

## 2021 RESULTS: A RETURN TO PROFITABILITY – EBITDA: €120M CASH POSITION STRENGTHENED

GL EVENTS (ISIN: FR0000066672 - TICKER: GLO), the integrated event industry group,  
announces its 2021 annual results.

GL events' Board of Directors, meeting on 9 March 2022, approved the annual financial statements for the fiscal year ended 31 December 2021. Audit procedures have been completed and the statutory auditors' report is in the process of being issued.

(€m)	31/12/2021	31/12/2020	31/12/2021 1 pre-IFRS 16	31/12/2020 0 pre-IFRS 16
<b>Revenue</b>	<b>741.2</b>	<b>479.4</b>	<b>741.2</b>	<b>479.4</b>
EBITDA <sup>(1)</sup>	170.2	27.6	120.3	-21
EBITDA margin (%)	23.0%	5.8%	16.2%	-4.4%
<b>Current operating income</b>	<b>72.6</b>	<b>-63.3</b>	<b>64.2</b>	<b>-71.4</b>
Current operating margin (%)	9.8%	-13.2%	8.7%	-14.9%
Net profit	24.0	-78.7	27.6	-74.9
<b>Net profit attributable to Group shareholders</b>	<b>15.2</b>	<b>-77.4</b>	<b>18.0</b>	<b>-74.3</b>
Net margin	2.0%	-16.1%	2.4%	-15.5%

(1): Definitions are provided at the end of the press release.

*Olivier Ginon, Chairman-CEO of GL events, commented: "Since March 2020, we have faced a long health crisis and taken many measures to limit its impact on our Group. The 2021 third-quarter, marked by the lifting of restrictions on gatherings followed by the adoption of the health pass, has set the stage for the recovery. On that basis, annual revenue for FY 2021 was back up to €741m, close to the level of 2019 for the period from September to December. This good performance, combined with measures adopted to achieve cost savings and preserve our financial structure, enabled us to return to profitability and strengthen our cash position. For 2022, and subject to the evolving health and geopolitical situation, the Group expects this positive momentum to continue, with a pronounced seasonality effect in H2 2022. I would like to express my thanks to all the teams who, through their professionalism and commitment, have largely contributed to this performance."*

GL events reported annual revenue at 31 December 2021 of 741.2m, up 54.6% year-on-year and 55.5% LFL<sup>1</sup>. After a first half significantly impacted by governmental restrictions, business accelerated in the second half after the health pass was introduced in Europe and government restrictions imposed on Group business lines were eased.

<sup>1</sup> LFL: like-for-like defined as at constant structure and exchange rates (2021 exchange rates applied to 2020 revenue)

Throughout this period, the Group maintained its policy of containing purchases and external charges (+43% vs. +55% growth in revenue) while benefiting from €46m in specific government aid measures which partially offset the losses of H1 2021. This level of aid remains relatively moderate in relation to the EBITDA loss over the last 2 years (> €200m). Pre-IFRS 16 EBITDA rose in consequence to €120.3m (vs. -€21m for FY 2020), representing an EBITDA margin of +16.2%. Current operating income on a pre-IFRS 16 basis represented amounted to €64.2m (vs. -€72.6m on a post-IFRS 16 basis).

After taking into account other operating income and expenses representing a charge of €4.6m (reorganisation costs and fees on capital transactions), a net financial expense of €13.8m (-€27.0m on a post-IFRS 16 basis) and a tax charge of €17.7m, net income attributable to Group shareholders amounted to €18m (€15.2m on a post-IFRS 16 basis), compared a loss of €74.3m in 2020 and representing a net margin of 2.4%.

