

GL EVENTS MAINTAINS POSITIVE MOMENTUM IN H1 2023 AND RAISES ITS FULL-YEAR GROWTH TARGET

GL EVENTS (FR0000066672, GLO), THE INTEGRATED EVENT INDUSTRY GROUP, ANNOUNCES ITS H1 2023 RESULTS.

- **H1 2023 revenue: €690m, +32 %**
- **EBITDA¹: €100m (14.4% as a percentage of revenue)**
- **Net profit attributable to Group shareholders: +88%**
- **FY 2023 growth target raised from 5% to 8%**

GL events' Board of Directors, meeting on 20 July 2023, approved the interim financial statements for the six-month period ending 30 June 2023. Audit procedures have been completed and the statutory auditors' report is in the process of being issued.

In €m pre-IFRS 16 & IAS 29	30/06/2023	30/06/2022	Change
Revenue	690.2	524.7	+32 %
EBITDA ⁽¹⁾	99.6	63.9	+56 %
<i>EBITDA margin</i>	<i>14.4 %</i>	<i>12.2 %</i>	<i>2.3 pt</i>
Current operating income	67.5	34.8	+94%
<i>Current operating margin</i>	<i>9.8%</i>	<i>6.6 %</i>	<i>-3.2 pts.</i>
Net profit	40.9	16.8	+143%
Net profit attributable to Group shareholders	31.6	16.8	+88%
<i>Net margin</i>	<i>4.6%</i>	<i>3.2 %</i>	<i>1.4 pts.</i>
EPS ⁽¹⁾ in euros	1.05	0.56	+88%

Olivier Ginon, Chairman-CEO of GL events Group, commented:

"GL events' strong momentum remains on track with revenue up 32% in the first half, driven by its strategy of combining the strengths of its three business divisions to provide an integrated offering: Live, Venues and Exhibitions. In recognition of its expertise, in June GL events was selected to provide overlay services for the 2024 Olympic and Paralympic Games venues in the heart of Paris, from the Champ de Mars to the Place de la Concorde, and throughout France in the stadiums of Bordeaux, Lille, Lyon, Marseille, Nantes, Nice and Saint-Etienne.

Meanwhile, as we expected, all our markets are returning to growth, in particular China, which enjoyed a very robust second quarter, and the Americas, with particularly good performances in Brazil and Chile.

¹ Definition provided at the end of the press release.

Our commercial efficiencies in all our markets provided the basis for good operating results, with EBITDA up 56% and operating profit up 94%, creating additional value for our shareholders.

This good first-half performance has allowed us to raise our target for growth in sales from 5% to 8% in 2023. In response, our operating margin will also continue to improve. We are accelerating the pace of our investments in the future while maintaining our objectives to reduce gross debt.

Looking to the future, GL events continues to invent sustainable worlds for the event industry, reflecting the ambitious ESG policy underpinning its strategy and commitments. During the period, the Group was granted the building permit, enabling it to begin installing a 13-hectare photovoltaic shading structure on the Eurexpo site in Lyon. For these reasons, I confirm my confidence in our Group and am particularly proud of the progress and advances made by our teams in France and around the world in the first half of 2023. ”

All regions where the Group operates displayed good momentum in the first half. For the six month period ended 30 June 2023, GL events' revenue grew 32% (29% LFL¹) to €690.2m, driven in particular by the strong rebound in Exhibitions and the business upturn in China beginning in the second quarter.

In H1 2023, the Group's EBITDA margin rose to 14.4%, mainly in response to:

- Strong growth in EBITDA of 56% to €100m in H1 2023 compared with €64m in H1 2022;
- A sharp rebound in business in China in the second quarter and continuing strong momentum in France and the Americas;
- Significant growth in profitability by the Venues and Exhibitions divisions.

After taking into account other operating income and expenses representing a charge of €3m, net financial expenses of €10.0m (-€18m under full IFRS) and a tax charge of €14m, net profit attributable to the Group amounted to €32m (€30m under full IFRS), up 88% from H1 2022 (€17m, €15m under full IFRS) thus resulting in a net margin of 4.6%.

EPS for H1 2023 on that basis rose 88% to €1.05.

GL events and all its employees are actively engaged each and every day in building a fairer and more sustainable events industry. GL events' ESG policy is continuing to meet its key long-term objectives by reducing energy consumption and the use of consumables by 25% in relation to 2019.

¹ Definition provided at the end of the press release.

