

the continuation of the economy measures, with a view to pursuing the central aim of safeguarding liquidity. On the whole, in the second half of the year the Messe Düsseldorf Group hopes it will see a considerable improvement in the worldwide Corona situation.

Messe Düsseldorf GmbH	Forecast for 2020**	Results 2020	Forecast for 2021***
Sales (EUR '000)	194,007k	125,959k	107,341k
Pretax result (EUR '000)	-65,763k	-46,017k	-77,018k
Investment in fixed assets* (EUR '000)	49,213k	38,399k	16,134k

Own events:

Net hall space rented out (m <sup>2</sup> )	455,980	362,707	378,550
Numbers of exhibitors	11,980	5,422	8,100
Numbers of visitors	526,000	493,472	543,500

\* Including maintenance work

\*\* Date: 31.03.2020

\*\*\* Based on the business plan dated 30.11.2020

Here too, the negative deviations in sales were mainly attributable to the worldwide Corona pandemic and the measures entailed by the latter with a view to combating it. On the occasion of the already-adjusted 2020 sales forecast (date: 31 March 2020), Messe Düsseldorf still registered a decline of EUR 68,048k. In 2020, 32 self-organized and guest events had to be cancelled or postponed because of Corona. In addition to the package of measures already referred to, Messe Düsseldorf is promoting the digital formats. On the whole, the assumption is that the 2021 trade fair year will be one that is hugely burdened with Covid-19. Neither exhibition space rented out nor numbers of exhibitors and visitors are likely to reach the level of previous events. The fact that the Corona situation remains tense necessitates the continuation of the economy measures, with a view to pursuing the central aim of safeguarding liquidity.

On the whole, in the second half of the year the Messe Düsseldorf Group hopes it will see a considerable improvement in the worldwide Corona situation.

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#### Opportunity report

Messe Düsseldorf is putting its faith in a revival of trade fair operations at its home base in the second half of 2021. For this purpose, it has already in the past developed a comprehensive hygiene and infection prevention concept for trade fairs involving physical presence and based on the Corona Protection Ordinance NRW. The introduction of the concept was successfully carried out during the CARAVAN SALON DÜSSELDORF event. The trade fair presentation and marketing platform now needs a clear signal from the political field.

The Messe Düsseldorf Group will continue to expedite the “Digital Trade Fairs” business segment in connection with hybrid fairs. The trend towards dovetailing digital events with ones requiring actual presence will establish itself in future. That will strengthen the leading position of the Düsseldorf flagship trade fairs as key communication and information platforms.

The master plan for capital investment in new and conversion projects in existing exhibition halls amounts to EUR 1,200 million. EUR 550 million of this sum had been invested by the end of 2020.

To the extent possible, maintenance work too is to be reduced to an acceptable level. 44 events and participations were scheduled for 2021 in Düsseldorf. Due to the ongoing lockdown and various worldwide travel and quarantine regulations, all the events of the first half of the year were cancelled.

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Statement regarding compliance with the Company’s public objective and the attainment of the corporate purpose established in accordance with Section 108 subsection 3 item 2 GO NRW (Local Authorities Code for the Land of North Rhine-Westphalia)

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 counselling, 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.

