

H1 2022 RESULTS:

REBOUND IN BUSINESS AND PROFITABILITY

REVENUE: +150 %

GROWTH IN EBITDA: +€66M

2022 ANNUAL REVENUE GUIDANCE RAISED

GL EVENTS (ISIN: FR0000066672 - TICKER: GLO), the integrated event industry group, announces its 2022 first-half results.

GL events' Board of Directors, meeting on 21 July 2022, approved the interim financial statements for the six-month period ending 30 June 2022. The auditors have completed their limited audit review and their report is in the process of being issued.

(€m)	30/06/2022 pre-IFRS 16 & IAS 29	30/06/2021 pre-IFRS 16 & IAS 29
Revenue	524.7	209.8
EBITDA ¹	63.9	-2.4
EBITDA margin (%)	12.2 %	-1.2 %
Current operating income	34.8	-28.0
Current operating margin (%)	6.6 %	-13.3 %
Net profit	16.8	-27.7
Net profit attributable to Group shareholders	16.8	-30.1
Net margin	3.2 %	-14.4 %

Olivier Ginon, Chairman-CEO of GL events, commented: "After being adversely impacted by the health crisis for two years, Group revenue and profitability rebounded significantly in the 2022 first half, with revenue surging 150% as the second quarter ended well above pre-crisis levels. On that basis, the EBITDA margin rose to 12.2 %. This performance was all the more remarkable considering that activity in China continues to be limited by the zero-COVID policy while in January Europe was still impacted by government-order closures. I would like to thank all of our employees for their responsiveness and dedication in meeting the high demand of our customers. If the global trend remains on track, the second half should be even more dynamic and enable us to achieve growth in annual revenue for 2022 of more than 45%."

GL events reported revenue for the six-month period ending 30 June 2022 of €524.7 million, up 150% in relation to H1 2021 (+138% LFL¹), highlighting the strength of the recovery in all regions where the Group is present, with the exception of China. Sequential growth continued to build momentum, from €220 million in Q1 to €304 million in Q2, significantly exceeding the pre-health crisis level of Q2 2019.

¹ Definitions are provided at the end of the press release.

The significant rebound in business combined with continuing cost control measures has in turn fuelled strong growth in the Group's profitability. On that basis, EBITDA reached €63.9 million (-€2.4 million at 30 June 2021) with an EBITDA margin of 12.2% (-1.2% at 30 June 2021). Savings on fixed costs compared to 2019 reached €13 million in H1 (€17 million at constant structure), on track to meet a target of €20 million for the year.

Current operating income rose nearly €63 million compared to H1 2021 (from -€28.0 million to +€34.8 million) accompanied by a current operating margin of 6.6%.

After other non-current income and expenses of €3.5 million, an increase of nearly €1 million in net financial income and a tax expense of €7.7 million (tax income at 30 June 2021 of €11.7 million), net profit for H1 2022 amounted to €16.8 million, compared to a net loss of €27.7 million for the same period in 2021.

REVENUE AND PROFITABILITY BY DIVISION

GL events Live (€m)	30/06/2022	30/06/2021
Revenue	301.7	131.0
Current operating income (pre-IFRS 16)	11.2	-17.1
Current operating margin (%)	3.7 %	-13.0 %

GL events LIVE had revenue of €301.7 million for the half-year period ending 30 June 2022, higher than the same periods in 2019 (€275.4 million) and 2018 (€283.6 million), despite a modest contribution from mega events during the period (€35 million). This performance is driven by the group's ability to organise events of various sizes, sectors and audiences, which has enabled GL events to fully capitalise on demand for physical events after the two year-long health crisis. During the first half, GL events on that basis contributed to cultural (e.g. the Cannes Film Festival), institutional (e.g. the French Presidency of the Council of the European Union), sports (e.g. tennis, formula 1, skiing) and corporate events and conferences. The Structures business line is also continuing to show growth with €100 million in revenue in H1 compared to €61 million for the same period in 2021. Despite the inflationary pressures (raw materials, transport, energy, etc.), GL events Live's operating margin significantly improved in H1 to 3.7% compared to -13.0% in H1 2021. For this division, the Group achieved savings of €3 million in savings in relation to fixed costs of 2019.

GL events Exhibitions (€m)	30/06/2022	30/06/2021
Revenue	72.8	51.7
Current operating income (pre-IFRS 16)	8.0	17.9
Current operating margin (%)	10.9 %	34.7 %

GL events Exhibitions had revenue of €72.8 million in H1 2022, a 41% increase from one year earlier. The Exhibitions business was adversely affected by the health situation in China, which weighed on the division's revenue and profitability. Despite total savings of €3 million in relation to 2019, the current operating margin declined to 10.9%, resulting in current operating income of €8.0 million. GL events has again demonstrated its agility and pragmatism, by postponing certain Chinese exhibitions, a measure expected to improve the outlook for the Exhibitions division in the second half in China.