## REVENUE AND PROFITABILITY BY DIVISION

GL events Live (€m)	31/12/20 21	31/12/20 20	31/12/20 19	Change vs. 2020	Change vs. 2019
Revenue	430	309	600	39%	-28%
EBITDA (pre-IFRS 16)	60	11	72	465%	-17%
EBITDA margin (%)	13.9%	3.4%	12.0%	10.5	1.9
Current operating income (pre-IFRS 16)	22	-19	37	212%	-42%
Current operating margin (%)	5.0%	-6.2%	6.2%	11.2	-1.2

**GL EVENTS LIVE** had annual revenue of €430.4m, up 39.2% (+39.9% LFL). Pre-IFRS 16 EBITDA of this division which displayed the greatest resilience to the crisis rose to €60m, bolstered by several factors. The structures and seating systems business, which has been dynamic in France, the United Kingdom, Chile and Dubai, registered revenue of €152m up from €139m in 2020. The Group delivered services for numerous mega-events (World Expo, Tokyo Olympic Games, Qatar Champions Clubs Cup) and organised various congresses in France (Dassault, IUCN, etc.) and Turkey (Oncology, Paediatrics, etc.). And finally, GL events also provided specific COVID-19 related services through testing and vaccination centres and storage facilities. Total fixed cost savings over the period amounted to €53m. The current operating margin on a pre-IFRS 16 basis was 5.0%.

GL events Exhibitions (€m)	31/12/20 21	31/12/20 20	31/12/20 19	Change vs. 2020	Change vs. 2019
Revenue	145	68	231	113%	-38%
EBITDA (pre-IFRS 16)	34	-15	50	326%	-33%
EBITDA margin (%)	23.7%	-22.3%	21.8%	45.9	1.6
Current operating income (pre-IFRS 16)	32	-16	46	305%	-30%
Current operating margin (%)	22.4%	-23.2%	19.9%	45.7	2.5

**GL EVENTS EXHIBITIONS** had annual revenue of €144.5m (€68m in 2020) and pre-IFRS 16 EBITDA of €34m. In this division's industry sector, the Group assured its leadership position by organising the first post-COVID B2B exhibitions in Europe (CFIA Rennes) and in South America (Expovienda, Expomin). Business in H1 was mainly driven by China and in H2 by Europe (Global Industrie, SIRHA, Première Vision Paris, Sepem, Paysalia/Rocalia, Bepositive) and by South America (Rio de Janeiro International Book Fair, Expomin). Over the period, the performance of national exhibitions was back up between 70% and 85% of previous editions whereas international exhibitions continued to be impacted by travel restrictions. In total, 85 exhibitions were organised in the period (vs. 45 in 2020). Savings in fixed costs amounted to €8 million. The current operating margin on a pre-IFRS 16 basis was 22.4%.

GL events Venues (€m)	31/12/2021	31/12/2020	31/12/2019	Change vs. 2020	Change vs. 2019
Revenue	166	102	341	63%	-51%
EBITDA (pre-IFRS 16)	26	-16	63	258%	-59%
EBITDA margin (%)	15.6%	-16.1%	18.5%	31.7	-2.5
Current operating income (pre-IFRS 16)	10	-36	43	129%	-76%
Current operating margin (%)	6.3%	-35.6%	12.6%	41.9	-6.3

**GL EVENTS VENUES** had annual revenue of €166.3m in 2021, up 62.8% from one year earlier (65% LFL<sup>1</sup>). For this division, as the most impacted by government-ordered closures, 84% of its revenue was generated in H2. Activity in the period was largely concentrated over a period of four months in Europe (with positive momentum for the destinations of Paris, Lyon and Budapest) and two months in South America (with the resumption of business authorised in Brazil starting in November 2021, limited to €8m). International destinations (The Hague, Brussels and Barcelona) were largely impacted by continuing restrictions on travel. In the period, GL events Venues achieved savings and fixed costs of €52m, pre-IFRS 16 EBITDA of €26m and current operating income of €10m (or a current operating margin of 6.3%).

## FINANCIAL STRUCTURE

In 2021, GL events will generate operating cash flow of €68m (-€151m in 2021) reflecting an improvement in the net source of funds to €27m in response to the rebound in business.