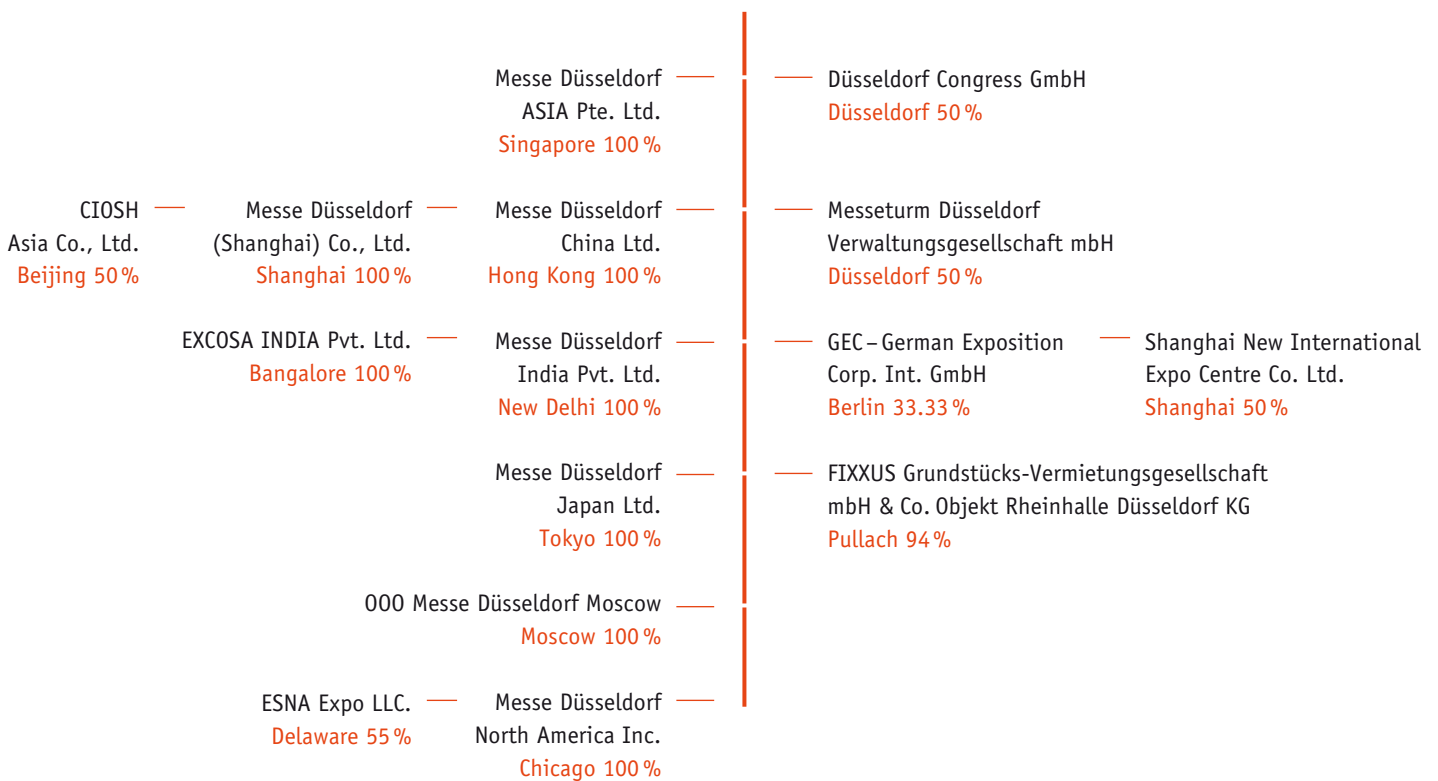




# Messe Düsseldorf GmbH Group

Messe Düsseldorf GmbH (Date: 31.12.2020)

## Messe Düsseldorf GmbH



# Consolidated Balance Sheet

of Messe Düsseldorf GmbH at 31 December 2020

<b>Assets</b>	<b>31.12.2020</b>	<b>31.12.2019</b>
	€'000	€'000
<b>Fixed assets</b>		
<b>Intangible assets</b>		
Concessions, industrial and similar rights and assets, and licences in such rights and assets	7,208	8,396
Advance payments made	657	615
	<b>7,865</b>	<b>9,011</b>
<b>Tangible assets</b>		
Land, land rights and buildings, including buildings on third-party land	463,992	459,316
Other equipment, factory and office equipment	9,807	10,751
Advance payments made and assets under construction	20,169	21,685
	<b>493,968</b>	<b>491,752</b>
<b>Financial assets</b>		
Shares in affiliated enterprises	485	2,681
Shares in associated enterprises	10,241	1,276
Participations	11,883	11,883
Other loans	0	2
	<b>22,609</b>	<b>15,842</b>
	<b>524,442</b>	<b>516,605</b>
<b>Current assets</b>		
<b>Inventories</b>		
Raw materials, auxiliary materials and supplies	100	109
Finished goods and merchandise	0	15
	<b>100</b>	<b>124</b>
<b>Receivables and other assets</b>		
Trade receivables	2,895	11,242
Receivables from affiliated enterprises	101	1
Receivables from associated enterprises	434	1,244
Receivables from shareholders	108	2
Other assets	20,855	26,754
	<b>24,393</b>	<b>39,243</b>
<b>Cash-in-hand, bank balances and cheques</b>	<b>158,395</b>	<b>220,116</b>
	<b>182,888</b>	<b>259,483</b>
<b>Prepaid expenses</b>	<b>5,371</b>	<b>9,205</b>
<b>Deferred tax assets</b>	<b>472</b>	<b>345</b>
<b>Sum total</b>	<b>712,173</b>	<b>785,638</b>

<b>Equity and liabilities</b>	<b>31.12.2020</b>	<b>31.12.2019</b>
	€'000	€'000
<b>Equity</b>		
Subscribed capital	15,625	15,625
Capital reserves	79,718	79,718
Revenue reserves	119,773	119,773
Difference in equity due to currency translation	-2,430	438
Adjusting item for minority interests	492	624
Distributable profit	230,113	302,633
	<b>443,291</b>	<b>518,811</b>
<b>Accruals</b>		
Accruals for pensions and similar obligations	19,917	19,852
Tax accruals	2,889	9,777
Other accruals	37,902	54,211
	<b>60,708</b>	<b>83,840</b>
<b>Liabilities</b>		
Liabilities to banks	60,731	10,917
Advance payments received in respect of orders	6,202	133,669
Trade payables	3,795	16,652
Payables to shareholders	0	12
Payables to affiliated enterprises	1,220	563
Other liabilities	137,226	21,062
(of which taxes: €1,438k; previous year: €938k)		
	<b>209,174</b>	<b>182,875</b>
<b>Deferred tax liabilities</b>	<b>0</b>	<b>112</b>
<b>Sum total</b>	<b>713,173</b>	<b>785,638</b>





