



Emerald Holding, Inc.

Third Quarter 2023

November 6, 2023

Forward-Looking Statements

The information provided in this presentation is for general informational purposes only. This document contains certain forward-looking statements regarding Emerald Holding, Inc. and its subsidiaries (the “Company”), including, without limitation, the Company’s ability to continue staging live events and scale its business beyond pre-COVID levels; expectations regarding interest rates and economic conditions and the Company’s 2022 and 2023 financial guidance expectations. These statements are based on management’s current expectations as well as estimates and assumptions prepared by management as of the date hereof, and although they are believed to be reasonable, they are inherently uncertain and not guaranteed. These statements involve risks and uncertainties outside of the Company’s control that may cause actual results, performance, or achievements, to differ materially and there can be no assurance that the projected results and forward-looking statements in this presentation will prove to be accurate. Forward looking statements include all statements that are not historical facts and can be identified by terms such as “anticipate,” “believes,” “could,” “estimate,” “expect,” “intend,” “may,” “might,” “objective,” “ongoing,” “plan,” “potential,” “predict,” “project,” “should,” “target,” “will,” or “would” or similar expressions and the negatives of those terms. In particular, statements regarding the post-pandemic recovery for live events, expected free cash flow generation, and the multiple avenues to return to organic growth are each forward-looking statements among others. See “Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements” in the Company’s most recently filed periodic reports on Form 10-K and Form 10-Q and subsequent filings. The Company disclaims any obligation to update or revise any of the forward-looking statements contained herein, whether as a result of new information, future events or otherwise, or with respect to ongoing insurance recovery amounts. Past results are not indicative of future performance.

Participants



Hervé Sedky

President and Chief Executive
Officer



David Doft

Chief Financial Officer

Key Q3 2023 Takeaways



- ✓ Sustained recovery trend in live events is driving significant year-over-year growth, supported by ongoing improvements in customer supply chains and a rebound in international travel
- ✓ Trajectory of recovery and forward visibility into event bookings supports updated outlook of \$385-395 million in Revenue and \$95-100 million in Adjusted EBITDA in FY 2023
 - ✓ Cautious advertising spend in the technology sector drove softness in Emerald's Content business, contributing to a slightly lower revenue and Adjusted EBITDA outlook than previously forecast
 - ✓ Target to expand Adj. EBITDA margins from ~25% implied in 2023 guidance to 35%+ historical levels over time
- ✓ Emerald continues to launch and acquire new products and services that are complementary to its core business to better support customers year-round
- ✓ Diversified portfolio across multiple sectors with countercyclical benefits
- ✓ Continue to generate positive free cash flow, supported by low-CAPEX requirements and working capital dynamics of events business where cash is collected in advance of an event staging

Revolutionizing the Trade Show Model

Integrating technology and first party data to create a next-generation B2B platform



Emerald's Core Services

Connections

(88% of YTD 2023 Revenue)⁽¹⁾



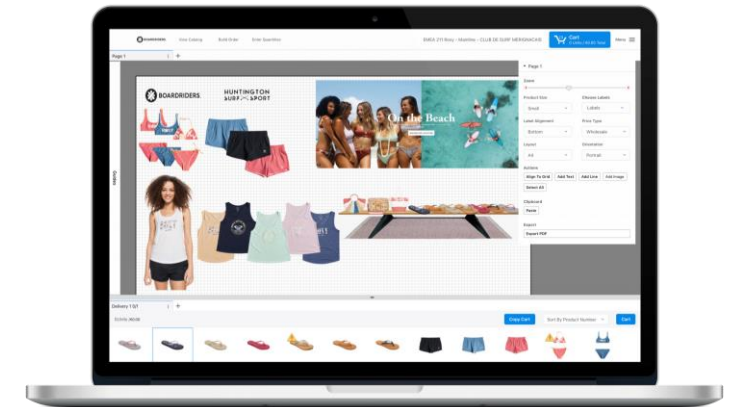
- Collection of leading B2B trade shows and conferences that bring together industry-specific communities
- Revenue is generated from the production of trade shows and conference events, including booth space sales, registration fees and sponsorship fees

Content



- B2B websites and publications that provide industry specific business news and information across 20 sectors
- Revenue primarily consists of advertising sales for industry publications and digital products

Commerce



- SaaS software enables year-round B2B buying and selling which averages \$1 billion per month of wholesale gross transaction volume
 - Grew customer base by 30% YoY in 2022 with net revenue retention rate of 110%
- Revenue consists of subscription revenue, implementation fees and professional services

⁽¹⁾ Through September 30, 2023. Includes revenue from Trade Shows and Other Events.

