



## FINANCIAL YEAR 2019/20 REVENUE

**UP SHARPLY THROUGH END-MARCH (+19%)**

**FULL-YEAR REVENUE SUFFERED THE IMPACT OF THE EXCEPTIONAL COVID-19 CONTEXT  
(ACTIVITIES HALTED IN MID-MARCH)**

**TOTAL REVENUE: €276.3M (-11% VS 2018/19)**

**PANDEMIC ESTIMATED TO HAVE CUT €50M OFF 2019/20 REVENUE (EXCL. TRADING)**

**SHORTFALL OF €50M ALSO ON INTERNAL ESTIMATE FOR END-OF-SEASON TRADING**

**STRATEGY AND GOALS REAFFIRMED IN 2024 “FULL ENTERTAINMENT” PLAN**

Lyon, 23 July 2020

The company's performance was hard hit by the Covid-19 crisis, which caused the Group's principal activities to be halted in mid-March. Total revenue in 2019/20 stood at €276.3 million (vs €309.0 million in 2018/19).

As a reminder, revenue for the first nine months of the 2019/20 financial year had reached a record high of €265.7 million, up €41.9 million (+19%) from €223.8 million in the first nine months of 2018/19.

### 1/TOTAL REVENUE DOWN 11% AT €276.3M (€309.0M IN 2018/19)

From 1 July to 30 June (in € m)	2019/20 12 months	2018/19 12 months	Chg. (in € m)	Chg. (in %)
<b>TICKETING</b>	<b>35.5</b>	<b>41.8</b>	<b>-6.3</b>	<b>-15%</b>
of which French Ligue 1 and other matches	23.5	31.6	-8.1	-26%
of which European competitions	12.1	10.2	1.9	19%
<b>MEDIA AND MARKETING RIGHTS</b>	<b>102.4</b>	<b>122.0</b>	<b>-19.6</b>	<b>-16%</b>
of which LFP-FFF	33.0	50.8	-17.8	-35%
of which UEFA	69.4	71.2	-1.8	-3%
<b>SPONSORING - ADVERTISING</b>	<b>27.2</b>	<b>31.3</b>	<b>-4.2</b>	<b>-13%</b>
<b>BRAND-RELATED REVENUE</b>	<b>13.6</b>	<b>16.0</b>	<b>-2.4</b>	<b>-15%</b>
of which derivative products	8.4	10.3	-1.9	-18%
of which image/video and other	5.2	5.7	-0.5	-10%
<b>EVENTS</b>	<b>6.7</b>	<b>9.7</b>	<b>-2.9</b>	<b>-30%</b>
of which seminars and stadium tours	4.4	5.4	-1.0	-18%
of which major events	2.3	4.2	-2.0	-46%
<b>REVENUE (EXCLUDING PLAYER TRADING)</b>	<b>185.4</b>	<b>220.9</b>	<b>-35.4</b>	<b>-16%</b>
<b>REVENUE FROM SALE OF PLAYER REGISTRATIONS</b>	<b>90.9</b>	<b>88.2</b>	<b>2.7</b>	<b>3%</b>
<b>TOTAL REVENUE</b>	<b>276.3</b>	<b>309.0</b>	<b>-32.7</b>	<b>-11%</b>

### Business activities in 2019/20

Growth in the Group's businesses, which reached a record level during the first nine months of the financial year (up 19%), was suddenly halted in mid-March 2020 when all lines of business (except e-commerce) were put on hold. The opportunity

Lyon, 23/07/2020

loss this represented for full-year 2019/20 revenue is estimated at €50 million (excluding player trading). The LFP's premature decision to end the Ligue 1 season, whereas the other major European championships decided to finish their 2019/20 seasons during the summer, prevented international transfers and made it impossible for the club to realise its internal estimate of €50m in transfer proceeds.

Revenue (excluding player trading) totalled €185.4 million in 2019/20, down €35.4 million or 16% compared with the previous year (€220.9 million).

Ticketing was hard hit by the termination of the Ligue 1 season on 13 March, as six matches could not be played at home. Ticketing revenue totalled €35.5 million (vs €41.8 million in 2018/19), a decline of €6.3 million, or 15%. In European play, OL nevertheless achieved a new matchday revenue record of more than €6 million during the round of 16 Champions League fixture against Juventus.

Media rights totalled €102.4 million (€122.0 million in 2018/19) and were boosted, as in the previous season, by the club's participation in the Champions League round of 16, its excellent run in the Coupe de France (semi-final) and the Coupe de la Ligue (qualified for the final to be played against PSG on 31 July at the Stade de France). Nevertheless, the LFP's decision to terminate the 2019/20 Ligue 1 season after the 28th matchday impacted domestic media rights in two ways: (i) Canal+ and BeIN paid only part of their broadcasting rights for the season to the LFP and (ii) OL's 7th place position in Ligue 1 became its final standing (vs 3rd place at the end of the previous season).

Sponsoring/advertising revenue and brand-related revenue were also affected by the mid-March business shutdown and totalled €27.2 million (vs €31.3 million in 2018/19, -13%) and €13.6 million (vs €16.0 million in 2018/19, -15%), respectively.

