

2020 RESULTS IMPACTED BY THE CRISIS DEVELOPMENT IN CHINA STRENGTHENED BY AN EQUITY PARTNERSHIP WITH NEXUS POINT

GL EVENTS (ISIN: FR0000066672 - TICKER: GLO), THE INTEGRATED EVENT INDUSTRY GROUP,
ANNOUNCES ITS 2020 ANNUAL RESULTS.

GL events' Board of Directors, meeting on 4 March 2021, approved the annual financial statements for the fiscal year ended 31 December 2020. Audit procedures have been completed and the statutory auditors' report is in the process of being issued.

€m	2020	2019	2018	CHANGE 20/19	2020 IFRS 16	2019 IFRS 16
REVENUE	479.4	1,172.9	1,040.5	-59%	479.4	1,172.9
EBITDA ¹	-21.0	184.9	150.4	-111%	27.6	233.9
CURRENT OPERATING INCOME	-71.4	125.9	97.4	-157%	-63.3	132.9
<i>Current operating margin (% of sales)</i>	-14.9%	10.7%	9.4%	-25.6	-13.2%	11.3%
OPERATING PROFIT	-79.8	120.8	88.2	-166%	-71.6	127.8
EARNINGS BEFORE TAX	-93.3	109.9	74.5	-185%	-98.5	104.6
NET INCOME	-74.9	75.8	52.6	-199%	-78.2	72.1
Non-controlling interests	-0.6	20.7	10.3	-103%	-1.3	19.9
Net income attributable to Group shareholders	-74.3	55.1	42.2	-235%	-77.4	52.1

¹: EBITDA (earnings before interest, taxes, depreciation and amortisation) or "gross operating profit"

Olivier Ginon, GL events Group's Chairman commented: *"Following the quality year of 2019 that enabled us to achieve revenue of more than €1.1 billion, maintaining the trajectory of 40 years of growth, in 2020 GL events registered declines in revenue and earnings with a loss for the first time in its history. I wish to thank all Group employees for the efforts, spirit of solidarity and adaptability they demonstrated throughout this period. I also thank our financial partners and service providers for their loyalty and support to the Group. The event sector has been, and continues to be, particularly impacted by the health crisis. The year also demonstrated our agility and the strength of our business model. Adapting our calendar and the formats of events with an increased digital component, differential management according to the geographical evolution of the epidemic, a €190 million cost savings plan were all measures successfully implemented by our teams to preserve our activity and cash in a challenging context. Beyond this, we continued to focus on preparing for the future by mobilizing the entrepreneurial spirit which characterizes our teams: the acquisition of the CACLP exhibition in China, a major new management concession agreement in Sao Paulo and today, strengthening of our investment capacity in Asia through an equity partnership with Nexus Point. We are thus preparing for the rebound and the exit from the crisis with conviction."*

At the end of 2020, revenue amounted to €479.4 million. After a second quarter severely impacted by the initial lockdowns, activity began to steadily recover though significantly limited by successive government-order closures. Profitability was also impacted by the seasonal nature of the activity over the period as the epidemic evolved. On that basis, at 31 December, pre-IFRS EBITDA represented a loss of €21 million (€27.6 million on a post-IFRS 16 basis), with the €190 million cost savings plan mitigating the impact of lower sales on profitability. Current operating income on a pre-IFRS 16 basis represented a loss of €71.4 million (-€63.3 million on a post-IFRS 16 basis).

After other operating income and expenses representing a charge of €8.3 million, linked notably to reorganization and acquisition expenses and the reversal of the India litigation provision, net financial expense of €13.5 million (-€26.8 million post-IFRS 16) and tax income of €18.9 million from the recognition of deferred taxes, a net loss attributable to Group shareholders was recorded for the period of €74.3 million (-€77.49 million post-IFRS 16).

OPERATING PROFITABILITY BY DIVISION

GL events Live (€m)	2020 Reported basis	2019 Reported basis	2018 Reported basis
REVENUE	309.2	600.1	563.5
CURRENT OPERATING INCOME	-19.2	36.7	41.3
Current operating margin (% of sales)	-6.2%	6.1%	7.3%

GL EVENTS LIVE had revenue of 309.2 million, down 48.5% from 2019. This division displayed the most resilience to the crisis, helped notably by recurrent revenue from the activity of structures (€139 million), flagship contracts (Dakar, Grand Palais Ephémère, a remarkable collaboration between the RMN-GP, the OCOG and the architect JM Wilmotte, the Tokyo Olympic Games) and the delivery of several conventions and events in digital formats. Cost savings (€81 million) also helped limit the scope of the division's operating loss. Based on the above, on a pre-IFRS 16 basis, EBITDA remained positive at €10.6 million while the current operating margin was -6.2% .

