

GL EVENTS IS MOBILISED FOR THE RECOVERY

GL EVENTS (ISIN: FR0000066672 - TICKER: GLO), THE INTEGRATED EVENT INDUSTRY GROUP, PROVIDES AN UPDATE OF THE GROUP'S SITUATION WITH RESPECT TO THE COVID-19 PANDEMIC.

Olivier Ginon, GL events' Chairman declared: *"While many countries have started to reopen, the event industry, and especially the business tourism sector, remain subject to restrictive measures adopted throughout the world to stop the spread of Covid-19. In this context, GL events has adapted its organisation and been preserving cash in order to be ready to rebound. To prepare for the recovery, we remain in regular contact with the authorities and industry organisations. Once again, I wish to thank all GL events employees for the professionalism, patience and commitment they have shown since the beginning of this crisis."*

IMPACT OF THE HEALTH CRISIS ON BUSINESS ACTIVITY

Today, the health situation varies in the different regions where the Group operates.

In Europe, event activities have been suspended for more than three months. All GL events Venues' sites are expected to gradually resume activity starting in September 2020. Teams are being actively deployed to allow for the rescheduling of events initially planned in the first half and prepare the venues to resume activity under optimal health conditions. In contrast, the health crisis' impact on subsidiaries engaged in industrial activities (e.g. Spaciotempo in France, the UK and Spain or Aganto in the UK) has been marginal in the first half, with combined revenue of €27 million compared to €30 million for the same period in 2019. The construction of the Grand Palais Ephémère on the Champ-de-Mars of Paris will begin this summer with delivery planned for the end of December. The marketing of exhibitions in the second half has resumed with an improved trend in both the B2C and B2B segments. GL events confirms its full calendar of events planned for H2 2020.

In China, the health crisis appeared to be under control and activities were starting to resume. In Beijing, the announcement of new restrictions on 13 June raises the possibility that exhibitions organised by CIEC Union currently planned in July 2020 could be postponed. With the marketing phase now completed, CACL P Expo is expected to be held in Nanchang (southeast province of Jiangxi) from 3 to 5 July 2020. Other exhibitions are scheduled in the second half.

After getting off to a good start in Dubai, Turkey and Hungary, growth in business, halted by the health crisis, is expected to resume its normal pace in September 2020.

The epidemic reached South America later than other regions. Brazil has started to reopen though public gatherings have not yet been authorised. We are also waiting for a gradual recovery in this market as from 1 September.

SAVINGS PLAN OF €90 MILLION AND FINANCING

In this context, GL events has taken significant measures to both reduce its costs and adapt its financing structure. As of today and based on the information currently available, GL events has the resources to finance its activity and support its recovery.

The plan for reducing fixed costs remains in force. On that basis, cost savings (wages, employer social contributions, rent, maintenance, energy, travel costs, etc.) of more than €90 million are expected, largely exceeding the amounts initially announced.

To date, discussions are continuing with local governments to obtain support and adjustments to contracts.

Concerning the financial structure, GL events has refinanced its 2020 debt payments by obtaining deferrals, new medium-term financing and government guaranteed loans from its long-standing banking partners, highlighting their confidence in the company.

As already announced on 26 March, the Board of Directors will submit a proposal to the Annual General Meeting to be held on 19 June to not pay a dividend for fiscal 2019 in order to preserve the Group's liquidity.

INDIA LITIGATION – COMMONWEALTH GAMES

After several phases in the judicial process, the organising committee was ordered by the High Court of New Delhi to pay GL events €8.5 million. Another proceeding against the Delhi Development Authority is still pending before the High Court.

As a reminder, GL events has been engaged in legal actions against the Commonwealth Games organising committee and the Delhi Development Authority since 2011. This dispute concerns the organising committee's decision to suspend payments to international companies who delivered services for this event.

A NEW CONCESSION IN CHILE

The Group was awarded a 40-year concession for the "Parque Vitacura" meeting facility in Santiago Chile as from 2022. This ideally located 4,700 sqm venue currently hosts around 300 events per year (corporate, exhibitions, festivals, performances and concerts) and is expected to generate average annual revenue of approximately €9 million. After Tarpulin (Live) in March 2016, FISA (Exhibitions) in April 2018, the Group has thus reinforced its presence in Chile where all three of its business will now operate.

OUTLOOK

Due to the scope of the crisis and the absence of visibility, GL events is unable to issue specific targets for the year in progress.

However, in light of the level of activity in the first half (-55%), the Group will show a net loss of approximately €30 million at 30 June 2020. The outlook of the period in progress will be communicated when the half-year financial statements are presented on 15 September 2020.

Looking ahead, the Group is mobilising efforts to take advantage of significant growth opportunities in 2021. On that basis, GL events will benefit from major exhibitions: Sirha, the leading world hospitality and food industry event whose marketing is proceeding normally, Global Industrie Lyon for which 75% of exhibitors of Paris already rescheduled their participation, Première Vision that will benefit from a postponement effect following a smaller 2020 edition, the Chinese exhibitions and the Biennial Rio de Janeiro International Book Fair ... In addition, very large events such as the Tokyo Olympic Games, the Euro football championship and the World Expo of Dubai offer opportunities for growth.

For the longer term, GL events' fundamentals provide reasons for remaining optimistic. With a solid track record of growth since our creation, the Group has been built by diversifying its activities and geographical presence and by taking advantage of market opportunities. With a strong brand name and proven expertise, GL events possesses all the growth drivers needed to rebound as soon as the restrictions imposed on the event industry sector are lifted.

UPCOMING EVENTS:
ANNUAL GENERAL MEETING – 19 JUNE 2020
H1 2020 REVENUE – 23 JULY 2020 (AFTER THE CLOSE OF TRADING)
H1 2020 RESULTS – 15 SEPTEMBER 2020 (AFTER THE CLOSE OF TRADING)

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About GL events: The Group is a world-class provider of integrated solutions and services for events operating across the three main market segments: conventions, conferences, congresses; cultural, sports and political events; trade shows / B2B and B2C exhibitions and consumer fairs. GL events' activities are organised into three major business divisions. **GL events Live** provides a complete range of services for corporate, institutional and sports events, and offers turnkey solutions from consulting and design to staging the event itself. **GL events Exhibitions** manages and coordinates the Group's portfolio of more than 300 proprietary trade fairs covering a wide range of sectors: food industry, culture, textiles/fashion, manufacturing... **GL events Venues** manages a network of 50 venues (convention and exhibition centres, concert halls and multi-purpose facilities) in France and international destinations. Present on five continents with operations in more than 20 countries, GL events has 5,600 employees. GL events is listed on Euronext Paris, Compartment B (mid caps).



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