

Appendix F

Six Month Period Ending June 30, 2020 Combined Operating Loss for Exhibition Place and Beanfield Centre

Since the City of Toronto and Provincial Public Health Officials made the decision to cancel all programs and events due to the Covid-19 situation, Exhibition Place has been processing cancellations and postponements of many of its 2020 contracted events.

The Boards operations are highly dependent on the cash flow and net income from our trade and consumer shows, conferences, conventions, socials, galas, meetings and tenants operations.

The loss of net income and cash flow is a concern not only to Exhibition Place but also to the City of Toronto as the Board operates, manages and maintains Exhibition Place on behalf of the City and the City is entitled to any surplus resulting from the Board's activities and is responsible for any deficit the Board incurs.

Since the decision was made to cancel all events in early March due to Covid-19, it has had an unfavourable impact on year-to-date Q2 results. The preliminary results for the combined Exhibition Place and Beanfield Centre for the six (6) months ending June 30, 2020 before net naming fees, building loan interest and amortization expense for the Beanfield Centre was a net loss of (\$1,080,886) compared to a budgeted operating income of \$893,580 for an unfavourable variance of (\$1,974,466).

Due to the impact of Covid-19 management has made efforts to reduce Indirect Costs through cost cutting measures specifically related to Indirect Costs. This effort has lead to our combined Indirect Costs of \$14,221,614 being favourable to budget by \$1,662,011. Indirect expenses include costs from various departments; these are Chief Executive Officer, Chief Financial Officer and Corporate Secretary, General Manager, Accounting Services, Marketing/Event Services, Records & Archives, Purchasing & Stores, Human Resources, Security, Operations, Facilities, Utilities, Special Appropriations, Telecommunications and wages & materials for base building upkeep and general maintenance of the grounds.