After rising sharply over the first nine months (+24%), revenue from the Events business, at a standstill since mid-March, totalled €6.7 million over the full year, down 30% from €9.7 million in 2018/19. In accordance with the government's measures prohibiting large gatherings, the Group was forced to cancel all of the many summer events scheduled for Groupama Stadium. The first "Felyn" summer music festival was postponed to 18 & 19 June 2021 and is expected to welcome 80,000 spectators over the two days, while the Monster Jam scheduled for 27 June 2020, the Paul McCartney concert scheduled for 7 June 2020 and the private Groupama concert scheduled for 5 June 2020 were all cancelled by the organisers. The Rammstein concert scheduled for 9 & 10 July 2020 was also postponed, to 9 & 10 July 2021.

In the 2019/20 financial year, the Group generated revenue from sales of player registrations of €90.9 million (IFRS basis), up 3% or €2.7 million from 2018/19. The principal transfers were Tanguy Ndombele, who went to Tottenham for a €47.6 million fee, Nabil Fekir, who joined Real Betis for €19.8 million, both during the 2019 summer transfer window, and more recently Lucas Tousart, who was transferred to Hertha Berlin for €21.1 million during the January 2020 winter transfer window.

This good performance again demonstrated that OL Groupe's strategy, based on a top-notch academy, recruitment of talented young players and an ability to unlock their sporting and economic potential, is an effective one.

### **Financial information related to Covid-19 – OL's financial condition is sound**

Since the first days of the crisis, OL has taken all measures possible to protect everyone's health and to reduce the impact of the crisis on financial performance during 2019/20. These measures include partial unemployment for players and much of the administrative staff, postponement of social security contributions, tax remittances and loan payments. In addition, the Group implemented the provisions of the 7 May 2020 ordinance enabling it to issue credits on tickets for cancelled 2019/20 events. These credits will be valid for 18 months and will be refunded at the end of the 18-month period if they are not used.

The revolving credit facility (RCF) was temporarily increased in mid-April 2020 to €130 million until 31 August 2020 and to €115 million until 31 January 2021 (vs €100 million previously).

The Group has initiated measures above and beyond the reduction in payroll and social security contributions, so as to reduce operating expenses and complement the automatic decrease in expenses related to the shutdown of activities for

Lyon, 23/07/2020

the duration of the Covid-19 epidemic. Taken together, all of these measures should generate a favourable impact of around €35-40 million for the 2019/20 financial year.

As of 30 June 2020, the Group benefited from exceptional assistance of €12.9 million, under the LFP's €224.5 million government-guaranteed loan (PGE). The PGE enables clubs to receive an amount equal to the media rights not paid by broadcasters Canal+ and BeIN. This income will be recognised in 2019/20 as "Other ordinary income and expenses".

Taking into account the various consequences of the health crisis detailed above and on a pre-audit basis, 2019/20 net income is expected to be negative, despite EBITDA that should total €45-50 million, or well into positive territory.

As of 30 June 2020, the Group also had €32.5 million in cash, plus undrawn RCF availability of €80 million, i.e. overall available cash of €112.5 million.

In addition, following a preliminary agreement from bank and bond lenders on 23 June 2020, OL subscribed to a €92.6 million PGE (loan guaranteed by the French government) on 23 July, with a maturity of 12 months. At the end of that period, the Group can exercise a 1-5-year amortisation option.

These financing arrangements strengthen OL Groupe's disposable cash in the context of the Covid-19 crisis and give the Group the flexibility it needs to plan for its future with confidence.

## **2/ OUTLOOK FOR THE START OF THE 2020/21 SEASON**

According to the measures currently in force and public health conditions permitting, professional sporting events will gradually ramp up, with stadium capacities limited to 5,000 people.

As of today, according to statements from the football authorities (LFP/FFF/UEFA), the following matches are expected to be played:

### Men's team

- the Coupe de la Ligue final against PSG on 31 July 2020;
- the second leg of the Champions League round of 16 against Juventus on 7 August in Turin (1-0 victory in first leg);
- French Ligue 1 fixtures of the 2020/21 season, set to begin on 23 August;

### Women's team

- the semi-final of the women's Coupe de France (against Guingamp) on 2 August;
- the quarter-final of the 2019/20 Women's Champions League against Bayern on 22 August in Bilbao;

### The OL Academy

- the quarter-final of the 2019/20 Youth League against Salzburg on 19 August in Nyon.

Depending on the club's results in the final of the Coupe de la Ligue and its record in the Champions League during the summer of 2020, the Group should be able to announce the potential repercussions of the Covid-19 crisis on the 2020/21 financial year.

Nevertheless, the Group believes that the following factors are likely to support growth in the business and mitigate the potential decline in revenue described above:

- Assuming OL performs equally well on the pitch, the Group should benefit from an increase of around €15 million in Ligue 1 media rights, compared with 2018/19, the most recent normative season. This is because the contracts signed with Mediapro, BeIN and Free represent total revenue of €1.2 billion per season for the 2020-24 period, i.e. 60% more than during the previous period.