# Consolidated Income Statement

of Messe Düsseldorf GmbH for the Period from 1 January to 31 December 2020

	31.12.2020	31.12.2019
	€'000	€'000
Sales	136,759	378,471
Own work capitalized	23	258
Other operating income	8,537	8,481
Event-related expenses		
a) Cost of raw materials, auxiliary materials and supplies, and of purchased merchandise	6,282	9,716
b) Cost of purchased services	75,376	158,622
	81,658	168,338
Human resources expenses		
a) Wages and salaries	43,883	54,123
b) Social security charges and costs of retirement pensions and other welfare benefits (Including EUR 3,749,494.16 for retirement pensions; previous year: EUR 4,725,041.43)	11,080	14,267
	54,963	68,390
Depreciation on intangible and tangible fixed assets	28,877	26,346
Other operating expenses (Thereof EUR 562,537.90 due to currency conversion; previous year EUR 118,431.48)	37,205	49,650
Income from participations	8,300	8,000
Net income from shareholdings in associated enterprises	438	191
Income from long-term loans	0	0
Interest and similar income	158	132
Write-downs on financial assets and securities	2,152	0
Interest and similar expenditure	4,868	4,960
Taxes on income and profits	-2,001	21,305
<b>Consolidated net income for the year</b>	<b>-53,507</b>	<b>56,544</b>
Portion of loss/profit accruing to minority interests	-118	-28
Profit brought forward from the previous year	283,738	246,117
<b>Distributable profit</b>	<b>230,113</b>	<b>302,633</b>

# Movements in the Consolidated Fixed Assets

of Messe Düsseldorf GmbH in the 2020 Business Year

	Cost of acquisition/manufacture					Status at 31.12.2020 €'000
	Status at 1.1.2020 €'000	Currency translation €'000	Additions €'000	Reclassi- fications €'000	Retirements €'000	
<b>Intangible assets</b>						
Concessions, industrial property rights and similar rights and assets, and licences in such rights and assets	60,575	-61	850	557	3	61,918
Goodwill	2,441	-41	0	0	0	2,400
Advance payments made	615	0	599	-557	0	657
<b>Total intangible assets</b>	<b>63,631</b>	<b>-102</b>	<b>1,449</b>	<b>0</b>	<b>3</b>	<b>64,975</b>
<b>Tangible assets</b>						
Land, land rights and buildings, including buildings on third-party land	1,044,060	0	14,538	12,946	55	1,071,489
Other equipment, factory and office equipment	52,384	-165	2,134	531	1,029	53,855
Advance payments made and assets under construction	21,685	0	11,961	-13,477	0	20,169
<b>Total tangible fixed assets</b>	<b>1,118,129</b>	<b>-165</b>	<b>28,633</b>	<b>0</b>	<b>1,084</b>	<b>1,145,513</b>
<b>Financial assets</b>						
Shares in affiliated enterprises	5,519	-44	0	0	0	5,475
Shares in associated enterprises	1,276	0	8,965	0	0	10,241
Participations	11,883	0	0	0	0	11,883
Other loans	2	0	0	0	2	0
<b>Total financial assets</b>	<b>18,680</b>	<b>-44</b>	<b>8,965</b>	<b>0</b>	<b>2</b>	<b>27,599</b>
<b>Sum total</b>	<b>1,200,440</b>	<b>-311</b>	<b>39,047</b>	<b>0</b>	<b>1,089</b>	<b>1,238,087</b>

Depreciation				Book values		
Status at 1.1.2020	Currency translation	Additions	Retirements	Status at 31.12.2020	Status at 31.12.2020	Status at 31.12.2019
€'000	€'000	€'000	€'000	€'000	€'000	€'000
52,179	-6	2,539	2	54,710	7,208	8,396
2,441	-41	0	0	2,400	0	0
0	0	0	0	0	657	615
<b>54,620</b>	<b>-47</b>	<b>2,539</b>	<b>2</b>	<b>57,110</b>	<b>7,865</b>	<b>9,011</b>
584,743	0	22,779	25	607,497	463,992	459,317
41,634	-126	3,558	1,018	44,048	9,807	10,750
0	0	0	0	0	20,169	21,685
<b>626,377</b>	<b>-126</b>	<b>26,337</b>	<b>1,043</b>	<b>651,545</b>	<b>493,968</b>	<b>491,752</b>
2,838	0	2,152	0	4,990	485	2,681
0	0	0	0	0	10,241	1,276
0	0	0	0	0	11,883	11,883
0	0	0	0	0	0	2
<b>2,838</b>	<b>0</b>	<b>2,152</b>	<b>0</b>	<b>4,990</b>	<b>22,609</b>	<b>15,842</b>
<b>683,835</b>	<b>-173</b>	<b>31,028</b>	<b>1,045</b>	<b>713,645</b>	<b>524,442</b>	<b>516,605</b>