GL events Venues (€m)	30/06/2022	30/06/2021
Revenue	150.2	27.2
Current operating income (pre-IFRS 16)	15.7	-28.8
Current operating margin (%)	10.4 %	-106.1 %

GL events Venues has staged a strong recovery as the Group's event venues have reopened for business. The division's had revenue of €150.2 million in the first half, approaching the pre-health crisis level of 2018, a year with a comparable biennial profile. Its profitability has improved in line with this trend, with current operating income of €15.7 million and a current operating margin of 10.4%. This was accompanied by significant savings in fixed costs which remained at a high level in relation to 2019 (€7m). Finally, the network has continued to expand, with most recently the addition of the 6 event venues of the City of Orléans under a 9-year concession starting on 1 January 2023.

FINANCIAL STRUCTURE

At the end of June 2022, GL events' cash position remained high at €585 million, which includes €61 million in debt repayments during the period (of which €40 million in RCFs).

Operating cash flow in the 2022 first half amounted to €43 million, or 8.2 % as a ratio to sales. As a reminder, at the end of H1 2021 this aggregate was negative, representing an outflow of €62 million. Operating investments (net of disposals) amounted to €23 million and outflows for acquisitions amounted to €18 million. After financial investments (-€10 million), borrowing costs and exchange rate fluctuations, net debt decreased €17 million to €549 million at 30 June 2022 (€566 million at the end of December 2021). Based on the above, the year-on-year financial leverage ratio amounted to 2.97.

THE GROUP WINS A NEW CONTRACT FOR THE 2022 FOOTBALL WORLD CUP

The Group was awarded a contract for the entire construction project for a temporary event zone, "La Corniche", to be installed for the duration of the Football World Cup in Qatar. The services to be provided by the Group's teams cover construction and installation (structures, signage, furniture, energy, etc.), managing the programme of events and the operational management of the area. The services provided under the new contract will generate €45 million in total billings.

As a reminder, during the Football World Cup in Qatar, the Group will also be responsible for power generation and distribution, the development of hospitality areas, a portion of the broadcast centre equipment and brand activation for certain event partners.

OUTLOOK

The strong growth momentum registered by GL events in H1 2022 is expected to continue in the second half. In this context, the Live and Venues divisions are experiencing strong growth in business. The Live division is notably expecting significant activity for mega events in H2 2022 (Commonwealth Games in Birmingham, Football World Cup in Qatar, the World Athletics Championship in Oregon and COP 27 in Egypt, etc.). The Exhibitions business appears to be on track to maintain its growth momentum in H2 2022. In South America, Q2 2022 results offer encouraging signs for positive business trends in the upcoming months. In Asia, and particularly in China, the Group is expecting an upturn in the second half, particularly in southern China, though little or no activity in Beijing.

In light of these factors, and based on an assumption that the overall business environment remains stable, GL events has raised its guidance for annual revenue growth. The Group is accordingly now expecting growth of more than 45%, up from prior guidance of 30%.

Like all companies, GL events is required to adjust to the consequences of inflationary pressures (raw materials, transport, energy, etc.) and is in consequence closely monitoring the situation.

In this context, the Group will carefully monitor and manage its investments and costs, maintaining €20 million in fixed cost savings in 2022 compared to 2019, while continuing to reduce its debt. For FY 2022, GL events confirms its target for positive operating cash flow generation of approximately €100 million.

Finally, the Group is continuing to focus on its CSR commitments and ramp up its efforts by adding a CSR director to its executive Committee as of 1 July 2022.

**NEXT PRESS RELEASE:
Q3 2022 REVENUE: 19 October 2022 AFTER THE CLOSE OF TRADING**

FULL IFRS FINANCIAL DATA

€m	30/06/2022	IFRS 16 & IAS 29 impact	30/06/2022 Full IFRS	30/06/2021 Full IFRS
Revenue	524.7	-0.9	523.9	209.8
EBITDA (1)	63.9	26.4	90.3	22.2
<i>EBITDA margin (%)</i>	<i>12.2 %</i>		<i>17.2 %</i>	<i>10.6 %</i>
Current operating income	34.8	5.0	39.8	-23.7
<i>Current operating margin (%)</i>	<i>6.6 %</i>		<i>7.6 %</i>	<i>-11.3 %</i>
Net profit / (loss)	16.8	-2.0	14.8	-29.3
Net profit / (loss) attributable to shareholders (Group share)	16.8	-1.6	15.2	-31.4
<i>Net income attributable to owners of the company</i>	<i>3.2 %</i>		<i>2.9 %</i>	<i>-15.0 %</i>

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")
- Cash flow net of tax +/- WCR + capital expenditures
- 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.

- 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.

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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 52 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 4,700 employees. GL events is listed on Euronext Paris, Compartment B (mid-caps).

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