Enduring Value of Trade Shows



⁽¹⁾ Source: Freeman, New Freeman Research Shows an Accelerated Return to In-Person Events.

⁽²⁾ Source: TSL, 2023 150+ Trade Show Stats That Reveal All.

⁽³⁾ Source: CEIR, Omnichannel Marketing Insights Report 1.

⁽⁴⁾ Source: Gartner, What Marketing Budgets Look Like in 2022.

⁽⁵⁾ Source: PwC, Global Entertainment & Media Outlook 2022-2026.

Three Pillars of Value Creation

Emerald's focus is on maximizing value of operations and expanding offerings



Customer Centricity



- Hired a head of product to action the holistic consolidated customer database
- 3-year brand operating plans across portfolio
- Value-based pricing structure
- Rigorous, perpetual brand reviews

- Improved customer retention
- Higher revenue per customer
- Focused investment in evolving brands
- Optimized event success and customer ROI

365-Day Engagement



- Daily content and insights across 20 industries
- Scaled B2B marketplace
- Increased cadence of online offerings

- New revenue streams
- Powerful first-party data
- Improved cross selling efforts

Portfolio Optimization



- Emerald Xcelerator
- Targeted accretive M&A
- Partnership opportunities

- New event and content launches in growth categories
- Platform acquisitions in new growth categories
- Tuck-in acquisitions in existing strategic categories

Acquisitions and New Event Launches Driving Portfolio Optimization

Strategic expansion into high growth industries and categories



New Event Launches Expected to Contribute 1-2 Percentage Points of Organic Revenue Growth per Year

Select New Event Launches from Xcelerator



Launched in May 2022

- New business unit dedicated to launching dynamic brands in emerging and high-growth markets
- Focused on new brands with an expected run rate of 4 – 6 shows per year



Launched in July 2023

- Entered long-term partnership with the NBA to launch fan events and festivals globally adjacent to high profile NBA events such as the All Star Game, NBA Draft and NBA Summer League
- Expect to ramp to multiple events, including international locations



Launched June 2023

- Leveraging the expertise of the Lodestone team, launched a consumer adventure travel and lifestyle show in June 2023
- Leads into Emerald's high profile Outdoor Retailer event



Returned June 2023

- Educational platform that bridges business and Web3 innovation
- Will host second iteration at Retail Innovation Conference and Expo (RICE) with a focus on retail sector applications



Launched in Sept. 2023

- B2B event dedicated to the Latin food and beverage sector
- Strengthens Emerald's portfolio of leading food & beverage brands

Recent Acquisitions



B2B e-commerce SaaS platform



Premier global B2B event and thought leadership platform with a global presence



Leading product database and integrator service provider for commercial AV



Producer of Overland Expo adventure travel shows



Leading national trade show focused on educational spaces and equipment



Subscription-based photography business education and e-learning service + conference



Leading B2B media company in the cannabis industry with portfolio of media brands + widely attended annual expo



Wholesale online marketplace platform to be combined with Emerald's iconic NY NOW brand

Year-to-Date 2023 Financial Highlights and Current Liquidity Position



Emerald experienced year over year growth across all categories as recovery momentum continues

Earnings Results

- Revenues of \$281.3 million
- Diluted loss per share of (\$0.33)
- Net income of \$9.7 million
- Adjusted EBITDA excluding insurance proceeds of \$59.1 million⁽¹⁾
- Free cash flow excluding insurance proceeds of \$12.5 million⁽²⁾

Highlights and Developments

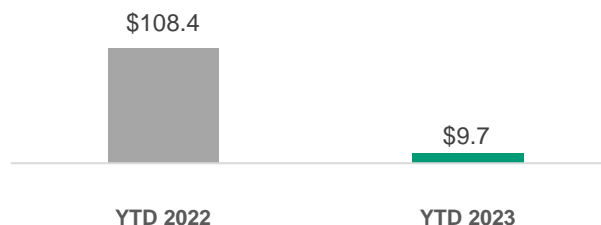
- Hosted first NBA Con fan event in Las Vegas in July as part of partnership with the NBA
- Hosted first iteration of Cocina Sabrosa in Irving, TX in September, serving the Latin food industry
- Events business account for 88% of YTD revenues