REVENUE AND PROFITABILITY BY DIVISION

GL events Live (€m) pre-IFRS 16 & IAS 29	30/06/2022	30/06/2023	Change
Revenue	302	367	22 %
EBITDA	29	34	16 %
<i>EBITDA margin</i>	<i>9.7%</i>	<i>9.2%</i>	<i>-0.4 pts.</i>
Current operating income	11	10	-13 %
<i>Current operating margin</i>	<i>3.7%</i>	<i>2.6%</i>	<i>-1.1 pts.</i>

GL EVENTS LIVE registered strong growth in H1 2023. This performance reflected the contributions of major contracts in a wide range of sectors, but also global events, especially in sports, with the Roland Garros French Tennis Open and the Monte Carlo Rolex Tennis Masters tournament, motor racing with the Monaco Formula 1 Grand Prix and the 24 Hours of Le Mans Auto, and equestrian sports with the Saut Hermès international jumping show. The first half also benefited from the return of major international events such as the Cannes Film Festival and the Paris Air Show, at also corporate events, like the Dassault Systèmes Business Convention and the Christian Dior Homme & Haute Couture fashion shows. GL events Live's revenue rose 22 % to €367.3m, an increase of 18 % LFL¹.

This division, which displayed the most resilience during the COVID-19 crisis, recorded growth in EBITDA¹ of 16% to €33.9m compared with 2023, whereas the EBITDA margin declined by 40 basis points to 9.2%. At the same time, current operating income declined 13% to €9.7m, resulting in a current operating margin of 2.6%. This contraction in the operating profitability in H1 was the result of lower margins in France (structures and services), very low margins for mega events and higher fixed costs. GL events Live is expecting its margins to improve in H2 2023 after adopting a plan for implementing higher sales prices and optimizing fixed costs.

GL events Exhibitions (€m) pre-IFRS 16 & IAS 29	30/06/2022	30/06/2023	Change
Revenue	73	144	97 %
EBITDA	9	33	259 %
<i>EBITDA margin</i>	<i>12.7 %</i>	<i>23.0 %</i>	<i>10.4 pt</i>
Current operating income	8	33	318 %
<i>Current operating margin</i>	<i>10.9 %</i>	<i>23.1 %</i>	<i>12.2 pt</i>

GL EVENTS EXHIBITIONS delivered an excellent performance, with revenue nearly doubling to €143.6m, up 97% on a reported basis and LFL¹. The division has benefited from a favourable biennial effect (SIRHA, Expomin) and strong momentum by B2B exhibitions like Hyvolution, Be Positive, CFIA and Global Industrie in France. It also benefited from the rebound in activity in China in Q2, in particular with the 19th China Association of Clinical Laboratory Practice Expo (CACLP) and ISH

¹ Definition provided at the end of the press release.

Beijing. While some of the Group's exhibitions are recovering more slowly, reflecting difficulties experienced in certain industry sectors (fashion in Europe, construction in China), it is deploying the human and marketing resources needed to take advantage of the rebound.

The division's profitability rose significantly, with EBITDA¹ reaching €33.1m, up from €9.2m in H1 2022, while its EBITDA margin increased from 12.7% to 23%. The current operating margin reached 23.1%, driven notably by the recovery in China, a favourable biennial effect, the success of B2B exhibitions, and tight controls over fixed costs.

By acquiring a 51% stake in Première Vision in H1, GL events Exhibitions became the sole shareholder in the world's leading exhibition for the upstream*** fashion industry.

GL events Venues (€m) pre-IFRS 16 & IAS 29	30/06/2022	30/06/2023	Change
Revenue	150	179	19 %
EBITDA	26	33	28 %
<i>EBITDA margin</i>	<i>17.0 %</i>	<i>18.2 %</i>	<i>1.2 pt</i>
Current operating income	16	25	56 %
<i>Current operating margin</i>	<i>10.4 %</i>	<i>13.7 %</i>	<i>3.2 pt</i>

GL EVENTS VENUES continued to perform well with revenue of €179.2m, up 19% in the same period in 2022 and 20% LFL.¹. After gradually returning to its pre-pandemic level, the division's positive momentum, combining growth in revenue and profitability, remains on track. On that basis, GL events Venues' EBITDA¹ grew 28% to €32.6m while its current operating margin gained 320 basis points from H1 2022. Profitability has also improved for the Venues division which benefits from contributions of major destinations (Sao Paulo, Rio de Janeiro, Paris, Lyon and Budapest), optimised management of increased energy costs and tight control over personnel costs.

FINANCIAL STRUCTURE

On June 30, 2023, in line with its ambitious investment plan and with net sources of funds at a low point (consumption of exhibition deposits for H1 2023), GL events generated operating cash flow of €27m. After taking into account acquisitions (€63m), debt servicing and dividend payments, GL events' net debt rose in the period by €68m to €560m. At June 30, 2023, GL events had a cash position of €577m (€637m including undrawn credit lines). After adjusting for acquisitions during the period, the Group's net debt (€484m) remained largely stable in relation to December 31, 2022 (€492m).