GL events Exhibitions (€m)	2020 Reported basis	2019 Reported basis	2018 Reported basis
REVENUE	68.0	231.4	156.0
CURRENT OPERATING INCOME	-15.8	46.2	17.6
Current operating margin (% of sales)	-23.3%	20.0%	11.3%

GL EVENTS EXHIBITIONS had revenue of €68.0 million, down sharply (-70.6%) in a year marked by restrictions on public gatherings prolonged in Europe, South America and China in H1 2020. Overall, only 39% of planned exhibitions were held, as most of the portfolio's major events had to be postponed. The calendar of exhibitions and events was adjusted in response to each new development in the health crisis and according to the different geographies. Certain exhibitions were held in a digital format (Première Vision Paris, Global Industrie, Piscine Global, Expomin...) in order to maintain contact with exhibitors and attendees. Maintaining ties with the communities is a key factor in preparing for the recovery from the crisis and fully asserting GL events' role as a driver of economic sectors. An accommodative policy for reimbursing exhibitors was also adopted, including in cases of late cancellations of exhibitions. Overall, a

current operating loss was recorded, reflecting the impact of the decline in activity and expenses incurred for exhibitions ultimately banned. This loss was limited by €17 million in cost savings achieved by the division.

GL events Venues (€m)	2020 Reported basis	2019 Reported basis	2018 Reported basis
REVENUE	102.2	341.4	320.9
CURRENT OPERATING INCOME	-36.4	43.0	38.5
Current operating margin (% of sales)	-35.6%	12.6%	12.0%

GL EVENTS VENUES had revenue of €102.2 million, down 70.1% in response to mandatory closures gradually imposed by different governments. During the year, the Group was able to freely operate its sites in Europe with no restrictions for a period of just eight weeks. Overall, GL events Venues hosted 1,290 events in 2020 compared to 3,841 in 2019, a decrease of 66% in line with the decline in business. A majority of site delegating authorities / owners supported the Group by granting partial rent abatements or indemnities totalling €22 million for which the Group expresses its thanks. Savings achieved by the division amounted to €78 million in relation to 2019. Since the beginning of the health crisis, the Group continued to fulfil all its obligations in the areas of maintenance, upkeep, insurance and the security of the sites, ensuring in this way that they can be rapidly reopened as soon as public health restrictions are lifted. In addition, in response to the development of digital formats, GL events set up film and broadcast studios at a number of the Venues division's sites which offers an additional commercial advantage. In Sao Paulo, the 30-year concession management agreement awarded for the Anhembi event venue has also created a genuine opportunity for the Group. This is because the land reserves (270,000 sqm) attached to the concession should help finance the capital expenditures for renovating the exhibition venues. Numerous expressions of interest have been received to develop the area, confirming the Group's goal of strengthening its presence in this metropolitan hub of 22 million inhabitants.

FINANCIAL STRUCTURE

In 2020, GL events had net cash flows¹ of -€151 million (vs. €110 million in 2019), impacted mainly by the reduction in the net sources of funds (-€93 million)

Since the beginning of the crisis, GL events adopted measures to preserve its cash and financial structure. The payment of dividends for 2019 to GL events shareholders and minority shareholders was cancelled at the end of March 2020, preserving nearly €30 million in cash. The cost savings plan, initially announced in March 2020 at €40 million, was regularly adapted and expanded in response to the scope and length of the crisis. At the end of 2020, the cost savings achieved of €190 million made it possible to reduce fixed costs by 35% in relation to 2019. Investments for capital expenditures and acquisitions were also limited exclusively to those needed to prepare for the rebound in growth once the crisis is over. This represented €60 million and included amounts for the renewal of structures for the Live division, meeting the Group's obligations under the terms of the concession agreements for the Venues division as well as the acquisition in March 2020 of CACLP, the organising company of the Chinese trade show of the same name, the country's market leader in the fields of IVD (in vitro diagnostics) and clinical tests. GL events also took advantage of the governmental support measures and notably a €249 million government-backed loan. The Group was also supported

¹Cash flow net of tax+ WCR + Capex.

by its banking partners and bondholders which granted waivers without imposing additional fees for the fiscal year ended 31 December 2020.

All these different measures helped the Group preserve its cash position. To date, GL events has €450 million in cash, with a revolving credit facility in the amount of €100 million having been drawn at the end of February 2021². These cash resources will allow it to honour its obligations over the next 12 months. At 31 December 2020, net debt amounted to €681 million.

In light of the uncertainties that continue to surround the recovery of business, the Board of Directors has decided to not propose the distribution of dividend for fiscal 2020.

EQUITY PARTNERSHIP WITH NEXUS POINT: RESOURCES FOR DEVELOPING IN CHINA ARE STRENGTHENED

GL events strengthened its presence in China in 2019 and saw the relevance of this geographical diversification confirmed by the country's management of the health crisis. In this way, China was able to rapidly rebound and is now expecting growth in GDP for 2021 to reach 8.1%³.