Balance Sheet (as of 9/30/2023)

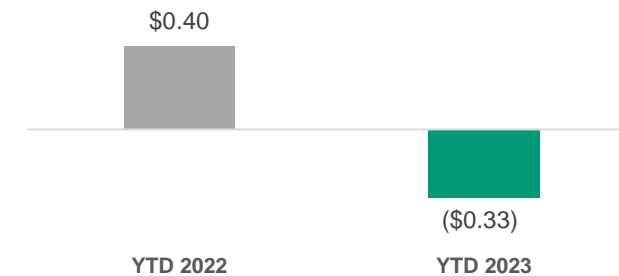
- \$200.3 million of cash and cash equivalents
- Full availability on \$110 million revolver.
- Net debt of \$214.0 million, including \$414.3 million outstanding term loan balance
- Paid September 30th dividend on convertible preferred shares in cash, avoiding the issuance of 2.4 million shares on an as-converted basis

Net Income

(\$ in Millions)



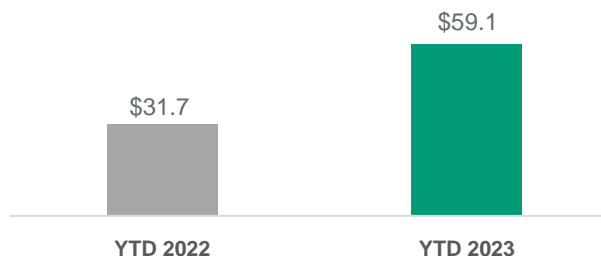
Diluted Income (Loss) Per Share



Adj. EBITDA⁽¹⁾

(\$ in Millions)

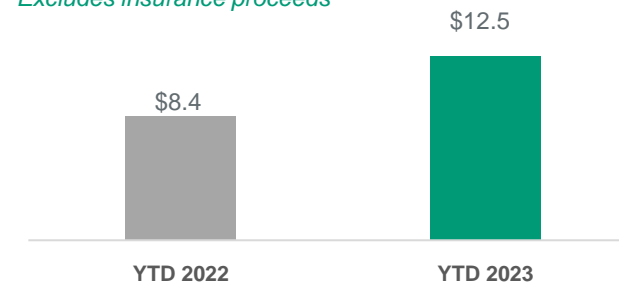
Excludes insurance proceeds



Free Cash Flow⁽²⁾

(\$ in Millions)

Excludes insurance proceeds



⁽¹⁾ See slide 13 of this presentation for a reconciliation of Net Income (Loss) to Adjusted EBITDA and Adjusted EBITDA excluding event cancellation insurance proceeds.