At the same time, GL events continued to successfully refinance and extend the maturity of its debt which was thus increased to 3.7 years. A number of major refinancing operations were completed by GL events since the beginning of the year. On this basis, the Group today announces the refinancing of a €60m Euro PP (including €26m with a 7-year maturity and €34m with an 8-year maturity), in addition to bank refinancing of €70m and the renewal of a €150m revolving credit facility (RCF) completed in H1 2023.

¹ Definition provided at the end of the press release.

At June 30, 2023, the Group's financial leverage ratio stood at 2.7 and 2.5 based on the calculation methods provided for in the financing agreements, versus a contractual maximum of 3.5.

ESG

During the first half, GL events continued to successfully execute its ESG programmes and raised its targets for reducing its carbon footprint, limiting the use of disposables, maximising its circular economy performance and promoting diversity and regional development.

Notable achievements in the period included increasing the Group's rate of renewable electricity use from 52% in 2022 to 54%, with 100% of Venues sites in France now supplied by green electricity. GL events also further reduced its electricity consumption by introducing a special energy conservation plan for the summer period.

To maximise its circular economy performance and limit the use of disposables, the Group has ramped up its environmental innovation campaigns and launched a wide-ranging life cycle and sustainability analysis, with an investment plan already underway for overlay operations.

The Group also stepped up its social initiatives in the first half by for example working with the French national network of sheltered work establishments (GESAT), to increase the volume of responsible purchasing, or community-based social integration organisations: AES/Les Canaux and Sport dans la Ville.

2023 TARGETS

Thanks to the robustness of its business model, Group growth momentum remained on track in H1 2023, driven in large part by the rebound in the European exhibition market, the business recovery in China and the vitality of the Brazilian economy.

After a better-than-expected performance in H1 2023 within a geopolitical context that continues to be uncertain and a record level of activity in H2 2022, the Group has raised its guidance for 2023 as follows:

- Growth in full-year revenue of approximately 8% compared to 5% initially announced;
- An improvement in the Group's margin rate.

In response to this improved visibility, GL events is accelerating its investments for the future with, in addition to the targeted acquisitions of €62m in H1 2023, a revised Capex programme of €100m for 2023, including €40m for the renovation of the Anhembi site in São Paulo, Brazil.

The Group is also continuing to roll out its ESG policy in line with the plan of January 2023.

FINANCIAL INFORMATION MEETING

GL events H1 2023 results will be presented at a financial information meeting to be held on Friday 21 July 2023 at 10:00 a.m. CEST at :

Paris Invalides by GL events, 2 rue Robert Esnault Pelterie, 75007 Paris, France.

This meeting will be presented by **Olivier Ferraton** - Deputy Managing Director and **Sylvain Bechet** - General Manager, Chief Financial and Investment Officer.

Attendance at this meeting is open to investors by invitation only. For additional information, please contact infos.finance@gl-events.com.

NEXT PRESS RELEASE:

- Q3 2023 revenue – 18 October 2023 (after the close of trading)

ABOUT GL EVENTS

www.gl-events.com



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 200 proprietary trade fairs covering a wide range of sectors: food industry, culture, textiles, manufacturing... **GL events Venues** manages a network of 59 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 5,119 employees. GL events is listed on Euronext Paris, Compartment B (mid-caps).

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FINANCIAL STATEMENT HIGHLIGHTS

GL events' consolidated income statement

€m	30/06/2022	30/06/2023	30/06/2022 (Full IFRS)	30/06/2023 (Full IFRS)
Revenue	525	690	524	687
Purchases and external charges	-336	-417	-309	-385
Personnel expenses and employee profit sharing	-127	-165	-127	-165
Taxes and similar payments	-7	-10	-7	-10
Other current operating income and expenses	9	1	9	1
EBITDA	64	100	90	129
<i>EBITDA margin</i>	<i>12.2 %</i>	<i>14.4 %</i>	<i>17.2 %</i>	<i>18.7 %</i>
Amortisation, depreciation and provisions	-29	-32	-50	-56
Current operating income	35	67	40	73
<i>Current operating margin (%)</i>	<i>6.6 %</i>	<i>9.8 %</i>	<i>7.6 %</i>	<i>10.6 %</i>
Other non-current income and expenses	-4	-3	-4	-3
Operating profit	31	64	36.3	70
Net financial income (expense)	-6	-10	-14	-18
Profit /(loss) before tax	25	54	22	52
Corporate income tax	-8	-14	-7	-13
Net profit / (loss) of consolidated companies	17	41	15	39
Income (loss) from equity-accounted investees	0	0	0	0
Net profit	17	41	15	39
Non-controlling interests	0	-9	0	-9
Net profit / (loss) attributable to shareholders (Group share)	17	32	15	30
<i>Earnings per share (€)</i>	<i>0.56</i>	<i>1.05</i>	<i>0.51</i>	<i>1:01</i>