# Explanatory Notes

to 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
- OOO Messe Düsseldorf Moscow, Moscow/Russia
- 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

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., New Delhi/India, including the latter's 80-percent shareholding in EXCOSA India Pvt. Ltd., Bangalore/India, has been waived. The inclusion of ESNA

Expo LLC., Delaware/USA – a 55-percent subsidiary of Messe Düsseldorf North America Inc. - has also been waived pursuant to Section 296 subsection 2 HGB. In the 2020 business year, ESNA Expo LLC. was in the course of liquidation.

Pursuant to Section 312 HGB, the shareholding in Düsseldorf Congress GmbH, Düsseldorf, has been included in the consolidated financial statements at equity. At 31 December 2020, the equity of Düsseldorf Congress GmbH totalled EUR 2,129k (previous year: EUR 2,552k), the company's balance-sheet value amounting to EUR 1,064k (previous year: EUR 1,276k).

In a contract dated 18 March 2020, Messe Düsseldorf (Shanghai) Co., Ltd. purchased a 50-percent share in CIOOSH Asia Co., Ltd., Beijing/China, from China Textile Commerce Association, Beijing. The company's sole purpose is to carry out the China International Occupational Safety & Health Goods Expo spring 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. At 31 December 2020, the equity of CIOOSH Asia Co., Ltd. amounted to EUR 1,255k, the carrying amount being EUR 9,176k, thus resulting in a difference of EUR 8,590k.

Messe Düsseldorf GmbH holds 33.33 percent of the shares in GEC - 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, have been included in the consolidated financial statements pursuant to Section 290 subsection 2, item 4 HGB (special-purpose entities).

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 31 December 2008. Pursuant to Section 301 subsection 1 sentence 2 HGB, the revaluation method has been applied for consolidation since 1 January 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.

At 31 December 2020, 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 000 Messe Düsseldorf Moscow (EUR 1,448k) and 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 an agreement dated 29 October 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. This does not apply to equity, which has been translated at the appropriate historical rates. The various 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 thus 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.

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### 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 assets are valued at acquisition or manufacturing costs and, provided 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.

Since 2014, buildings have been 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 a retirement in the fixed as-

sets 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 for the first time.

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.

Loans are shown at their nominal value less any principal repaid. Write-downs are made to the extent required to reflect any identifiable risks. 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.

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 2019. For 2020, this interest rate was assumed to be 2.30 (previous year 2.71) percent. The calculation following the PUC method is based on the following assumptions regarding trends:

- Trend in wages and salaries: 2.7 percent (previous year: 2.7 percent)
- Trend in the income ceiling for social security contributions: 2.7 percent (previous year: 2.7 percent)
- Trend in pensions: 2.2 percent (previous year: 2.2 percent)
- Fluctuation: 1.0 percent (previous year: 1.0 percent)

In actuarial terms, accruals for anniversary obligations and death grants are determined on the basis of biometrical probabilities (2018 G Heubeck mortality tables). Commit-

ments are calculated using the projected unit credit method. A term-congruent average market interest rate applicable to the last seven years, and published on a monthly basis by the Deutsche Bundesbank (German Federal Bank), is used to calculate commitments. The actuarial interest rate came to 1.60 percent (previous year: 1.97 percent) on 31 December 2020.

All other accruals have been set up at a required payment level that takes account of all identifiable risks 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 other assets are shown at their nominal value.

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.

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#### IV. Explanatory Notes and Disclosures concerning the Consolidated Balance Sheet

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##### Fixed assets

Apart from purchased software, the intangible assets mainly consist of usufructuary rights. The additions are mainly due to the extension of digital visitor passes, of the analytical platform for evaluation of the data pool, and of the conceptualization of the new stand construction configurator. The payments made in advance mainly relate to additional functions of the digital visitor pass, of the ticketing system and of the on-line order system.

The additions to tangible assets are predominantly attributable to additions to buildings and to facilities under

construction. The buildings mainly concerned here are the construction of the Hall 1 canopy roof, the partial construction of the Stockumer Höfe warehouse facility, and the construction of the new Hall 10 power supply unit.