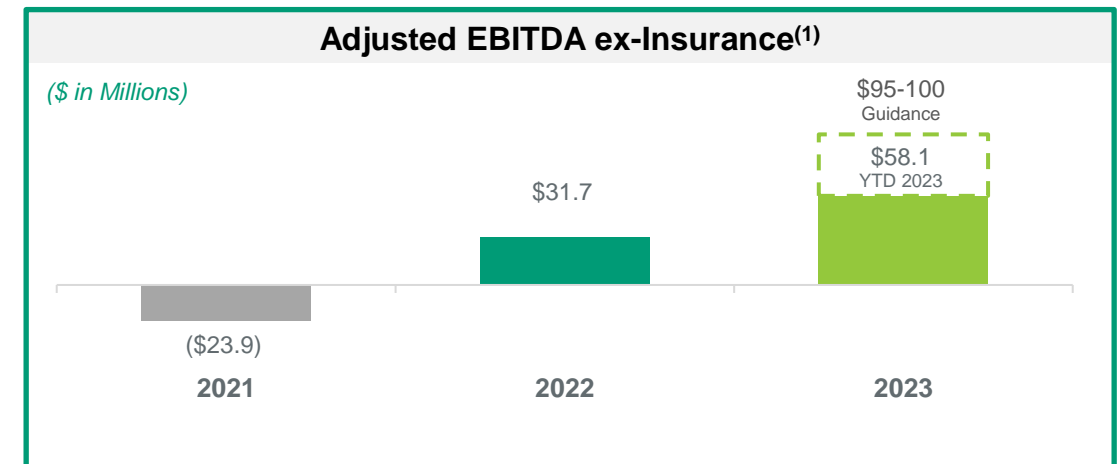
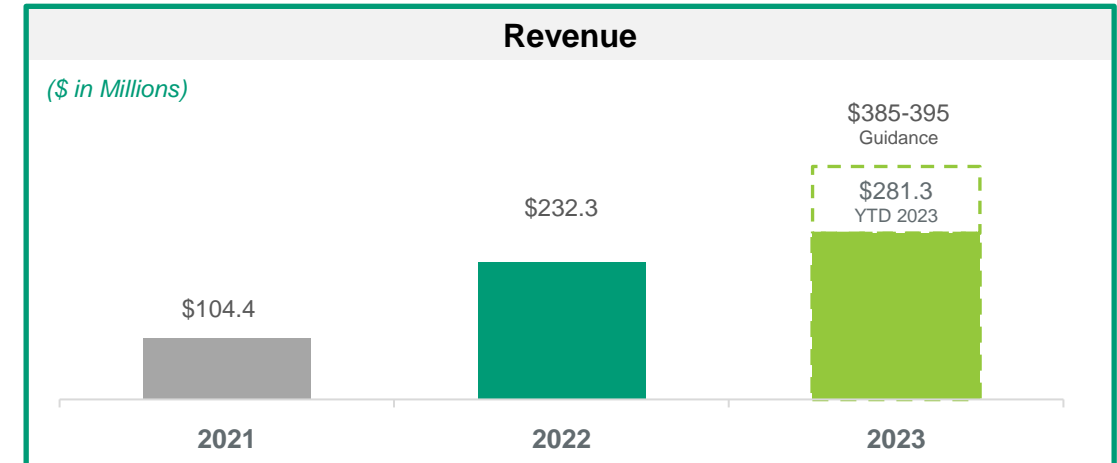
⁽²⁾ The calculation of third quarter 2023 Free Cash Flow excluding event cancellation insurance proceeds, net, includes non-recurring acquisition related transaction costs of \$0.9 million, acquisition integration, restructuring-related transition costs of \$1.4 million, and non-recurring legal, audit and consulting fees of \$0.8 million. The calculation of third quarter 2022 Free Cash Flow excluding event cancellation insurance proceeds, net, includes insurance settlement expenses of \$7.0 million, contingent consideration paid in excess of the original estimate of \$2.1 million, acquisition related transaction costs of \$0.6 million, integration-related transition costs of \$1.6 million, and non-recurring legal and consulting fees of \$0.8 million. The total of these items is \$3.1 million and \$12.1 million for the quarters ended September 30, 2023 and 2022, respectively.

2023 Guidance Signals Covid Recovery and Company Growth



2023 Guidance

- Updated FY 2023 Revenue now expected in the range of \$385-395 million
- Updated FY 2023 Adjusted EBITDA now expected in the range of \$95-100 million
- FY 2023 Free Cash Flow expected in the range of \$50-60 million⁽¹⁾



- ❖ On average, revenue per event is progressing toward normalized levels
- ❖ Guidance implies ~25% Adj. EBITDA margins, with room for continued improvement to pre-COVID margins of ~35%+
- ❖ Year-to-date Free Cash Flow consistent with expected seasonal patterns

⁽¹⁾ See slide 14 of this presentation for a reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow.

⁽²⁾ See slide 13 of this presentation for a reconciliation of Net (Loss) Income to Adjusted EBITDA and Adjusted EBITDA excluding event cancellation insurance proceeds.

Conservative Balance Sheet and Strong Liquidity: Capital Structure As of September 30, 2023



Convertible Preferred Shares

- Issued \$400M of Convertible Preferred Stock in 2020 during COVID business disruption
- Beginning in Q3 2023, Emerald may elect each quarter to pay the 7% per annum dividend in cash vs. in-kind (accretion to liquidation preference)
- Emerald can force conversion of preferred shares if common stock price exceeds \$6.16 for 20 consecutive trading days

Debt

- Full availability on \$110 million revolver
- \$403.0 million term loan balance outstanding (net of discount and fees) as of September 30, 2023

Common Shares Outstanding	62.9M
Preferred Shares	
Liquidation Preference per Share as of September 30, 2023	\$6.90
Initial Conversion Price	/ 3.52
Common Shares per Converted Preferred Share	= 1.96 shares
Convertible Preferred Shares Outstanding	× 71.4M
Additional Common Shares from Preferred Conversion	= 139.9M
Total Shares (as-converted basis)	202.8M

Debt ⁽¹⁾	\$414.3
Cash and Cash Equivalents	\$200.3
Net Debt	\$214.0
Trailing Twelve Month EBITDA ⁽²⁾	\$88.5
Net Debt / EBITDA	2.4x

\$ in millions

⁽¹⁾ Debt includes outstanding gross balance of term loan.

