

A DECISIVE THOUGH LIMITED RECOVERY IN BUSINESS: Q3 2020 REVENUE: €100.5 MILLION

GL EVENTS (ISIN: FR0000066672 - TICKER: GLO), THE INTEGRATED EVENT INDUSTRY GROUP, REPORTS ITS CONSOLIDATED REVENUE FOR THE NINE-MONTH PERIOD ENDING 30 SEPTEMBER 2020.

Olivier Ginon, Chairman-CEO of GL events, commented: *“After the first phase of the epidemic and lockdown, GL events focused its efforts on preparing for the recovery by adopting measures designed to receive exhibitors and visitors under optimal health and safety conditions. While this recovery is indeed underway, it continues to be limited by governmental measures in France but also elsewhere in Europe. In response to the epidemic’s rebound and ensuing administrative measures affecting the organisation of our events, we are revising our guidance for year end. However, in China, both the first country impacted by the epidemic and the first country to successfully emerge, activity is resuming at a normal pace. This international momentum confirms the validity of our geographical diversification and provides reasons for optimism in an acceleration in the business rebound starting in 2021.”*

Revenue (€m)	2020 Reported basis	2019 Reported basis	2018 Reported basis	Change 20/19	Change 20/18
Q1	213.3	340.3	286.0	-37.3%	-25.4%
Q2	53.6	255.6	259.0	-79.0%	-79.3%
Q3	100.5	253.7	224.7	-60.4%	-55.3%
Consolidated total	367.3	849.6	769.7	-56.8%	-52.3%

At 30 September 2020, revenue for the first nine months reached €367.3 million, significantly impacted by the health crisis (-56.8% from one year earlier and -55.7% LFL¹). After getting off to a very good start at the beginning of the year (+14% after eliminating the biennial effect at 28 February 2020 vs. one year earlier), followed by lockdowns across nearly the entire globe in response to Covid-19, the 2020 3rd quarter marked as expected the beginning of the recovery, though limited by restrictions on public gatherings and the closure of sites in most regions where the Group is present. In this context, Q3 2020 revenue amounted to €100.5 million, down 60.4% in relation to last year’s same period (-58.6% LFL).

¹ LFL: like-for-like defined as at constant structure and exchange rates (2020 exchange rates applied to 2019 revenue)

SALES BY DIVISION

Revenue at 30/09 (€m)	2020 Reported basis	2019 Reported basis	2018 Reported basis	Change 20/19	Change 20/18
Live	224.7	420.4	416.3	-46.5%	-46.0%
Exhibitions	59.5	195.0	133.1	-69.5%	-55.3%
Venues	83.1	234.2	220.3	-64.5%	-62.3%
Consolidated total	367.3	849.6	769.7	-56.8%	-52.3%

GL EVENTS LIVE had revenue of €67.3 million in Q3 2020, surging 53% in relation to Q2 2020 (€43.9 million) and demonstrating the strength of the industrial activities developed by this division. For the first nine months, GL events Live registered revenue of €224.7 million, down 46.5% (-45.5% LFL). For the first quarter, in France noteworthy achievements of the Group included services provided in connection with the 14th of July Bastille Day festivities, Roland Garros and the Tour de France finish. In addition, teams delivered the first phases for the construction of the Grand Palais Éphémère on the Champ-de-Mars of Paris, providing yet another demonstration of the scope of the Group's expertise. In China, the division benefited as expected from the resumption of business with the organisation of Shenzhen Creative Week and Home Furnishing Expo Shenzhen. Finally, the Group continued in the quarter to make progress on its missions in preparation for the Tokyo Olympic Games.

GL EVENTS EXHIBITIONS had revenue in the quarter of €14.5 million, highlighting the recovery in relation to Q2 (€2.2 million). For the first nine months, business was severely impacted by the health crisis with revenue of €59.5 million (-69.5%; 69.0% LFL¹). In the third quarter, the Group was able to hold a certain number of exhibitions by adapting them to the new limits for the number of people at public gatherings. These included Expobiogaz, M.A.D.E., Made in France Première Vision and Omnivore in Paris, SEPEM Industries in Avignon or Sirha Green in Lyon. In response to the acceleration of Covid-19 in Europe, the Group has been developing new digital formats. In this way, the Première Vision Digital Show successfully organised a virtual gathering of 19,500 exhibitors and visitors from 120 countries over two days showcasing 1,675 online stores and 43,000 product references. In China, where business is resuming, the CACLP exhibition in August was a considerable success bringing together 1,000 exhibitors and 35,000 attendees at a 70,000 sqm site. GL events also organised the Shanghai International Wallcoverings and Home Furnishings Exhibition (SWFE) in September which brought together 500 brands and 49,000 attendees at the 50,000 sqm site.