After taking into account, in particular, capital expenditures (€47m), M&A (€15m), inflows from equity partnerships with Nexus Point (GL events Greater China: €77m) and Montefiore (GL events Sports: €10.5m) and the net debt of the Créatifs Group, GL events' net debt decreased by €115m in the year to €566m (down from €681m at 31 December 2020).

At 31 December 2021, GL events benefited from a strong cash position of €629m. During the year, the Group maintained its fixed cost optimisation plan with €115m in savings compared to 31 December 2019 (vs. €188m at the end of 2020), drew down €100m of its RCF and benefited from inflows from government aid measures (€126m from the 3<sup>rd</sup> wave of French government-backed loans). The banking partners and bondholders also supported the Group by granting a covenant holiday for 2021 without any changes in contractual terms. Government aid in the form of coverage for fixed costs ("*Aide fermeture*") implemented in December 2021 was recognised under income for the year though received in January and February 2022.

In order to reduce debt service charges, the Group entered into a refinancing arrangement for a portion of its bank debt on 4 March 2022. Within this framework, 17 banking institutions participated in this refinancing operation for €251m with a maturity of 6 years. This extended maturity will allow the Group to lower its repayment instalments by €66m over the next three years.

## RECENT EVENTS AND OUTLOOK

During the year, GL events has maintained its commitment to CSR by adapting its approach to each of its three strategic business divisions. The Group has today implemented a cross-functional management system using tools and processes designed to support the business units.

To date, and subject to the evolving health and geopolitical situation, the Group is expecting the rebound in activity to remain on track in FY 2022, with a pronounced seasonality effect in H2 2022. It should be noted that the Group does not operate in Russia and Ukraine. However, particular attention will be paid to the economic impacts relating to raw material costs.

In Europe and South America, GL events anticipates a return to normal levels of activity with notably a resumption in international seminars expected in H2 2022.

In Asia, and more particularly in China, the Group remains vigilant, particularly for Beijing exhibitions expected to perform less well than in 2021 due to the "zero tolerance" health measures. The other exhibitions/business lines are expected to return to a normal level of activity. GL events is closely monitoring the potential impacts on its business from the re-emergence of the epidemic in Hong Kong.

Based on these assumptions, GL events is expecting sales growth of more than 30% compared to 2021.

The Group will continue to remain vigilant with respect to investments and the management of its costs. On this basis, its goal is to retain savings in fixed cost of €20m-€30m in 2022 (in relation to 2019) while continuing to reduce its debt. For FY 2022, GL events is expecting a return to positive operating cash flow generation of approximately €100m.

In this context and after a significant crisis, the Board of Directors proposes that no dividend be distributed for 2021.

## MOBILIZATION OF OUR EMPLOYEES FOR UKRAINE

The Group's employees and the Polygone Foundation have joined their forces to collect first aid equipment to help the Ukrainian population. A GL events semi-trailer will leave Brignais this Friday driven by volunteer drivers from our company.

**NEXT PRESS RELEASE:  
Q1 2022 REVENUE: 21 APRIL 2022 AFTER THE CLOSE OF TRADING**

**DEFINITIONS**

- EBITDA: (earnings before interest, taxes, depreciation and amortisation) or "gross operating profit" defined as current operating income + depreciation, amortisation and provisions
- Constant exchange rates: average exchange rate of N applied to the previous period (N-1)
- Constant structure
  - o for acquisitions of the period: by adding to revenue of prior periods the sales of the acquired company
  - o for disposals of the period: by subtracting from revenue of prior periods the sales of the company sold
- LFL: like-for-like defined as at constant structure and exchange rates (see the definitions above for "constant structure" and "constant exchange rates" )
- IFRS 16: restatement of leases, standard applicable as from 1 January 2019
  - o measurement of leases in the balance sheet under assets (right-of-use assets), with the recognition of a corresponding debt under liabilities (lease liabilities)
  - o A portion of lease payments is recognised under operating expenses ("amortisation") and a portion under financial expense ("cost of debt")
  - o Covenants are determined excluding the application of this standard.

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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 4,600 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](mailto:infos.finance@gl-events.com)

**MEDIA RELATIONS**

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

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