⁽²⁾ Consolidated trailing twelve month EBITDA as of September 30, 2023 as defined in Amended and Restated Senior Secured Credit Facilities.



▼ Appendix

Adjusted EBITDA



UNAUDITED RECONCILIATION OF NET (LOSS) INCOME TO ADJUSTED EBITDA

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
	(dollars in millions) (unaudited)			
Net income	\$ 10.7	\$ 93.0	\$ 9.7	\$ 108.4
Add (deduct):				
Interest expense, net	10.5	6.0	26.5	14.4
Loss on extinguishment of debt	—	—	2.3	—
(Benefit from) provision for income taxes	(22.3)	28.2	(24.0)	30.3
Goodwill impairment charge ⁽¹⁾	—	—	—	6.3
Intangible asset impairment charge ⁽²⁾	—	—	—	1.6
Depreciation and amortization	8.8	14.7	35.2	43.0
Stock-based compensation	1.9	1.3	5.9	5.0
Deferred revenue adjustment	—	0.2	—	0.6
Other items ⁽³⁾	1.2	6.3	6.3	4.9
Adjusted EBITDA	<u>\$ 10.8</u>	<u>\$ 149.7</u>	<u>\$ 61.9</u>	<u>\$ 214.5</u>
Deduct:				
Event cancellation insurance proceeds	2.8	151.0	2.8	182.8
Adjusted EBITDA excluding event cancellation insurance proceeds	<u>\$ 8.0</u>	<u>\$ (1.3)</u>	<u>\$ 59.1</u>	<u>\$ 31.7</u>

- For the nine months ended September 30, 2022, represents non-cash charges of \$6.3 million for goodwill in connection with the Company's interim testing of goodwill for impairment resulting from the change in operating segments and reporting units that occurred in the first quarter of 2022.
- Intangible asset impairment charges for the nine months ended September 30, 2022 represent non-cash charges of \$1.6 million for certain indefinite-lived intangible assets in connection with the Company's interim testing of intangibles for impairment.
- Other items for the three months ended September 30, 2023 included: (i) \$0.9 million in acquisition-related transaction costs; (ii) \$1.4 million in acquisition integration and restructuring-related transition costs, including one-time severance expense of \$0.6 million; (iii) \$0.8 million in non-recurring legal, audit and consulting fees and (iv) \$1.9 million in gains related to the remeasurement of contingent consideration. Other items for the three months ended September 30, 2022 included: (i) \$3.7 million in gains related to the remeasurement of contingent consideration; (ii) \$0.8 million in non-recurring legal, audit and consulting fees; (iii) \$0.6 million in acquisition-related transaction costs; (iv) \$1.6 million in transition expenses and (v) \$7.0 million in insurance settlement related expenses. Other items for the nine months ended September 30, 2023 included: (i) \$1.8 million in acquisition-related transaction costs; (ii) \$4.0 million in acquisition integration and restructuring-related transition costs, including one-time severance expense of \$1.3 million; (iii) \$3.0 million in non-recurring legal, audit and consulting fees and (iv) \$2.5 million in gains related to the remeasurement of contingent consideration. Other items for the nine months ended September 30, 2022 included: (i) \$9.5 million in gains related to the remeasurement of contingent consideration; (ii) \$2.0 million in non-recurring legal, audit and consulting fees; (iii) \$3.4 million in acquisition-related transaction costs; (iv) \$1.9 million in transition expenses and (v) \$7.0 million in insurance settlement related expenses.

UNAUDITED RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO FREE CASH FLOW

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
	(dollars in millions) (unaudited)			
Net Cash Provided by Operating Activities	\$ 8.5	\$ 153.5	\$ 24.7	\$ 198.7
Less:				
Capital expenditures	3.0	2.6	9.4	7.5
Free Cash Flow	\$ 5.5	\$ 150.9	\$ 15.3	\$ 191.2
Event cancellation insurance proceeds	(2.8)	(151.0)	(2.8)	(182.8)
Free cash flow excluding event cancellation insurance proceeds, net	\$ 2.7	\$ (0.1)	\$ 12.5	\$ 8.4