On this basis, GL events, which intends to pursue its development in this region, announces the acquisition by Nexus Point, a private equity fund, of a stake in GL events Greater China, the holding company for the Group's Chinese and Hong Kong shareholdings. This transaction, based on a pre-money valuation of the shareholdings of €259 million⁴, will provide the Group additional financial resources to pursue its development through targeted acquisitions. Nexus Point will provide its knowledge of industry sectors, its resources and its expertise in identifying targets, completing transactions and experience in creating equity value.

Kuo Chuan Kung, Managing Partner of Nexus Point stated: *"Nexus Point concentrates on industry sectors benefiting from the growth of domestic consumption in China, notably business services, healthcare, the consumer market and education. The event industry is a sub-sector of business services whose potential was identified when Nexus Point was first created."*

Min Li, partner of Nexus Point, added: *"Nexus Point has a high degree of confidence in the event industry in China, particularly within the context of China's dual circulation strategy, the new national economic development model in which domestic circulation plays a dominant role. The event industry is a force in sustainable development which plays a vital role in Chinese economic growth. GL events has developed in China a unique integrated model covering the entire value chain of the event. The excellent local management team is also a key success factor for delivering added value to customers and stakeholders, fully in line with Nexus Point's own investment strategy for creating value."*

Nexus and GL events will invest €256 million through a capital increase. A first tranche will be carried out after completing the administrative procedures on the basis of €77 million for Nexus Point and €38 million for GL events. This will be followed by a second tranche once the acquisition decisions have been formalized (to be completed within 2 years), with €115 million for Nexus Point and €26 million for GL events. GL events will finance this transaction by funds

² At 31 December 2020, cash and cash equivalents amounted to €365 million (excluding the undrawn €100 million RCF).

³ Source: IMF January 2021

⁴ Exchange rate: € = RMB 7.80

drawn from its revolving credit facility. After completing these two capital increases, GL events and the local management will jointly hold 63% of the holding company (with 58% held by GL events).

This transaction validates the strategy implemented over the last 18 months and strengthens the value and quality of the assets held in China.

Nexus Point is a private equity fund specialised in opportunities in China⁵ by investing in companies to which it contributes significant strategic and operational value. It works in close collaboration with the founders and management teams to develop growth and long-term returns.

OUTLOOK

GL events is expecting the economic environment to remain uncertain and volatile in 2021, as a consequence of the COVID -19 epidemic. However, the businesses recovery remains dependent on the pace and scope of the vaccination campaigns and the policies for managing the health crisis. In this context, we expect the level of revenue to remain limited in the 2021 first quarter. Beyond this, and subject to positive developments with respect to the health conditions, we believe that the recovery will continue in 2021 though with differences according to regions.

- In Europe and South America, the Group is expecting a modest recovery starting in June, with the likelihood of continuing health restrictions imposed on the size of gatherings in an initial phase, followed by a recovery with the lifting of restrictions starting in September 2021;
- In Asia, the Group's activities are expected to continue under normal conditions with its calendar of events having been adopted for its three exhibitions in Beijing which will henceforth be spread out over the first half.

While GL events has benefited from measures made available under French common law (a national furlough scheme, exemption of social security charges and recourse to State-backed loans), they nevertheless remain limited in relation to the administrative restrictions imposed over the last year. In addition, it should also be noted that European countries, and Germany particular, have implemented since the start of the year massive support measures for the event industry sector, specifically designed for mid-size companies. GL events is continuing its efforts to convince French public authorities to confirm an exceptional aid initiative (adapted to the scope of financial shock incurred) for mid-sized companies of the French event industry. Such support would help it rapidly redeploy as the crisis subsides and ensure that it is not unfairly disadvantaged in international markets in relation to competition.

The GL events' fundamentals and strategy remain strong and robust. The Group will continue to take all necessary decisions in order to achieve results outperforming those of the sector as a whole.

The responsiveness, adaptability and professionalism of its teams will also enable GL events to address market needs as soon as the situation has once again become more favourable. GL events' entrepreneurial DNA will enable it prepare for the future of its businesses while remaining faithful to the underlying core values of the Group created more than 40 years ago. In this way, GL events will continue to innovate, exemplified by its open innovation programme launched in 2020 (in partnership with the voluntary-sector organization Matrice / Ecole 42) for students and young entrepreneurs. This partnership seeks to anticipate upcoming trends and

⁵ China, Hong Kong, Macau and Taiwan

identify new profiles and expertise in order to prepare for the rebound in business. In this context, 20 young candidates were selected to develop new concepts in collaboration with Group teams in order to develop new digital and CSR-focused offerings for our customers adapted to the evolving expectations and trends of our market.

Finally, with the equity partnership just concluded with Nexus Point and the major management concession agreement signed with Sao Paulo for the Anhembi event venue, the Group continues to demonstrate its ability to seize opportunities for creating long-term value.

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DEFINITIONS

- LFL: like-for-like defined as at constant structure and exchange rates (see the definitions below for "constant structure" and "constant exchange rates")
- 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

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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. The Group is listed on Euronext Paris, Compartment B (mid caps).

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