The purchases of factory and office equipment relate to the replacement of computer hardware, kitchen and restaurant equipment, signposting, and two outdoor containers. The additions to facilities under construction are mainly due to various alterations to halls, the clearance of the northern area of the trade fair construction site, and the purchase of a new diving tower. The retirements in the rest of the sphere of tangible assets mainly result from retirements of plant and office equipment and of computer hardware.

The reduction in financial assets has been largely affected by the unscheduled write-down of the carrying amount of the Company's shareholding in Messe Düsseldorf India Pvt. Ltd., New Delhi/India. Due to the worldwide pandemic and the Company's problematic business prospects associated therewith, the carrying amount of the Company's investments has been subjected to an unscheduled depreciation of EUR 2,152k.

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.

FIXXUS Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Rheinhalle Düsseldorf KG avails itself of the exemption stated in Section 264b HGB and waives the disclosure of its annual financial statements.

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#### 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. The bulk 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. Trade receivables have been set off against trade payables, the latter amounting to EUR 0k (previous year: EUR 95k).

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.

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#### Deferred tax assets

The deferred tax assets shown in the amount of EUR 472k (previous year: EUR 345k) are due to consolidation measures for 000 Messe Düsseldorf Moscow in compliance with Section 304 HGB. The calculation of these deferred tax assets was carried out on the basis of the 20 percent tax rate that is applicable to Russia. The capitalization of deferred tax assets relating to non-utilized tax losses carried forward in the amount of EUR 16,791k was waived in 2020.

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#### Accruals

The Company's pension obligations to former managerial staff and one current manager are fully covered by pension accruals. In the year under review, these obligations led to changes in pension accruals amounting to EUR 66k (previous year: EUR 520k), 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 1,570k (previous year: EUR 1,667k) reduction in accruals for pensions.

The tax accruals mainly cover taxes on business profits relating to the year under review and also accruals designed to cover tax audits. The other accruals cover all identifiable risks and have been calculated on the basis of prudent commercial principles.

The accruals underwent the following movements:

	1.1.2020	Amount utilized	Currency translation	Write-backs	Additions	31.12.2020
	€'000	€'000	€'000	€'000	€'000	€'000
<b>1. Accruals for pensions and similar commitments</b>	<b>19,852</b>	<b>1,187</b>	<b>0</b>	<b>0</b>	<b>1,252</b>	<b>19,917</b>
<b>2. Tax accruals</b>	<b>9,777</b>	<b>6,348</b>	<b>-23</b>	<b>652</b>	<b>135</b>	<b>2,889</b>
<b>3. Other accruals</b>						
<b>Risks associated with order processing</b>						
Outstanding invoices	24,310	21,823	-24	1,187	9,523	10,799
<b>Human resources and the social sphere</b>						
Accruals for staff bonuses	1,293	1,293	0	0	0	0
Accruals for vacations	2,348	2,326	-9	0	591	604
Accruals for anniversaries	2,997	209	0	0	250	3,038
Accruals for management bonuses	811	765	-15	31	506	506
Miscellaneous accruals	650	541	-5	5	491	590
	<b>8,099</b>	<b>5,134</b>	<b>-29</b>	<b>36</b>	<b>1,838</b>	<b>4,738</b>
<b>Other accruals</b>						
Impending losses	7,333	0	0	92	1,754	8,995
Risks associated with order processing	0	0	0	0	1,538	1,538
Fiscal risks in foreign countries	12,500	0	0	2,850	0	9,650
Annual financial statements costs	420	378	-3	38	357	358
Miscellaneous accruals	1,549	1,286	-9	1	1,571	1,824
	<b>21,802</b>	<b>1,664</b>	<b>-12</b>	<b>2,981</b>	<b>5,220</b>	<b>22,365</b>
	<b>54,211</b>	<b>28,621</b>	<b>-65</b>	<b>4,204</b>	<b>16,581</b>	<b>37,902</b>
	<b>83,840</b>	<b>36,156</b>	<b>-88</b>	<b>4,856</b>	<b>17,968</b>	<b>60,708</b>



## Liabilities

The Group's liabilities at 31.12.2020 were classified as follows on the basis of their remaining terms:

	Total amount	With a remaining term of		
		up to 1 year	more than 1 year	more than 5 years
	€'000	€'000	€'000	€'000
Liabilities to banks	60,731	1,452	59,279	0
Payments received on account	6,202	5,669	533	0
Trade payables	3,795	3,795	0	0
Payables to shareholders	0	0	0	0
Payables to affiliated enterprises	1,220	1,220	0	0
Other liabilities	137,226	130,271	6,457	498
	<b>209,174</b>	<b>142,407</b>	<b>66,269</b>	<b>498</b>

