

# IMPACT OF COVID-19 CANCELLATION OF THE DIVIDEND POSTPONEMENT OF THE AGM

**GL EVENTS (ISIN: FR0000066672 - TICKER: GLO), THE INTEGRATED EVENT INDUSTRY GROUP,  
ANNOUNCES THE MODIFICATION OF THE DIVIDEND DISTRIBUTION PROPOSAL FOR FISCAL 2019  
AND THE POSTPONEMENT OF THE DATE OF THE ANNUAL GENERAL MEETING**

On 26 March 2020, GL events' Board of Directors met for an update on the situation of the Group in the face of the Covid-19 pandemic and to reconsider the distribution of the dividend for fiscal 2019.

Olivier Ginon, GL events Group's Chairman commented: *"Given the scale of the global health crisis linked to the spread of Covid-19, our priority is to ensure the protection of all our employees and stakeholders. GL events is thus taking all necessary measures in accordance with the recommendations of the competent health and governmental authorities. To guarantee business continuity, the Group's working practices have been adapted to maintain the quality of its services in a totally secure manner. I would like to thank all staff for their engagement in the performance of their day-to-day activities and for their exemplary attitude and spirit of solidarity during this complex period."*

## UPDATE ON THE IMPACT OF COVID-19

Since January, the Group has been taking measures to deal with the epidemic. Starting with the confinement of 500 employees in China, this measure was subsequently extended to all 5 continents. A Covid-19 crisis unit was activated and practical measures have been adopted to safeguard the safety and health of its employees, customers, partners and suppliers.

Today, all the Group's sites (Venues division) have been temporarily shuttered with the exception of the Aichi International Exhibition Centre in Japan. The delivery of services (Live division) has been largely interrupted, except in Dubai and China. In France and other countries, measures have been adopted in response to the health crisis. All exhibitions organised by the Group (Exhibitions division) in March and April have been postponed to the second quarter and the second half of 2020.

The Group is studying country by country the support measures implemented by the different governments and which include recourse to short-time working arrangements in Holland, Italy, Turkey and Spain... In France 2,240 employees have been placed on leave and 550 are telecommuting. In China, after a two-month shutdown, activity has now resumed.

The Group's administrative and commercial departments are operational and have adapted to this exceptional situation (telecommuting, job rotation measures, etc.).

As expected, business in the 2020 first quarter will be severely impacted by the closure of sites, the two-month shutdown in China and the postponement of exhibitions. In light of the rapid evolution of the pandemic and uncertainties regarding the duration and scale of the health crisis, the Group at present is not in a position to estimate the global impact on its accounts for 2020.

In response to this significant decline in activity, a drastic cost reduction plan amounting to €40 million was adopted in order to focus the deployment of cash resources on the Group's strategic needs while maintaining an organisation fully prepared for the resumption of activity. The Group also reviewed its capital expenditure budget for the current period. In response, this budget was very significantly reduced, representing savings of €30 million. Investments for the year are now expected to be limited to between €25 million and €30 million.

In line with the message of the French President, notably concerning the socioeconomic dimension, and following the administrative closures and application of strict confinement measures, owners of exhibition parks, convention centres, reception venues, offices and warehouse facilities have been contacted to obtain reductions in rent payments.

The aid of government and regional authorities has also been solicited to prepare and support the entire event industry sector when activity resumes. Strong stimulus measures will need to be adopted to lay the foundations for a rapid rebound after the crisis for all players of the French event industry sector.

All these measures, combined with a solid balance sheet, will enable GL events to surmount this crisis of unprecedented proportions.

Finally, the Group has demonstrated its solidarity through its own initiatives to combat the spread of the virus. In January, protective masks were sent to China and in March 20,000 masks were made available to hospitals and clinics in Lyon. GL events has also provided temporary emergency structures to address the growing need for beds in the French regions most affected (Ile de France, the Grand Est) and severely impacted international destinations.

## **CANCELLATION OF THE DIVIDEND**

In light of the current global economic situation and to preserve the Group's cash resources, the Board of Directors decided to cancel the distribution of the dividend for fiscal 2019, initially set at €0.72 per share.

In light of the implementation of the special short-time working measures and the solicitation for support measures from different institutions, it would be inconceivable for the Group to maintain the distribution of a dividend.

GL events will seek to apply this policy in all group companies that include minority shareholders.

This decision will enable the Group to conserve cash resources of more than €30 million.

## A NEW DATE FOR THE ANNUAL GENERAL MEETING

To make it easier for a larger number of its shareholders to attend, the Board of Directors has decided to postpone the holding of the annual general meeting to Friday, 19 June 2020 (initially scheduled for Friday, 24 April 2020).

The financial information reporting schedule has also been modified: Q2 2020 sales will be released on 23 July 2020, the H1 2020 accounts will be published on 15 September 2020 and the presentation meeting will be held on 16 September 2020.

### NEXT PRESS RELEASE: Q1 2020 SALES: 21 APRIL 2020 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** offers expertise covering all business line specialisations and services for corporate, institutional and sports events to provide 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 5,000 employees. The Group is listed on Euronext Paris, Compartment B (mid caps).



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