Lyon, 23/07/2020

- Three major events have already been scheduled at Groupama Stadium: the France/Sweden match on 15 November 2020, the Felyn festival on 18 & 19 June 2021 and an Indochine concert on 26 June 2021, public health conditions permitting. The Rammstein concert has been postponed to 9 & 10 July 2021 (2021/22 financial year). The “Seminar and stadium tours” business started up again at the beginning of July, with restrictions on the number of participants.
- Sponsoring / advertising revenue (€27.2 million in 2019/20) is expected to grow significantly compared with the €31.3 million generated in 2018/19 owing to a new, five-year sponsorship contract with Emirates beginning this season. A new naming contract is still in discussion.

### **3/ ROADMAP TO 2023/24**

OL remains confident in its ability to achieve the objectives set for the period from now until 2023/24, as presented last February, i.e. total revenue of €420-440 million (including player trading) and EBITDA in excess of €100 million, assuming the current public health crisis is resolved in the short term. This is based on our “full entertainment” growth strategy oriented around our core business – football – and also on the development, diversification and recurrent nature of our “Events” programming, which includes, in particular, the operation of a new arena.

The projected schedule for the construction of new facilities on the site of OL City – now renamed “OL Valley” – has also been impacted by the Covid-19 pandemic. The leisure & entertainment complex is now expected to be inaugurated in early 2021, the “All in Tennis Academy” during the course of 2022 and the new arena will open for business near the stadium in the second half of the 2023 calendar year (provided the administrative authorisations currently underway are approved).

### **4/ NEW METHOD OF ACCOUNTING FOR PLAYER TRANSFERS AND CREATION OF AN ALTERNATE PERFORMANCE INDICATOR**

On 16 June 2020 IFRIC (the IFRS interpretations committee) published a decision concluding that revenue from player transfers could no longer be recognised as “revenue” and that only the gain or loss on the sale of player registrations should be recognised on a line dedicated thereto in the income statement.

For Olympique Lyonnais, player training and trading has always been an integral part of the Group’s business model. As proceeds from the sale of player registrations has been a recurrent, fully-fledged business activity in the strategic plan, these amounts had historically been recognised as revenue.

So as to track the Group’s overall business activity and how well it achieves its strategic plan, the Group has decided to create an Alternate Performance Indicator (API) as of 30 June 2020 called “Total revenue”. This indicator will correspond to the previous definition of “Total revenue”, i.e. revenue excluding trading plus proceeds from the sale of player registrations.

This change in the method of accounting for player trading will have no impact on EBITDA or on consolidated operating profit.

*“This document contains indications about OL Groupe’s goals. Known and unknown risks, uncertainties and other factors may affect the achievement of these goals, and consequently, OL Groupe’s future results, performance and achievements may differ significantly from implied or stated goals. These factors could include changes to the economic and business environment, regulations, and risk factors detailed in OL Groupe’s 2018/19 Universal Registration Document.”*

**Next press release: Full-year 2019/20 earnings on 6 October 2020 after the close of Euronext markets.**

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Euronext Paris - Segment B

Indices: CAC Small - CAC Mid &amp; Small - CAC All-Tradable - CAC All-Share – CAC Consumer Services

ISIN code: FR0010428771

Reuters: OLG.PA

Bloomberg: OLG FP

ICB: 5755 Recreational services

**APPENDICES****SPORTING RESULTS AS OF 30 JUNE 2020**

	<b>MEN'S TEAM</b>	<b>WOMEN'S TEAM</b>
<b>FRENCH LIGUE 1 / DIVISION 1</b>	7 <sup>th</sup>	1 <sup>st</sup>
<b>EUROPE</b>	<b>CHAMPIONS LEAGUE</b> Round of 16 qualification against Juventus (1-0 victory in first leg / Second leg on 7 August 2020 in Turin)	<b>CHAMPIONS LEAGUE</b> Qualified for Coupe de France quarter-final against Bayern Munich (22 August 2020 in Bilbao)
<b>COUPE DE FRANCE</b>	Defeated in semi-final (against PSG)	Qualified for semi-final against Guingamp on 2 August 2020
<b>COUPE DE LA LIGUE</b>	Qualified for final PSG/OL (31 July 2020)	-

**SUMMER 2020 TRANSFER WINDOW – TO DATE**

## Transfers in

- Karl Toko Ekambi from Villareal (Spain) – purchase option exercised: €11.5 million plus up to €4 million in incentives + 15% of the gain on a future transfer (or 50% if the transfer occurs before 15 September 2020).

## Transfers out

- Amine Gouiri to OGC Nice for €7 million + 15% of gain on a future transfer
- Yann Kitala to FC Sochaux for €0.3 million + up to €0.5 million in incentives + earn-out of 35% of the gain on a future transfer.
- Martin Terrier to Rennes for €12 million + up to €3 million in incentives + 15% of the gain on a future transfer + up to €2 or 3 million depending on the transfer price.
- Théo Ndiaka to Oostende (Belgium) for 30% of a future transfer
- Lucas Margueron to Clermont for 30% of a future transfer
- Oumar Solet to RB Salzburg for €4.5 million + up to €4 million in incentives + 15% of the gain on a future transfer