The Group's liabilities at 31.12.2020 were classified as follows on the basis of their remaining terms:

	Total amount	With a remaining term of		
		up to 1 year	more than 1 year	more than 5 years
	€'000	€'000	€'000	€'000
Liabilities to banks	10,917	1,638	9,279	0
Payments received on account	133,669	133,555	114	0
Trade payables	16,652	16,647	5	0
Payables to shareholders	12	12	0	0
Payables to affiliated enterprises	563	563	0	0
Other liabilities	21,062	9,881	10,675	506
	<b>182,875</b>	<b>162,296</b>	<b>20,073</b>	<b>506</b>

In the year under review, 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 instalments amounting to EUR 2,083k. Repayment will commence with the first instalments 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 15 January 2021. The loans are to be repaid in one sum on 31 December 2025 / 15 January 2026.

Furthermore, in the year under review, Messe Düsseldorf concluded contracts regarding a total of 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 totalling EUR 13,333k and one overdraft amounting to EUR 23,333k.

The payables to affiliated companies mainly relate to trade payables.

#### Deferred tax liabilities

There were deferred tax liabilities totalling EUR 6,144k (previous year: EUR 6,420k) 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 differences between the commercial-law and fiscal balance-sheet valuations of shares in affiliated enterprises, participations and accruals. A tax rate of 31.23 percent was applied, this being identical to the rate applied in the previous year.

## V. Explanations relating to 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	2020	2019
	€'000	€'000
Own events	118,568	356,726
Guest events	3,250	8,418
Other	14,941	13,327
	<b>136,759</b>	<b>378,471</b>
Region	2020	2019
	€'000	€'000
<b>Germany</b>	<b>114,044</b>	<b>308,389</b>
Russia	14,683	34,269
China	6,664	16,754
Singapore	296	7,372
India	34	174
USA	151	4,909
Other countries	708	6,604
<b>Total foreign sales</b>	<b>22,715</b>	<b>70,082</b>
	<b>136,759</b>	<b>378,471</b>

EUR 777k of sales (previous year: EUR 369k) is related to events of previous years.

### Other operating income

Income not relating to the accounting period mainly consists of EUR 4,204k (previous year: EUR 717k) in the form of income deriving from write-backs of accruals. The non-operating income consists mainly of insurance refunds relating to the Stockumer Höfe and amounting to EUR 1,191k and of income derived from currency translation and amounting to EUR 3,749k (previous year: EUR 4,725k). The EUR 41k income from the retirement of assets is mainly attributable to retirements of tangible fixed assets.

#### 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". 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. The non-operating expenditure totalling EUR 3,499k (previous year: EUR 4,405k) is mainly due, to the amount of EUR 1,689k, to allocations to the accrual for impending losses and, to the amount of EUR 563k, to losses resulting from price losses. The other taxes incurred in the business year concerned and shown as part of other operating expenses amounted to EUR 2,041k (previous year: EUR 2,237k).

#### Income from participations

As in the previous year, the income from participations relates to the out-payments of the GEC dividends.

#### Interest and similar expenditure

In addition to interest on interest rate swap transactions amounting to EUR 1,195k (previous year: EUR 970k), the item covers expenditure deriving from the discounting of accruals in the amount of EUR 575k (previous year: EUR 666k).

#### Taxes on income and profits

The item mainly shows expenditure on tax on business profits for the business year under review and deferred taxation ensuing from valuation adjustments. The changes in deferred taxation have given rise to revenue amounting to EUR 274k (previous year: EUR 111k) and expenditure amounting to EUR 45k (previous year: EUR 45k). The following reconciliation between the expected business profits and income tax expense and actual tax expense is based on a tax rate of 31.23 percent, which has remained unchanged since the previous year.

Business segment	2020	2019
	€'000	€'000
<b>Expected expenditure on taxes on income and business profits</b>	<b>- 17,335</b>	<b>24,312</b>
Foreign tax burden differing from the above	694	- 492
Non-capitalized deferred taxes on taxes carried forward	16,791	0
Tax-free income	- 2,592	- 2,503
Non-tax-effective income and expenditure	- 625	1,346
Tax-free investment income	151	4,909
Other countries	- 66	- 2,414
Tax relating to earlier business years	843	859
Other factors	289	196
	<b>- 15,334</b>	<b>- 3,007</b>
	<b>- 2,001</b>	<b>21,305</b>

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#### Proposal for appropriation of the parent company's profits

The management proposes that the net loss for the year, totalling EUR 43,491k, should be carried forward to new account.

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#### Report on post-balance sheet events

Due to the ongoing pandemic, and the worldwide lockdown measures it entails, in addition to events such as drupa, interpack and ProWein that were already cancelled in December 2020 the first quarter of 2021 also saw the cancellation of the boot, TOP HAIR, and BEAUTY DÜSSELDORF events and, on top of that, the glasstec event. The cancellations of events in 2021 will have a relevant negative impact on the net worth, financial position and profitability of Messe Düsseldorf GmbH.