GL events' consolidated balance sheet

€m	30/06/2023	IFRS 16 & IAS 29 impact	30/06/2023 Full IFRS
Goodwill	825	3	827
PPE & intangible assets	398	1	399
IFRS 16 concessions and leases	0	499	499
Rental equipment assets	155	0	155
Financial assets	85	0	85
Deferred taxes	18	6	23
Net source of funds (negative WCR)	-299	0	-299
Assets to be financed	1.181	508	1.689
Equity	586	-14	572
Provisions for contingencies and expenses	35	0	35
Pre-IFRS 16 net debt	560	0	560
IFRS 16 lease liabilities	0	522	522
Total Financing	1.181	508	1.689

GL events' consolidated cash flow statement

(€ thousands)	30/06/2023	31/12/2022	30/06/2023 Full IFRS	31/12/2022 (Full IFRS)
Cash and cash equivalents at the beginning of the year	619,848	624,640	619,848	624,640
CASH FLOWS FROM OPERATING ACTIVITIES				
Net profit	31,596	57,105	31,596	57,105
Adjustments to reconcile profit (loss) to net cash provided by operating activities:				
Amortisation, depreciation and provisions	29,769	61,379	29,769	61,379
Other non-cash income and expenses	(2913)	(3,137)	(2913)	(3,137)
Gains and losses on disposals of fixed assets	(1,354)	(1,487)	(1,354)	(1,487)
Share of consolidated subsidiaries' net income attributable to non-controlling interests	9,257	7,325	9,257	7,325
Share in income of equity affiliates	(352)	480	(352)	480
Cash flow	66,003	121,665	66,003	121,665
Cost of net financial debt	8,692	13,523	8,692	13,523
Tax expense (including deferred taxes)	13,614	17,054	13,614	17,054
Cash flow before net interest expense and tax	88,309	152,243	88,309	152,243
Income tax payments	(8,878)	(13,095)	(8,878)	(13,095)
Change in inventories	(4,753)	(6,677)	(4,753)	(6,677)
Change in accounts receivable, discounted notes, deferred income	(40,729)	42,263	(40,729)	42,263
Change in accounts payable, deferred charges	36,873	(6,339)	36,873	(6,339)
Other changes	14,990	25,059	14,990	25,059
Change in working capital requirements	6,381	54,307	6,381	54,307
Net cash provided by (used in) operating activities (A)	85,812	193,454	85,812	193,454
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of intangible fixed assets	(3,845)	(3,643)	(3,845)	(3,643)
Acquisition of tangible assets and capitalised rental equipment	(55,378)	(57,110)	(55,378)	(57,110)
Disposals of tangible and intangible assets	495	2,683	495	2,683
Investment grants received	37	49	37	49
Acquisitions of financial assets	(3,015)	(10,069)	(3,015)	(10,069)
Disposal of investments and other non-current assets	320	(58)	320	(58)
Net cash flows from the acquisition and disposal of subsidiaries	(62,701)	(32,552)	(62,701)	(32,552)
Net cash provided by (used in) investing activities (B)	(124,088)	(100,700)	(124,088)	(100,700)
NET CASH FROM FINANCING ACTIVITIES				
Capital increase				
Dividends paid to shareholders of the parent				
Dividends paid to non-controlling shareholders of consolidated companies	(3,446)	(7,401)	(3,446)	(7,401)
Other changes in equity	(1,171)	(4,294)	(1,171)	(4,294)
Change in borrowings	(280)	(69,986)	(280)	(69,986)
Cost of net financial debt	(8,692)	(13,523)	(8,692)	(13,523)
Net cash provided by (used in) financing activities (C)	(13,589)	(95,205)	(13,589)	(95,205)
Effect of exchange rate fluctuations on cash (D)	(2,031)	(2,341)	(2,031)	(2,341)
Net change in cash & cash equivalents (A + B + C + D)	(53,896)	(4,792)	(53,896)	(4,792)
Cash and cash equivalents at year-end	565,952	619,848	565,952	619,848

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)

Organic growth: growth in revenue excluding changes in the scope of consolidation

Constant structure

- For acquisitions of the period: by adding to revenue of prior periods the sales of the acquired company
- 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

- Measurement of leases in the balance sheet under assets (right-of-use assets), with the recognition of a corresponding debt under liabilities (lease liabilities)
- A portion of lease payments is recognised under operating expenses ("amortisation") and a portion under financial expense ("cost of debt")
- Covenants are determined excluding the application of this standard.

IAS 29: Financial Reporting in Hyperinflationary Economies for the Group, Turkey is included in the list of countries covered by this standard. In consequence, the accounts of the Group's Turkish companies are henceforth translated at the closing rate and no longer at the average rate for the period.