GL EVENTS VENUES at revenue of €18.6 million in Q3, highlighting the gradual reopening of the Group's sites (up from €7.4 million in Q2). Year to date for the first nine months, the division recorded revenue of €83.1 million (-64.5%; -63.0% LFL¹). In France, companies of the Venues division hosted the fairs of Caen, Metz, Amiens and Strasbourg as well as a certain number of both mid-size and national events contributing to this activity while remaining within the administrative limits on the number of people at public gatherings. In Brazil, the Group was awarded a 24-year concession for a new event venue in Santos. This facility, located 45 km from Sao Paulo, includes an exhibition hall (8,750 sqm), a convention centre (4,170 sqm) and a parking facility (367 places), with operations scheduled to begin in November 2020.

OUTLOOK

In response to the numerous administrative restrictions, often unexpected, GL events has demonstrated flexibility, agility and an ability to adapt in order to hold events in France and other countries and continue to deploy its know-how.

On 15 and 16 October in Tallinn, Estonia, the Group will organise the European selection of the “Bocuse d’Or”, a trial event for Sirha 2021. The teams have now arrived on site it will be possible to watch the competition online by live streaming (<https://www.bocusedor.com/live-boc-europe/>).

Sirha which is scheduled to be held from 29 May to 2 June 2021 will benefit from a new global strategy for the food service sector, under the Sirha Food umbrella brand. In this context, the digital components have been strengthened with the launch of complementary tools making it possible to distribute content, promote communities of practice and organise business events both in advance of and during the exhibition. These developments highlight the Group’s commitment to accelerating its digital transformation in accordance with the requirements of our business and will make it possible in time to offer more services for our partners, customers and attendees.

Work on the Grand Palais Ephémère project in Paris is continuing, with delivery scheduled for the late 2020-early 2021. This project also provides another illustration of GL events’ exceptional ability to meet its construction deadlines within a complicated environment, by integrating the time constraints and environmental and social specifications to offer a cutting edge facility in the service of art and sports.

GL events has €250 million in cash, to which may be added an additional €100 million in the form of an undrawn revolving credit facility. The 2nd series of French government-backed loans is in the process of being finalised. The Group will also benefit from a new form of French government-backed loan specifically destined for seasonal activities (*PGE saison*). The continued commitment of its banking partners highlights the confidence in the Group to prepare for the recovery of its activities. Discussions are in progress with bondholders to obtain waivers for 2020.

Despite a decisive though limited recovery in business, and following the announcement on 23 September 2020 of the reduction in the authorised size of public gatherings in France from 5,000 to 1,000 people, and new restrictions notably announced in Europe in response to the rebound of the epidemic, GL events has adjusted its annual guidance for 2020 revenue to approximately €500 million (vs. €600 million announced previously). Based on this level of business as well as significant measures taken to reduce the cost structure, we now expect a net loss attributable to Group shareholders of €65 million at the end of 2020 (vs. approximately -€50 million announced previously). It should be noted that the negative impact on results of last minute cancellations in the month of September amounted to approximately €7 million. The resilience of this result in relation to the previous guidance for revenue illustrates the exceptional capacity for adaptation of the Group and its teams. The cost savings plan is expected to reach approximately €170 million at year-end (up from €130 million announced previously).

Today, a gradual recovery in business has been confirmed. In China, this recovery has been highlighted by the organisation of exhibitions in Q3 and the opening of the Guangzhou International Convention Centre, validating the Group’s strategy of geographical diversification. In France, visibility remains limited, though local events are being organised in compliance with administrative restrictions. 2021 will also benefit from a positive biennial effect with the organisation of Sirha and the Biennial Rio de Janeiro International Book Fair in addition to events and exhibitions that had been postponed, and notably the Tokyo Olympic Games. Based on these factors, GL events is looking forward to an acceleration in the rebound starting in 2021.

Following the presentation of the quarterly accounts, the review of measures adopted and the strategy presented to address the challenges faced by the Group, the Board unanimously renewed its confidence in the Group’s teams under the authority of its Chairman and commended the responsiveness of the different business lines during this particularly complex period.

**NEXT PRESS RELEASE:
2020 ANNUAL REVENUE – 21 JANUARY 2021 (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).



INVESTOR RELATIONS

Sylvain Bechet
Tel.: +33 (0)4 72 31 54 20
infos.finance@gl-events.com

MEDIA RELATIONS

Stéphanie Stahr
Tel.: +33 (0)1 53 48 80 57
stephanie.stahr@cic.fr

**ISIN FR0000066672 - BLOOMBERG GLO FP - REUTERS GLTN.PA - FTSE 581
LEI 9695002PXZMQNBPY2P44**