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## VI. Other disclosures

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### Human resources

In addition to the four members of the management, on average 839 (previous year: 860) staff members were employed during the business year. The workforce is subdivided into 700 full-time employees (previous year: 723), 139 part-time employees (previous year: 137), and 17 apprentices (previous year: 18). In addition, the casual staff employed numbered on average 24 (previous year: 58).

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### Other financial obligations and contingent liabilities

On the balance-sheet date, the Company's purchase commitments totalled EUR 22,960k (previous year: EUR 37,198k). Further obligations amounting to EUR 6,786k (previous year: EUR 7,320k) stemmed from commitments relating to long-term rental agreements and leases.

On the balance-sheet date, guarantees amounting to EUR 553k had been issued in favour of employees to cover employees' investment loans. In addition, there were guarantees amounting to EUR 16k 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 (RZVK), 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 future.

By way of exercising the option, 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 2,693k for the year under review (previous year: EUR 3,291k). The contribution levied amounts to 4.25 percent of the remuneration on which contributions are payable - EUR 35,317 (previous year: EUR 40,661). 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.

At 31 December 2020, the possibility of a claim arising from the above contingent liabilities cannot be ruled out.

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### Hedging policy and financial derivatives

Due to its 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.

At 31 December 2020, Messe Düsseldorf GmbH had concluded a total of three (previous year: 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 provide a hedge for future loans with a total volume of EUR 60,000k; the latter are to be anticipated with a high degree of probability.

As regards these interest rate swaps covering future loan transactions, no valuation unit can be set up at the moment. For this reason, a EUR 8,115k (previous year: EUR 6,926k) accrual has been created in respect of the market value to be covered.

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#### 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.

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#### 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 120k (previous year: EUR 134k) was recorded as an expense in the business year under review. Here, EUR 110k (previous year: EUR 122k) was accounted for by auditing services, EUR 10k (previous year: EUR 11k) being attributable to other certification services.

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#### Transactions contrary to market principles

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

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#### Disclosures regarding the Company's bodies

The remuneration paid to the Managing Board of Messe Düsseldorf GmbH in the business year totalled EUR 1,472k (previous year: EUR 1,751k). The remuneration paid to former members of the Managing Board and their surviving dependants amounted to EUR 1,190k (previous year: EUR 1,073k).

Under occupational pension schemes, in the business year under review, direct insurance contributions were incurred for Mr Diener, for Mr Stempfle and for Mr Wienkamp, these amounting to EUR 141k, EUR 120k and EUR 101k, respectively.

In addition to this, expenditure was incurred for Mr Dornscheidt in the form of allocations to pension accruals amounting to EUR 147k.

An accrual amounting to EUR 19,917k (previous year: EUR 15,212k) 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 89k (previous year: EUR 81k).

# Statement of Changes in Messe Düsseldorf GmbH Group Equity

for the 2020 business year

	Parent company			
	Subscribed capital	Capital reserves	Other revenue reserves	Currency conversion differences
	€'000	€'000	€'000	€'000
<b>Status at 31.12.2018</b>	<b>15,625</b>	<b>79,718</b>	<b>119,773</b>	<b>-349</b>
Carried forward to new account	-	-	-	-
Consolidated net income for the year	-	-	-	-
Distribution of dividends	-	-	-	-
Changes in the scope of consolidation	-	-	-	-
Currency translation differences	-	-	-	787
<b>Status at 31.12.2019</b>	<b>15,625</b>	<b>79,718</b>	<b>119,773</b>	<b>438</b>
Carried forward to new account	-	-	-	-
Consolidated net income for the year	-	-	-	-
Distribution of dividends	-	-	-	-
Changes in the scope of consolidation	-	-	-	-
Currency translation differences	-	-	-	-2,868
<b>Status at 31.12.2020</b>	<b>15,625</b>	<b>79,718</b>	<b>119,773</b>	<b>-2,430</b>

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

Parent company			Minority interests			Total
Consolidated profit carried forward	Consolidated surplus for the year	Equity	in capital	in profit/loss	in equity	Group equity
€'000	€'000	€'000	€'000	€'000	€'000	€'000
<b>236,140</b>	<b>24,078</b>	<b>474,985</b>	<b>968</b>	<b>191</b>	<b>1,159</b>	<b>476,144</b>
24,078	-24,078	-	191	-191	-	0
-	56,516	56,516	-	28	28	56,544
-14,100	-	-14,100	-563	-	-563	-14,663
-	-	-	-	-	-	-
-1	-	786	-	-	-	786
<b>246,117</b>	<b>56,516</b>	<b>518,187</b>	<b>596</b>	<b>28</b>	<b>624</b>	<b>518,811</b>
56,516	-56,516	-	28	-28	-	0
-	-53,625	-53,625	-	118	118	-53,507
-18,895	-	-18,895	-250	-	-250	-19,145
-	-	-	-	-	-	-
-	-	-2,868	-	-	-	-2,868
<b>283,738</b>	<b>-53,625</b>	<b>442,799</b>	<b>374</b>	<b>118</b>	<b>492</b>	<b>443,291</b>

# Consolidated Cash Flow Statement

of Messe Düsseldorf GmbH for the 2020 business year

	2020 €'000	2019 €'000
Consolidated net profit/loss for the year	- 53,626	56,516
Portions of profit/loss accruing to minority interests	119	28
Write-ups / depreciation on tangible and intangible fixed assets	28,877	26,346
financial assets	2,152	- 5,500
Increase (+) / decrease (-) in accruals	- 23,131	24,178
Other income and expenses without impact on cash flow	- 461	- 449
<b>Cash flow</b>	<b>- 46,070</b>	<b>101,119</b>
Profits (-)/ losses (+) due to the retirement of fixed assets items	- 36	694
Expenditure on/income from interest	4,710	4,828
Other income from participations	- 8,300	- 8,000
Expenditure on/income from tax on business profits	- 2,001	21,305
Tax on business profits paid	- 5,476	- 25,973
Increase (-)/decrease (+) in inventories, trade payables and other liabilities that are not attributable to investment or financial activities	20,592	- 5,386
Increase (+) / decrease (-) in payments received on account	- 127,467	96,063
Increase (+) / decrease (-) in trade payables and other liabilities that are not attributable to investment or financial activities	105,010	2,391
<b>Inflow of funds due to regular business operations</b>	<b>- 59,038</b>	<b>187,041</b>
Inflows due to retirements of tangible and intangible assets	78	715
Inflows due to retirements of financial assets	2	2
Outflows due to capital expenditure on intangible assets	- 1,449	- 2,593
Outflows due to capital expenditure on tangible assets	- 28,633	- 65,768
Outflows due to capital expenditure on financial assets	- 8,527	- 2,152
Interest payments received	158	132
Dividends received	8,300	8,000
<b>Outflow of funds due to capital investment</b>	<b>- 30,071</b>	<b>- 61,664</b>
Dividend payments to parent company shareholders	- 18,895	- 14,100
Dividend payments to other shareholders	- 250	- 563
Inflows due to the acceptance of financial loans	50,000	0
Outflows due to the redemption of financial loans	- 186	- 216
Interest payments made	- 550	- 4,258
<b>Outflow of funds due to capital investment</b>	<b>30,119</b>	<b>- 19,137</b>
Changes in cash and cash equivalents	- 58,990	106,240
Cash and cash equivalents at the beginning of the accounting period	220,116	113,112
Changes in liquid assets due to the scope of consolidation and exchange rates	- 2,731	764
<b>Cash and cash equivalents at the end of the accounting period</b>	<b>158,395</b>	<b>220,116</b>



# Shareholdings

of Messe Düsseldorf GmbH

Company	Percentage of capital in %	Equity 31.12.2020 €'000	Result 2020 €'000
Messe Düsseldorf North America Inc., Chicago/USA	100.0	6,508	-1,107
ESNA Expo LLC., Delaware/USA	55.0 indirectly	34	557
Messe Düsseldorf Japan Ltd., Tokyo/Japan	100.0	1,706	-515
000 Messe Düsseldorf Moscow, Moscow/Russia	100.0	9,219	2,131
Messe Düsseldorf ASIA Pte. Ltd., Singapore	100.0	7,091	2,281
Messe Düsseldorf India Pvt. Ltd., New Delhi/India*	100.0	3,853	-137
EXCOSA INDIA Pvt. Ltd., Bangalore/India*	100.0 indirectly	72	-2
FIXXUS Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Rheinhalle Düsseldorf KG, Pullach	94.0	38	-1
Messe Düsseldorf China Ltd., Hong Kong/China	100.0	27,060	-128
Messe Düsseldorf (Shanghai) Co., Ltd. Shanghai/China	100.0 indirectly	13,446	66
CIOSH Asia Co., Ltd., Beijing/China	50.0 indirectly	1,255	1,062
Messturm Düsseldorf Verwaltungsgesellschaft mbH, Düsseldorf	50.0	981	461
Düsseldorf Congress GmbH, Düsseldorf	50.0	2,129	-40
GEC- German Exposition Corporation International GmbH, Berlin**	33.33	53,054	25,925

\* Closing date 31.03.2020

\*\* Closing date 31.12.2019

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